

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q/A

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended June 30, 2012

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 001-31671

GLOBALWISE INVESTMENTS, INC.
(Exact name of registrant as specified in its charter)

Nevada 87-0613716
(State or Other Jurisdiction of Incorporation or Organization) (I.R.S. Employer Identification No.)

2190 Dividend Drive 43228
Columbus, Ohio
(Address of Principal Executive Offices) (Zip Code)

(614) 388-8909
(Registrant's telephone number, including area code)

2157 S. Lincoln Street Salt Lake City, Utah, 84106
(Former name and former address, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

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 definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Non-accelerated filer

(Do not check if a smaller reporting company)

Accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act): Yes No

As of August 10, there were 32,590,850 shares of the issuer's common stock outstanding.

Explanatory Note

Globalwise Investments, Inc. (the "Company") is filing this Quarterly Report on Form 10-Q/A for the quarter ended June 30, 2012, because a short while ago, our financial printer and Edgar filer, filed an incorrect version of the Company's Form 10-Q. All reference in this Form 10-Q/A to "Quarterly Report to Form 10-Q" are intended to be references to Quarterly Report on this Form 10-Q/A.

GLOBALWISE INVESTMENTS, INC.
Form 10-Q
June 30, 2012
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Part I Financial Information
Item 1. Financial Statements

GLOBALWISE INVESTMENTS, INC.
Condensed Consolidated Balance Sheets

	<u>(Unaudited)</u> <u>June 30,</u> <u>2012</u>	<u>December 31,</u> <u>2011</u>
ASSETS		
Current assets:		
Cash	\$ 17,366	\$ 140,271
Accounts receivable, net	400,168	335,453
Prepaid expenses and other current assets	44,835	18,398
Total current assets	462,369	494,122
Property and equipment, net	72,112	32,771
Other assets	41,400	46,404
Total assets	<u>\$ 575,881</u>	<u>\$ 573,297</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued expenses	\$ 999,909	\$ 389,080
Accrued expenses, related parties	17,494	-
Deferred revenues	745,975	964,043
Notes payable - current	1,417,203	747,778
Notes payable - related party - current	300,000	-
Total current liabilities	3,480,581	2,100,901
Long-term liabilities:		
Deferred compensation	234,107	215,011
Notes payable - net of current portion	1,385,029	1,528,915
Notes payable - related party	276,707	262,707
Deferred interest expense	34,564	17,063
Other long-term liabilities - related parties	171,575	157,859
Total long-term liabilities	2,101,982	2,181,555
Total liabilities other than shares	5,582,563	4,282,456
Shares subject to mandatory redemption		111,235
Total liabilities	5,582,563	4,393,691
Commitments and contingencies		
Excess of liabilities over assets (deficit)	-	(3,820,394)
Total liabilities and excess of liabilities over assets (deficit)	<u>5,582,563</u>	<u>573,297</u>
Stockholders' deficit:		
Common stock, \$0.001 par value, 50,000,000 shares authorized; 32,590,850 shares issued and outstanding at June 30, 2012	32,591	-
Additional paid-in capital (deficit)	(52,975)	-
Accumulated deficit	(4,986,298)	-
Total stockholders' deficit	(5,006,682)	-
Total liabilities and excess of liabilities over assets (deficit) and stockholders' deficit	<u>\$ 575,881</u>	<u>\$ 573,297</u>

See notes to these condensed consolidated financial statements.

GLOBALWISE INVESTMENTS, INC. and SUBSIDIARY
Condensed Consolidated Statements of Operations
(Unaudited)

	<u>For the Three Months Ended June 30,</u>		<u>For the Six Months Ended June 30,</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Revenues:				
Sale of software licenses without modification	\$ 34,939	\$ 19,925	\$ 56,678	\$ 36,800
Sale of software licenses with substantive modification	393,403	227,979	413,395	242,764
Software as a service	24,596	37,910	53,637	69,327
Software maintenance services	195,857	160,209	373,308	314,242
Consulting services	238,490	136,028	350,595	158,044
Total revenues	887,285	582,051	1,247,613	821,177
Cost of revenues:				
Sale of software licenses without modification	14,627	5,084	31,832	9,451
Sale of software licenses with substantive modification	109,229	121,052	262,855	229,490
Software as a service	7,364	6,930	13,894	13,516
Software maintenance services	36,404	29,449	61,284	52,172
Consulting services	122,538	54,875	224,244	116,904
Total cost of revenues	290,162	217,390	594,109	421,533
Gross profit	597,123	364,661	653,504	399,644
Operating expenses:				
General and administrative	348,976	278,773	1,169,198	501,631
Sales and marketing	323,439	132,524	645,333	266,925
Depreciation	7,647	10,339	14,437	21,133
Total operating expenses	680,062	421,636	1,828,968	789,689
Loss from operations	(82,939)	(56,975)	(1,175,464)	(390,045)
Interest expense, net	(72,311)	(36,064)	(127,659)	(74,099)
Net loss	\$ (155,250)	\$ (93,039)	\$ (1,303,123)	\$ (464,144)
Basic and diluted net loss per share:	\$ -	\$ -	\$ (0.04)	\$ (0.02)
Weighted average number of common shares outstanding - basic and diluted	32,590,850	22,757,100	31,589,531	22,757,100

See notes to these condensed consolidated financial statements.

GLOBALWISE INVESTMENTS, INC. and SUBSIDIARY
Condensed Consolidated Statement of Excess of Liabilities Over Assets (Deficit) and Stockholders' Deficit
For the Six Months Ended June 30, 2012
(Unaudited)

	Excess of Liabilities Over Assets (Deficit)	Common Stock		Due from Stockholders	Additional Paid-in Capital (Deficit)	Accumulated Deficit	Total
		Shares	Amount				
Balance, January 1, 2012	\$ (3,820,394)	-	\$ -	\$ -	\$ -	\$ -	\$ -
Effect of termination of the mandatory redemption feature of common stock	3,820,394	28,034,850	28,035	(5,600)	(48,419)	(3,683,175)	(3,709,159)
Receipt of amounts due from stockholders	-	-	-	5,600	-	-	5,600
Acquisition of Globalwise Investments, Inc.	-	4,556,000	4,556	-	(4,556)	-	-
Net loss	-	-	-	-	-	(1,303,123)	(1,303,123)
Balance, June 30, 2012	\$ -	<u>32,590,850</u>	<u>\$ 32,591</u>	<u>\$ -</u>	<u>\$ (52,975)</u>	<u>\$ (4,986,298)</u>	<u>\$ (5,006,682)</u>

See notes to these condensed consolidated financial statements.

GLOBALWISE INVESTMENTS, INC. and SUBSIDIARY
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	<u>For the Six Months June 30,</u>	
	<u>2012</u>	<u>2011</u>
Cash flows from operating activities:		
Net loss	\$ (1,303,123)	\$ (464,144)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	14,437	21,133
Amortization of deferred financing costs	5,004	(9,762)
Changes in operating assets and liabilities:		
Accounts receivable	(64,716)	(128,937)
Prepaid expenses and other current assets	(26,437)	(7,210)
Other assets		
Accounts payable and accrued expenses	610,830	132,351
Other long-term liabilities - related parties	31,209	10,732
Deferred interest expense	17,501	-
Deferred revenues	(218,068)	78,248
Deferred compensation	19,096	71,635
Total adjustments	<u>388,856</u>	<u>168,189</u>
Net cash used in operating activities	<u>(914,267)</u>	<u>(295,954)</u>
Cash flows from investing activities:		
Repayment of equity receivable	5,600	-
Purchases of property and equipment	(53,778)	(5,275)
Net cash used in investing activities	<u>(48,178)</u>	<u>(5,275)</u>
Cash flows from financing activities:		
Proceeds from notes payable	\$ 661,056	\$ 235,000
Proceeds from notes payable - related parties	314,000	87,500
Repayment of notes payable	(135,516)	(22,375)
Repayment of notes payable - related parties	-	(22,440)
Net cash provided by financing activities	<u>839,540</u>	<u>277,685</u>
Net increase (decrease) in cash	(122,905)	(23,544)
Cash - beginning of period	<u>140,271</u>	<u>34,014</u>
Cash - end of period	<u>\$ 17,366</u>	<u>\$ 10,470</u>
Supplemental disclosure of cash flow information: Cash paid during the period for interest and taxes	<u>\$ 40,103</u>	<u>\$ 47,981</u>

See notes to these condensed consolidated financial statements.

GLOBALWISE INVESTMENTS, INC. AND SUBSIDIARY
Notes to Condensed Consolidated Financial Statements

1. Business Organization and Nature of Operations

Globalwise Investments, Inc. (“Globalwise”) is a Nevada holding company incorporated in 1997, with a single operating subsidiary, Intellinetics, Inc. (“Intellinetics”), together (the “Company”). On February 10, 2012 (the “Closing Date”), Globalwise entered into a Securities Exchange Agreement (the “Exchange Agreement”) by and between itself and Intellinetics. Pursuant to the terms of the Exchange Agreement, all of the former shareholders of Intellinetics transferred to Globalwise all of their shares of Intellinetics in exchange for shares of common stock (“Share Exchange”) of Globalwise. Prior to the Share Exchange, Globalwise was a non-operating public shell company. As a result of the Share Exchange, Intellinetics became a wholly-owned subsidiary of Globalwise. The Share Exchange was accounted for as a reverse merger and recapitalization of Intellinetics (See Note 4 – Share Exchange). The Company is an enterprise content management (ECM) software development, sales and marketing company serving both the public and private sectors. In the public sector, the Company’s products, services and process models serve, principally, the critical needs of law enforcement and compliance agencies within the state and local government establishment. Intellinetics was formed in December 1996 as a corporation in the state of Ohio.

The Company provides its software solutions principally through (i) the direct licensing of its software installed on customer computer platforms and (ii) providing the applications as a service, accessible through the internet. The Company’s comprehensive solutions include services that range from pre-installation assessment, project scoping, implementation, consulting and ongoing software maintenance and customer support.

2. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with United States generally accepted accounting principles (“U.S. GAAP”) for interim financial information and the instructions to Form 10-Q and Article 8-03 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP. In the opinion of management, all adjustments (consisting of normal accruals) considered for a fair presentation of the condensed consolidated financial position of the Company as of June 30, 2012 and the condensed consolidated results of its operations and cash flows for the three and six months ended June 30, 2012 and June 30, 2011, have been included. The Company has evaluated subsequent events through the issuance of this Form 10-Q. Operating results for the three months and six months ended June 30, 2012 are not necessarily indicative of the results that may be expected for the year ending December 31, 2012 for any other interim period or any other future year. For further information, refer to the consolidated financial statements and footnotes thereto of Intellinetics for the year ended December 31, 2011 included as Exhibit 99.1 in the Company’s Form 8-K/A filed with the Securities and Exchange Commission on March 30, 2012.

3. Liquidity and Management’s Plans

Through June 30, 2012, the Company has incurred an accumulated deficit since inception of \$4,986,298. At June 30, 2012, the Company had a cash balance of \$17,366.

From the Company’s inception, it has generated revenues from the sales and implementation of its internally generated software applications.

The Company’s plan is to increase its sales and market share by developing an expanded network of resellers through which the Company will sell its expanded software product portfolio. The Company expects that this marketing initiative will require that it hire and develop an expanded sales force and enhance its product marketing efforts, all of which will require additional capital.

On the Closing Date, the Company consummated its merger and on that date, its shares began trading on the Over-the-Counter Quote Board under the symbol “GWIV”. The Company intends to deploy any additional capital it may raise to expand its sales and marketing capabilities, develop ancillary software products, enhance its internal infrastructure, support the accounting, auditing and legal costs of operating as a public company, and provide working capital.

3. Liquidity and Management's Plans, continued

The Company expects that through the next 10 to 16 months, the capital requirements to fund the Company's growth and to cover the operating costs of a public company will consume substantially all of the cash flows that it intends to generate from its operations, as well as from the proceeds of intended issuances of debt and equity securities, if consummated. The Company further believes that during this period, while the Company is focusing on the growth and expansion of its business, the gross profit that it expects to generate from operations will not generate sufficient funds to cover these anticipated operating costs. Accordingly, the Company requires external funding to sustain operations and to follow through on the execution of its business plan. There is no assurance that the Company's plans as discussed above will materialize and/or that the Company will be successful in funding estimated cash shortfalls through additional debt or equity capital and through the cash generated by the Company's operations. Given these conditions, the Company's ability to continue as a going concern is contingent upon it being able to secure an adequate amount of debt or equity capital to enable it to meet its cash requirements. In addition, the Company's ability to continue as a going concern must be considered in light of the problems, expenses and complications frequently encountered by entrants into established markets, the competitive environment in which the Company operates and the current capital raising environment. These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern.

Since inception, the Company's operations have primarily been funded through a combination of operating margins, state business development loans, bank loans and loans from friends and family. Although management believes that the Company has access to capital resources, there are currently no commitments in place for new financing at this time, and there is no assurance that the Company will be able to obtain funds on commercially acceptable terms, if at all.

During the six months ended June 30, 2012, the Company raised \$975,056 in net new funds through the issuance of both conventional and contingently convertible notes. The proceeds from these notes were used to fund the Company's working capital needs and the costs of the Share Exchange.

The Company intends to raise a minimum of \$2,000,000 during the years 2012 and 2013 through a private placement of debt and equity securities or some other financing source. The funds raised through this private placement will be used to fund the Company's operations, including the costs that it expects to incur as a public company, and most importantly, to fund the Company's plans to increase staff and operations to complete the build-out of its expanded reseller network which the Company believes will enable it to expand into additional markets and deepen its penetration of existing markets. The current level of cash and operating margins is not enough to cover the existing fixed and variable obligations of the Company, so increased revenue performance and the addition of capital are critical to the Company's success. Should the Company not be able to raise these additional funds through the private placement or some other financing source, the Company would take one or more of the following actions to help it conserve cash, including (i) limiting the hiring of additional personnel, (ii) reducing existing staffing, (iii) deferring the payment of compensation to its key employees, (iv) negotiating extended payment terms to vendors, advisors and consultants and (v) offering incentives to customers which would reward the early remittance of payments to the Company.

Assuming that the Company is successful in its growth plans and development efforts, the Company believes that it will be able to raise additional funds through sales of its common stock, issuance of debt or some other financing. There is no guarantee that the Company will be able to raise these additional funds or do so on acceptable terms.

The Company's financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should it be unable to continue as a going concern.

4. Share Exchange

On the Closing Date, Intellinetics was acquired by Globalwise pursuant to the Share Exchange, with Intellinetics remaining as a wholly-owned subsidiary of Globalwise.

In connection with the consummation of the Share Exchange, (i) the stockholders of Intellinetics surrendered all of the issued and outstanding shares of Intellinetics capital stock and received, in exchange for such shares, an aggregate of 28,034,850 shares of common stock of Globalwise on a 4,650-for-1 basis which represented approximately 86% of the Company's total shares outstanding immediately following the closing of the transaction; and (ii) Intellinetics paid \$220,000 in advance of the closing and \$85,000 upon the closing of the Share Exchange to the stockholders of Globalwise to provide both a reimbursement of professional fees incurred by Globalwise and for the split-off of the net liabilities of Globalwise at closing.

4. Share Exchange, continued

The Share Exchange was accounted for as a “reverse merger”. Furthermore, the Share Exchange was deemed to be a recapitalization of Intellinetics, and as such, all capital accounts have been restated as if the Share Exchange had occurred prior to the earliest period presented. Intellinetics was deemed to be the acquirer in the Share Exchange for accounting purposes. Consequently, the assets and liabilities and the historical operations of the Company that will be reflected in the financial statements prior to the Share Exchange will be those of Intellinetics, and the consolidated financial statements of the Company after completion of the Share Exchange will include the assets and liabilities of Intellinetics, historical operations of Intellinetics and operations of Intellinetics from the Closing Date of the Share Exchange.

5. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions. Such estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses. Actual results could differ from estimated amounts. Significant estimates and assumptions include reserves related to receivables, the recoverability of long-term assets, depreciable lives of property and equipment, deferred taxes and related valuation allowances. Certain other economic risks could affect the Company’s estimates. The Company’s management monitors these risks and assesses its business and financial risks on a quarterly basis.

Concentrations of Credit Risk

Cash: The Company maintains its cash with high credit quality financial institutions. At times, the Company’s cash and cash equivalents may be uninsured or in deposit accounts that exceed the Federal Deposit Insurance Corporation insurance limit.

Accounts Receivable: The number of customers that comprise the Company’s customer base, along with the different industries, governmental entities and geographic regions, in which the Company’s customers operate, limits concentrations of credit risk with respect to accounts receivable. The Company does not generally require collateral or other security to support customer receivables; however, the Company may require its customers to provide retainers, up-front deposits or irrevocable letters-of-credit when considered necessary to mitigate credit risk. The Company has established an allowance for doubtful accounts based upon facts surrounding the credit risk of specific customers and past collections history. Credit losses have been within management’s expectations. At both June 30, 2012 and 2011, the Company had allowances for doubtful accounts of \$16,175, respectively.

Property and Equipment

Property and equipment and leasehold improvements are stated at cost less accumulated depreciation and amortization. Depreciation and amortization is computed over the estimated useful lives of the related assets on a straight-line basis. Furniture and fixtures, computer hardware and purchased software are depreciated over 3 to 7 years. Leasehold improvements are amortized over the life of the lease or the asset, whichever is shorter, generally 7 to 10 years. Upon retirement or other disposition of these assets, the cost and related accumulated depreciation and amortization of these assets are removed from the accounts and the resulting gains and losses are reflected in the results of operations.

Impairment of Long-Lived Assets

The Company accounts for the impairment and disposition of long-lived assets in accordance with Accounting Standards Codification (“ASC”) Topic 360, “Property, Plant, and Equipment.” The Company tests long-lived assets or asset groups, such as property and equipment, for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant adverse changes in the business climate or legal factors; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and a current expectation that the asset will more likely than not be sold or disposed of before the end of its estimated useful life.

5. Summary of Significant Accounting Policies, continued

Impairment of Long-Lived Assets, continued

Recoverability is assessed based on comparing the carrying amount of the asset to the aggregate pre-tax undiscounted cash flows expected to result from the use and eventual disposal of the asset or asset group. Impairment is recognized when the carrying amount is not recoverable and exceeds the fair value of the asset or asset group. The impairment loss, if any, is measured as the amount by which the carrying amount exceeds fair value, which for this purpose is based upon the discounted projected future cash flows of the asset or asset group.

Revenue Recognition

a) Sale of software licenses without modification

The Company recognizes revenues in accordance with ASC Topic 985-605, "Software Revenue Recognition" ("ASC 985-605").

The Company records revenues from the sale of software licenses when persuasive evidence of an arrangement exists, the software product has been installed, there are no significant uncertainties surrounding product acceptance by the customer, the fees are fixed and determinable, and collection is considered probable. Revenues included in this classification typically include sales of additional software licenses to existing customers and sales of software to the Company's Resellers (See section h) – Reseller agreements, below).

The Company assesses whether payment terms are customary or extended in accordance with normal practice relative to the market in which the sale is occurring. The Company's sales arrangements include standard payment terms. These terms effectively relate to all customers, products, and arrangements regardless of customer type, product mix or arrangement size.

If an undelivered element for the arrangement exists under the license arrangement, revenues related to the undelivered element are deferred based on vendor specific objective evidence ("VSOE") of the fair value of the undelivered element. Often, multiple-element sales arrangements include arrangements where software licenses and the associated post-contract customer support ("PCS") are sold together. The Company has established VSOE of the fair value of the undelivered PCS element based on the contracted price for renewal PCS included in the original multiple element sales arrangement, as substantiated by contractual terms and the Company's significant PCS renewal experience, from the Company's existing customer base.

On March 29, 2012, the Company issued a promissory note, dated March 29, 2012, in the principal amount of \$238,000 in favor of Ramon M. Shealy, a director of the Company, at an interest rate of 10% for the term of the promissory note (the "\$238,000 Promissory Note"). The \$238,000 Promissory Note had a maturity date of June 27, 2012. All past-due principal and accrued and past-due interest on the \$238,000 Promissory Note shall bear interest until paid at the rate of 13%. Pursuant to the \$238,000 Promissory Note, the Company made certain customary representations, warranties and covenants. Payment of indebtedness under the \$238,000 Promissory Note may be accelerated upon a default in payment or in any of the terms, covenants, agreements, conditions or provisions of the \$238,000 Promissory Note, if not cured pursuant to the terms therein, or in the event of any insolvency or bankruptcy of the Company. The \$238,000 Promissory Note is filed as Exhibit 10.44 to the Current Report on Form 8-K/A filed on March 30, 2012. The summary of the terms of the \$238,000 Promissory Note contained herein is qualified in its entirety by reference such Exhibit 10.44.

On June 27, 2012, the parties extended the maturity date of the \$238,000 Promissory Note to August 27, 2012, without changing any other terms. The \$238,000 Promissory Note Extended on June 27, 2012 is filed as Exhibit 10.8 to this Quarterly Report on Form 10-Q. The summary of the terms of the \$238,000 Promissory Note Extended on June 27, 2012 contained herein is qualified in its entirety by reference to Exhibits 10.44 to the Current Report on Form 8-K/A filed on March 30, 2012 and 10.8 herein.

On November 15, 2011, the Company issued a promissory note, dated November 15, 2011, in the principal amount of \$300,000 in favor of Alpharion Capital Partners, Inc., an advisor who is a shareholder, at an interest rate of 3.25% per annum (the "\$300,000 Promissory Note"). The \$300,000 Promissory Note had a maturity date of May 13, 2012. Pursuant to the \$300,000 Promissory Note, the Company made certain customary representations, warranties and covenants. Payment of indebtedness under the \$300,000 Promissory Note may be accelerated upon a default in payment or a material default in any of the terms, covenants, agreements, conditions or provisions of the \$300,000 Promissory Note, if not cured pursuant to its terms, or in the event of any insolvency or bankruptcy of the Company. The \$300,000 Promissory Note is filed as Exhibit 10.9 to this Quarterly Report on Form 10-Q. The summary of the terms of the \$300,000 Promissory Note contained herein is qualified in its entirety by reference to Exhibit 10.9 herein.

On May 7, 2012, the parties extended the maturity date of the \$300,000 Promissory Note to August 11, 2012, without changing any other terms. The \$300,000 Promissory Note Extended on May 7, 2012 is filed as Exhibit 10.10 to this Quarterly Report on Form 10-Q. The summary of the terms of the \$300,000 Promissory Note Extended on May 7, 2012 contained herein is qualified in its entirety by reference to Exhibits 10.9 and 10.10 herein.

On August 10, 2012, the parties further extended the maturity date of the \$300,000 Promissory Note to July 1, 2013, without changing any other terms. The \$300,000 Promissory Note Extended on August 10, 2012 is filed as Exhibit 10.11 to this Quarterly Report on Form 10-Q. The summary of the terms of the \$300,000 Promissory Note Extended on August 10, 2012 contained herein is qualified in its entirety by reference to Exhibits 10.9, 10.10 and 10.11 herein.

b) Sale of software licenses with substantive modification

The Company records the revenues for the sales of software with substantive modification as prescribed by ASC 985-605, in accordance with the contract accounting guidelines in ASC 605-35, "Revenue Recognition: Construction-Type and Production-Type Contracts" ("ASC 605-35"), after evaluating for separation of any non-ASC 605-35 elements in accordance with the provisions of ASC 605-25, "Revenue Recognition: Multiple-Element Arrangements," as updated. The Company accounts for these contracts under the completed contract method, as the Company believes that this method is most appropriate. The contract is considered to be complete when persuasive evidence of an arrangement exists, the software has been installed on the customer's site, there are no significant uncertainties surrounding acceptance by the customer, the fees are fixed and determinable, and collection is considered probable.

The fair value of any undelivered elements in multiple-element arrangements in connection with the sales of software licenses with substantive modification are deferred based upon VSOE.

c) Sale of software as a service

Sale of software as a service consists of revenues from arrangements that provide customers the use of the Company's software applications, as a service, typically billed on a monthly or annual basis. Advance billings of these services are not recorded to the extent that the term of the arrangement has not commenced and payment has not been received.

5. Summary of Significant Accounting Policies, continued

Revenue Recognition, continued

d) Sale of software maintenance services

Software maintenance support revenues consist of revenues derived from arrangements that provide PCS to the Company's software license holders. These revenues are recognized ratably over the term of the contract. Advance billings of PCS are not recorded to the extent that the term of the PCS has not commenced and payment has not been received.

e) Sales of consulting services

Consulting services consist principally of revenues from consulting, advisory services, training and customer assistance with management and uploading of data into the Company's applications. When these services are provided on a time and material basis, the Company records the revenue as the services are rendered, since the revenues from services rendered through any point in time during the performance period are not contingent upon the completion of any further services. Where the services are provided under a fixed priced arrangement, the Company records the revenue on a proportional performance method, since the revenues from services rendered through any point in time during the performance period are not contingent upon the completion of any further services.

f) Deferred revenues

The Company records deferred revenue primarily related to software maintenance support agreements, when the customer pays for the contract prior to the time the services are performed. Substantially all maintenance agreements have a one-year term that commences immediately following the delivery of the maintained products or on the date of the applicable renewal period.

g) Rights of return and other incentives

The Company does not generally offer rights of return or any other incentives such as concessions, product rotation, or price protection and, therefore, does not provide for or make estimates of rights of return and similar incentives. The Company, from time to time, may discount bundled software sales with PCS services. Such discounts are recorded as a component of the software sale and any revenue related to PCS is deferred over the PCS period based upon appropriate VSOE of fair value.

h) Reseller agreements

The Company executes certain sales contracts through resellers and distributors (collectively, "Resellers"). The Company recognizes revenues relating to sales through Resellers when all the recognition criteria have been met—in other words, persuasive evidence of an arrangement exists, delivery has occurred in the reporting period, the fee is fixed and determinable, and collectability is probable. The Company recognizes revenues to Resellers only after the Reseller communicates to the Company the occurrence of end-user sales, since the Company does not have privity of contract with the end-user.

5. Summary of Significant Accounting Policies, continued

Advertising

The Company expenses the cost of advertising as incurred. Advertising expense for the three and six months ended June 30, 2012 and 2011 amounted to approximately \$8,857 and \$38,267, and \$0 and \$0, respectively.

Fair value of financial instruments

Carrying amounts of certain financial instruments, including cash accounts receivable and accounts payable (trade and accrued liabilities), approximate their fair value due to the relatively short period of time between origination of the instruments and their expected realization.

The fair value of the Company's total long-term debt approximates its carrying value.

New Pronouncements

In July 2012, the FASB issued ASU 2012-02, "Intangibles-Goodwill and Other (Topic 350): Testing Indefinite-Lived Intangible Assets for Impairment." This ASU simplifies how entities test indefinite-lived intangible assets for impairment which improve consistency in impairment testing requirements among long-lived asset categories. These amended standards permit an assessment of qualitative factors to determine whether it is more likely than not that the fair value of an indefinite-lived intangible asset is less than its carrying value. For assets in which this assessment concludes it is more likely than not that the fair value is more than its carrying value, these amended standards eliminate the requirement to perform quantitative impairment testing as outlined in the previously issued standards. The guidance is effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012, early adoption is permitted. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial position and results of operations.

Except for the ASUs above, in the period ended August 10, 2012, The FASB has issued ASU No. 2012-01 through ASU 2011-02, which is not expected to have a material impact on the consolidated financial statements upon adoption.

6. Property and Equipment

Property and equipment are comprised of the following:

	June 30, 2012	December 31, 2011
Computer hardware and purchased software	\$ 281,846	\$ 241,154
Leasehold improvements	220,166	215,680
Furniture and fixtures	88,322	79,722
	590,334	536,556
Less: accumulated depreciation and amortization	(518,222)	(503,785)
Property and equipment, net	\$ 72,112	\$ 32,771

Total depreciation and amortization expense on the Company's property and equipment for the three and six months ended June 30, 2012 and 2011 amounted to \$7,647 and \$14,437 and \$10,339 and \$21,133, respectively.

7. Notes Payable

On March 24, 2004, the Company issued a note payable to a bank for \$201,024, bearing a current interest rate of 6.25% per annum (the "Bank Loan"). Monthly principal and interest payments are \$3,826 each with the final payment due on April 30, 2014. The note is secured by the personal guarantees of the Company's founders, as well as a director of the Company. The guarantee by the director is secured by the pledge of the director's certificate of deposit in the amount of \$200,000. In addition, the note is secured by a senior secured interest on all business assets of the Company. The obligation is subject to certain covenants, which require that the Company maintain continuity of operations and which include limitations regarding the Company's indebtedness. In addition, the bank is a party to an intercreditor agreement involving Authority Loan No. 1 and Authority Loan No. 2 (together, the "Authority Loans"), as discussed and defined below, which provides for cross notifications between the lenders.

On July 17, 2009, the Company issued a note payable to the Ohio state development authority in the amount of \$1,012,500, bearing interest at a rate of 6.00% per annum ("Authority Loan No. 1"). This loan was funded to the Company in tranches, with \$742,479 received during 2009 and \$270,021 received during 2010. Pursuant to the terms of the loan, the Company was required to pay only interest through September 30, 2010 and then monthly principal and interest payments of \$23,779 each through September 30, 2015. The note is secured by a senior secured interest on all business assets financed with loan proceeds, as well as a second secured interest in all business assets. Upon maturity, by acceleration or otherwise, the Company shall pay a loan participation fee of \$101,250, which is accounted for as a loan premium, accreted monthly, utilizing the interest method, over the term of the loan.

On February 11, 2011 the Company issued a note payable to an advisor of the company in the amount of \$200,000, bearing interest at 5.00% per annum. The principal amount due under the note was increased to \$235,000, pursuant to an amendment to the note, dated June 21, 2011. The note was paid in full on July 18, 2011.

7. Notes Payable, continued

On June 3, 2011, the Company issued a note payable to the Ohio state development authority in the amount of \$750,000, bearing interest at a rate of 1% per annum for the first 12 months, then interest at a rate of 7% per annum for the second 12 months ("Authority Loan No. 2"). The Company is not obligated to remit payments of principal until September 1, 2013. The monthly principal and interest payments, beginning on the third anniversary of the loan origination, are \$14,850 and are payable on a monthly basis through July 13, 2017. The note is secured by a senior secured interest on all business assets financed with loan proceeds, as well as a second secured interest in all business assets. Upon maturity, by acceleration or otherwise, the Company shall pay a loan participation fee of \$75,000, which is accounted for as a loan premium, accreted monthly utilizing the interest method, over the term of the loan. The interest rate of 1% during the first 12 months of this loan was considered to be below market for that period. The Company further determined that over the life of the loan, the effective interest rate was 5.6% per annum. Accordingly, during the first 12 months of the loan, the Company recorded interest expense at the 5.6% rate per annum. The difference between the interest expense accrual at 5.6% and the stated rate of 1% over the first 12 months is credited to deferred interest. The deferred interest amount that is accumulated over the first 12 months of the loan term will be amortized as a reduction to interest expense over the remaining term of the loan. At June 30, 2012 and December 31, 2011, deferred interest of \$34,564 and \$17,063, respectively, was reflected within long-term liabilities on the accompanying condensed consolidated balance sheets.

The Authority Loans were granted to the Company in connection with the State of Ohio's economic development programs. The proceeds from these loans were used by the Company to support its efforts in developing software solutions for its customers.

These Authority Loans are subject to certain covenants and reporting requirements. The Company is required to provide quarterly financial information and certain management certifications. The Company was not in compliance with certain covenants for the Authority Loans through December 31, 2011. On February 10, 2012, the Company requested and received a waiver of non-compliance items relating to the Authority Loans. The Company is required to maintain its principal office in the State of Ohio and within three years of the respective loan origination dates of each of the Authority Loans, to have created and/or retained an aggregate of 25 full time jobs in the State of Ohio. Should the Company not have attained these employment levels by the respective dates, then the interest rates on the Authority Loans shall increase to 10% per annum. The Authority Loans are the subject of an intercreditor agreement involving the Bank Loan, which provides for cross notifications between the lenders in an event of a default.

As of June 30, 2012, the Company had notes payable to an advisor and shareholder, in varying amounts totaling \$1,003,556 (the "Notes Totaling \$1,003,556"). All of the Notes Totaling \$1,003,556 are unsecured and bear interest at 3.25% per annum. Of the Notes Totaling \$1,003,556, \$472,500 (the "Notes Totaling \$472,500") were issued as of December 31, 2011, and \$531,056 (the "Notes Totaling \$531,056") were issued as of June 30, 2012, respectively. The varying amounts of the Notes Totaling \$1,003,556 are indicated in the table below reflecting all notes payable except related party notes, at June 30, 2012 and December 31, 2011, respectively.

From January 17, 2012 to February 3, 2012, the Company issued a total of \$130,000 in contingently convertible notes to certain of its employees and friends and family of its officers and directors. Of the \$130,000 aggregate value of contingently convertible notes issued, \$50,000 of these notes were issued to relatives of the Company's founders and officers (See Note 8 – Notes Payable – Related Parties). Interest is charged on the convertible notes at an interest rate of 10% per annum. Each of the contingently convertible notes shall be due and payable on June 1, 2012 ("Maturity Date"). Provided the Company's common stock has traded for the 10 days immediately prior to the Maturity Date, the contingently convertible notes may be converted into newly issued shares of the Company's common stock at the holder's discretion (subject to a 12-month holding period pursuant to Rule 144 under the Securities Act of 1933, as amended) at a price equal to a 50% discount to the average closing price of the common stock as published on the Over-the-Counter Quote Board during the 90 trading days immediately preceding the Maturity Date, or such shorter number of trading days as the common stock has been publicly traded, as applicable. Otherwise, the contingently convertible notes shall be paid in immediately available funds on the Maturity date. See Note 15 – Subsequent Event for the treatment of the notes issued to certain employees and friends and family of the Company's officers and directors, incorporated herein by reference.

On June 6, 2012 the Company issued an unsecured note payable to an unrelated third party in the amount of \$50,000, bearing interest at 10.00% per annum. The principal and interest is due in full on September 4, 2012.

GLOBALWISE INVESTMENTS, INC. AND SUBSIDIARY
Notes to Condensed Consolidated Financial Statements

7. Notes Payable, continued

The table below reflects all notes payable at June 30, 2012 and December 31, 2011, respectively, including the notes comprising the Notes Totaling \$472,500 and the Notes Totaling \$531,056, with the exception of Note 8 - Notes Payable - Related Parties.

	June 30, 2012	December 31, 2011
Bank Loan, due April 30, 2014	\$ 78,030	\$ 98,122
Authority Loan No. 1, due August 19, 2015	840,646	956,071
Authority Loan No. 2, due July 13, 2017	750,000	750,000
Note payable dated September 8, 2011 to advisor, due September 2, 2012 (on March 6, 2012 maturity extended an additional 180 days)	17,500	17,500
Note payable dated October 7, 2011 to advisor, due August 19, 2012 (on July 2, 2012 maturity extended an additional 45 days)	7,500	7,500
Note payable dated November 1, 2011 to advisor, due September 11, 2012 (on May 7, 2012 maturity extended an additional 90 days and July 27, 2012 maturity extended an additional 45 days)	7,500	7,500
Note payable dated November 15, 2011 to advisor, due July 1, 2013 (on May 7, 2012 maturity extended an additional 90 days and August 10, 2012 maturity extended to July 1, 2013)	300,000	300,000
Note payable dated November 21, 2011 to advisor, due August 17, 2012 (on May 13, 2012 maturity extended an additional 90 days)	37,500	37,500
Note payable dated December 1, 2011 to advisor, due August 27, 2012 (on May 29, 2012 maturity extended an additional 90 days)	7,500	7,500
Note payable dated December 7, 2011 to advisor, due September 2, 2012 (on June 29, 2012 maturity extended an additional 90 days)	80,000	80,000
Note payable dated December 9, 2011 to advisor, due September 4, 2012 (on June 29, 2012 maturity extended an additional 90 days)	15,000	15,000
Note payable dated January 4, 2012 to advisor, due August 16, 2012 (on July 1, 2012 maturity extended an additional 45 days)	13,556	-
Note payable dated January 9, 2012 to advisor, due August 21, 2012 (on July 6, 2012 maturity extended an additional 90 days)	10,000	-
Note payable dated January 19, 2012 to advisor, due August 31, 2012 (on July 16, 2012 maturity extended an additional 45 days)	50,000	-
Note payable dated January 27, 2012 to advisor, due September 8, 2012 (on July 24, 2012 maturity extended an additional 45 days)	5,000	-
Note payable dated January 31, 2012 to advisor, due September 12, 2012 (on July 28, 2012, maturity extended an additional 45 days)	35,000	-
Note payable dated February 10, 2012 to advisor, due September 22, 2012 (on August 7, 2012 maturity extended an additional 45 days)	85,000	-
Note payable dated February 14, 2012 to advisor, due September 26, 2012 (on August 11, 2012 maturity extended an additional 45 days)	10,000	-

GLOBALWISE INVESTMENTS, INC. AND SUBSIDIARY
Notes to Condensed Consolidated Financial Statements

7. Notes Payable, continued

	June 30, 2012	December 31, 2011
Note payable dated February 15, 2012 to advisor, due September 27, 2012 (on August 12, 2012 maturity extended an additional 45 days)	15,000	-
Note payable dated February 20, 2012 to advisor, due August 18, 2012	7,500	-
Note payable dated March 9, 2012 to advisor, due September 5, 2012	104,000	-
Note payable dated March 14, 2012 to advisor, due September 10, 2012	15,000	-
Note payable dated March 15, 2012 to advisor, due September 11, 2012	6,500	-
Note payable dated April 17, 2012 to advisor, due October 14, 2012	7,500	-
Note payable dated April 24, 2012 to advisor, due October 21, 2012	24,000	-
Note payable dated May 10, 2012 to advisor, due November 6, 2012	55,000	-
Note payable dated May 21, 2012 to advisor, due November 17, 2012	50,000	-
Note payable dated June 13, 2012 to advisor, due December 10, 2012	38,000	-
Note payable dated June 6, 2012 to an unrelated third-party, due September 4, 2012	50,000	-
Contingently convertible notes payable June 1, 2012	80,000	-
Total notes payable	2,802,232	2,276,693
Less current portion	(1,417,203)	(747,778)
Long-term portion of notes payable	\$ 1,385,029	\$ 1,528,915

Future minimum principal payments of all notes payable with the exception of the related party notes in Note 8 - Notes Payable - Related Parties, as described in this Note 7 are as follows:

For the Twelve-Month Period Ended June 30,	Amount
2013	\$ 1,417,203
2014	399,774
2015	409,777
2016	218,173
2017	158,212
thereafter	199,093
Total	\$ 2,802,232

As of June 30, 2012 and December 31, 2011, accrued interest for all notes payable with the exception of the related party notes in Note 8 - Notes Payable - Related Parties, was \$95,345 and \$67,451, respectively, and was reflected within accrued expenses in the accompanying condensed consolidated balance sheets. As of June 30, 2012 and December 31, 2011, accrued loan participation fees were \$86,330 and \$66,682, respectively, and reflected within accrued expenses in the accompanying condensed consolidated balance sheets. As of June 30, 2012 and December 31, 2011, deferred financing costs were \$31,115 and \$36,119, respectively, and were reflected within other assets in the accompanying condensed consolidated balance sheets.

GLOBALWISE INVESTMENTS, INC. AND SUBSIDIARY
Notes to Condensed Consolidated Financial Statements

7. Notes Payable, continued

Included within interest expense for the three and the six months ended June 30, 2012 and 2011 was \$9,611 and \$19,648 and \$6,803 and \$13,606, respectively, of accrued loan participation fees and \$2,501 and \$4,051 and \$843 and \$1,405, respectively, of amortized deferred financing costs. Deferred financing costs are amortized over the lives of the respective loans.

For the three and the six months ended June 30, 2012 and 2011, interest expense, including the amortization of deferred financing costs, accrued loan participation fees and deferred interest and related fees, in connection with all notes payable with the exception of the related party notes in Note 8 - Notes Payable - Related Parties, described in this Note 7, was \$51,100 and \$99,665 and \$27,311 and \$58,497, respectively.

See Note 15 – Subsequent Event for extension of the term of certain notes referenced in this Note 7, additional notes issued, and the treatment of the notes issued to certain employees and friends and family of the Company’s officers and directors.

8. Notes Payable - Related Parties

On March 29, 2012, the Company issued a note payable to Ramon Shealy, a director of the Company, in the amount of \$238,000, bearing interest at a rate of 10% for the term of the note. All principal and interest was due and payable on June 27, 2012. On June 27, 2012, the maturity was extended an additional 60 days. On April 16, 2012 the Company issued a note payable to Ramon Shealy, a director of the Company in the amount of \$12,000 bearing interest at a rate of 10% for the term of the note. All principal and interest was due July 12, 2012. On July 12, 2012, the maturity was extended an additional 60 days.

Notes payable due to related parties consist of the following:

	June 30, 2012	December 31, 2011
Note payable, bearing interest at 8.65% per annum. Principal and unpaid interests are due on January 1, 2014.	\$ 157,292	\$ 157,292
Notes payable, bearing interest at 5.00% per annum. Principal and unpaid interest are due on January 1, 2014.	119,415	105,415
Contingently convertible notes payable, bearing interest at 10% per annum. Principal and unpaid interest due on June 1, 2012.	50,000	—
Note payable, bearing interest at 10% for the term of the note. Principal and unpaid interests are due on August 27, 2012.	238,000	—
Note payable, bearing interest at 10% for the term of the note. Principal and unpaid interest are due September 13, 2012.	12,000	—
Total notes payable - related party	\$ 576,707	\$ 262,707
Less current portion	(300,000)	—
Long-term portion of notes payable-related party	\$ 276,707	\$ 262,707

8. Notes Payable - Related Parties, continued

Future minimum principal payments of these notes payable as described in this Note 8 are as follows:

For the Twelve Months Ended June 30,	Amount
2013	\$ 300,000
2014	276,707
Total	\$ 576,707

As of June 30, 2012 and December 31, 2011, accrued interest for these notes payable-related parties amounted to \$189,069 and \$157,859, respectively. Of these amounts, \$17,494 and \$0, respectively, is reflected within accrued expenses, related parties, and \$171,575 and \$162,138, respectively, is reflected within other long-term liabilities-related parties on the accompanying condensed consolidated balance sheets.

For the three and six months ended June 30, 2012 and 2011, interest expense in connection with notes payable – related parties was \$21,211 and \$26,933 and \$8,753 and \$15,605, respectively.

See Note 15 - Subsequent Event for conversion of the contingently convertible notes payable, (in aggregate amount of \$50,000) bearing interest at 10% per annum, due June 1, 2012.

9. Deferred Compensation

Deferred compensation consists of accumulated compensation earned by the Company's two founders and the President and CEO and not paid as of June 30, 2012 and December 31, 2011. Pursuant to the Company's employment agreements with the founders, the Company has agreed to pay \$215,012 deferred compensation in cash to these founders on March 31, 2015.

10. Shares Subject to Mandatory Redemption

As described in Note 13 – Excess of Liabilities over Assets (deficit), Intellinetics and its stockholders entered into an agreement dated January 1, 2000, providing for the mandatory redemption of outstanding shares upon the death of any such stockholder at approximately \$0.02 per common share. On November 30, 2011, Intellinetics and its stockholders executed an amended stockholder agreement ("Amended Stockholder Agreement") by which the price for the re-purchase of shares after November 30, 2011, was reduced to approximately \$0.004 per common share, or a redemption obligation of \$111,235. The Amended Stockholder Agreement was entered into between Intellinetics and all of its stockholders, effective upon each of their respective acquisitions of shares. Accordingly, all of Intellinetics' outstanding shares were subject to repurchase under the terms of this agreement. Intellinetics accounted for these shares in accordance with ASC 480, "Mandatorily Redeemable Financial Instruments" and had presented the associated mandatory redemption obligation as Shares Subject to Mandatory Redemption in the liabilities section of the accompanying condensed consolidated balance sheets at December 31, 2011.

In connection with the Share Exchange, on February 10, 2012, the Amended Stockholder Agreement was terminated. Accordingly, on February 10, 2012, the redemption obligation of \$111,235 was reversed and credited to accumulated deficit. The Company determined that the fair value of the redemption obligation at February 10, 2012, immediately prior to the reversal, was \$111,235.

11. Commitments and Contingencies

Employment Agreements

The Company has entered into employment agreements with three of its key executives. Under their respective agreements, the executives serve at will and are bound by typical confidentiality, non-solicitation and non-competition provisions.

Operating Leases

On January 1, 2010, the Company entered into an agreement to lease 6,000 rentable square feet of office space in Columbus, Ohio at a monthly rent of \$3,375. The lease commenced on January 1, 2010 and, pursuant to a lease extension dated February 21, 2012, the lease expires on December 31, 2014.

Future minimum lease payments under this operating lease is as follows:

For the Twelve Months Ended June 30,	Amount
2013	\$ 40,500
2014	40,500
2015	20,250
Total	<u>\$ 101,250</u>

Rent expense charged to operations for the three and six months ending June 30, 2012 and June 30, 2011 amounted to \$10,125 and \$20,250 and \$10,125 and \$20,250 respectively.

Financing of Insurance Policy

On March 15, 2012, the Company entered into a financing agreement related to the purchase of an insurance policy for Directors and Officers. The financed amount of \$18,387 is included in accrued expenses on the accompanying condensed consolidated balance sheets. The Company incurred financing charges of \$1,061 in connection with the financing agreement, which is included in interest expense on the accompanying condensed consolidated statement of operations.

12. Stockholders' Equity

Description of Authorized Capital

The Company is authorized to issue up to 50,000,000 shares of common stock with \$0.001 par value. The holders of the Company's common stock are entitled to one vote per share. The holders of common stock are entitled to receive ratably such dividends, if any, as may be declared by the Board of Directors out of legally available funds. However, the current policy of the Board of Directors is to retain earnings, if any, for the operation and expansion of the business. Upon liquidation, dissolution or winding-up of the Company, the holders of common stock are entitled to share ratably in all assets of the Company that are legally available for distribution.

GLOBALWISE INVESTMENTS, INC. AND SUBSIDIARY
Notes to Condensed Consolidated Financial Statements

13. Excess of Liabilities over Assets (Deficit)

As of December 31, 2011, the holders of common stock were bound by the terms of the Amended Stockholder Agreement which principally restricted sales of Intellinetics' common stock to outside third parties, unless otherwise approved by the controlling stockholders. Pursuant to the Amended Stockholder Agreement, upon the death, disability or retirement of a stockholder, the stockholder or the stockholder's estate had the right to require Intellinetics to purchase all of his or her shares in Intellinetics, and Intellinetics had the right to purchase all or any portion of the stockholder's shares at approximately \$0.004 per common share. At December 31, 2011, Intellinetics had presented the redemption amounts due upon death or disability of any such stockholder as Shares Subject to Mandatory Redemption in the liabilities section of the accompanying condensed consolidated balance sheets. The Amended Stockholder Agreement was terminated upon the Closing Date of the Share Exchange (See Note 10 – Shares Subject to Mandatory Redemption). Accordingly, effective on the Closing Date, the amount in "excess of liabilities over assets (deficit)" was reclassified into the separate components of common stock, additional paid in capital (deficit), due from stockholders and accumulated deficit, and reported thereupon, in the condensed consolidated balance sheets at June 30, 2012.

The components of the excess of liabilities over assets (deficit) as of December 31, 2011, was as follows:

	Common Stock, no par value		Additional Paid-In Capital	Due From Stockholders	Accumulated Deficit	Total
	Shares	Amount				
Balance, December 31, 2011	28,034,850	\$ —	\$ (20,384)	\$ (5,600)	\$ (3,794,410)	\$ (3,820,394)

14. Concentrations

Revenues from the Company's services to a limited number of customers have accounted for a substantial percentage of the Company's total revenues. For the three months ended June 30, 2012, the Company's two largest customers, Tiburon, Inc. ("Tiburon") and Lexmark International, Inc. ("Lexmark"), which are both Resellers, accounted for approximately 39% and 11%, respectively, of the Company's revenues for that period. For the three months ended June 30, 2011, the Company's two largest customer, Careworks ("CareWorks") and Washington State Patrol ("WSP"), accounted for approximately 12% and 28% of the Company's revenues for that period. For the six months ended June 30, 2012, the Company's two largest customers, Tiburon, and Lexmark, which are both Resellers, accounted for approximately 33% and 12%, respectively, of the Company's revenues for that period. For the six months ended June 30, 2011, the Company's two largest customers, Tiburon and WSP, of which Tiburon is a Reseller and WSP a direct customer, accounted for approximately 11% and 20% respectively, of the Company's revenue for the period.

For the three months ended June 30, 2012 and 2011, government contracts represented approximately 32% and 60% of the Company's total revenues, respectively. A significant portion of the Company's sales to Tiburon and Lexmark represent ultimate sales to government agencies. For the six months ended June 30, 2012 and 2011 government contracts represented approximately 35% and 55%, respectively, of the Company's net revenue.

As of June 30, 2012, accounts receivable concentrations from the Company's two largest customers were 28% and 5% of gross accounts receivable, respectively, and as of June 30, 2011, accounts receivable concentrations from the Company's two largest customers were 9% and 18% of gross accounts receivable, respectively. Accounts receivable balances from the Company's two largest customers at June 30, 2012 have subsequently been partly collected.

15. Subsequent Event

As disclosed in Note 7 – Notes Payable, from January 17, 2012 to February 3, 2012, the Company issued a total of \$130,000 in contingently convertible notes to certain of its employees and friends and family of its officers and directors (the “Friends and Family Notes”). Of the \$130,000 Friends and Family Notes, \$50,000 of these notes were issued to relatives of the Company's founders and officers (see Note 8 - Notes Payable - Related Parties). The Friends and Family Notes became due and payable on June 1, 2012, however if certain conditions were met, each of the Friends and Family Notes, could be converted at the holder's discretion, based on a conversion ratio, to newly issued shares of the Company's common stock. The note holders notified the Company of their intention to convert in accordance with the term of the notes, however, the notes did not provide for a notice provision for the note holder to exercise the conversion feature and was ambiguous as to the issuer of the shares upon conversion. As such, on July 20, 2012, the Company and each holder of the notes, entered into a First Amendment To Convertible Promissory Notes and all the Friends and Family Notes were converted to common shares of the Company, at the election of each note holder. Pursuant to such conversion, effective July 20, 2012, the Company issued a total of 162,063 common shares, \$0.001 par value, (subject to the applicable holding period restrictions under Rule 144).

On July 16, 2012, the Company issued an unsecured note payable to a shareholder in the amount of \$95,000, due 45 days from the date of the issuance and bearing interest at a rate of 10% per annum, with the principal and interest to be paid on maturity.

On July 20, 2012, the Company issued an unsecured note payable to a shareholder in the amount of \$25,000, due 45 days from the date of the issuance and bearing interest at a rate of 10% per annum, with the principal and interest to be paid on maturity.

On November 15, 2011, the Company issued a promissory note, dated November 15, 2011, in the principal amount of \$300,000 in favor of an advisor who is a shareholder, at an interest rate of 3.25% per annum (the “\$300,000 Promissory Note”). The \$300,000 Promissory Note had a maturity date of May 13, 2012. Pursuant to the \$300,000 Promissory Note, the Company made certain customary representations, warranties and covenants. Payment of indebtedness under the \$300,000 Promissory Note may be accelerated upon a default in payment or a material default in any of the terms, covenants, agreements, conditions or provisions of the \$300,000 Promissory Note, if not cured pursuant to its terms, or in the event of any insolvency or bankruptcy of the Company.

On May 7, 2012, the parties extended the maturity date of the \$300,000 Promissory Note to August 11, 2012, without changing any other terms.

On August 10, 2012, the parties further extended the maturity date of the \$300,000 Promissory Note to July 1, 2013, without changing any other terms.

On August 7, 2012 (the “Effective Date”), the Company issued a \$400,000 Promissory Note (the “\$400,000 JMJ Note”) to JMJ Financial, (“JMJ”, or the “Lender”). The Principal Sum due to the Lender shall be prorated based on the consideration actually funded by the Lender, plus an approximate 10% Original Issue Discount (“OID”) that is prorated based on the consideration actually funded by the Lender as well as any other interest or fees, such that the Company is only required to repay the amount funded and the Company is not required to repay any unfunded portion of the \$400,000 JMJ Note.

The \$400,000 JMJ Note has a maturity date of twelve (12) months from the Effective Date of each amount funded. If the \$400,000 JMJ Note is repaid within ninety (90) days of the Effective Date, the interest rate shall be zero percent (0%). If the \$400,000 JMJ Note remains outstanding after 90 days, a one-time 5% interest rate will be applied. In addition, the Lender has the right, at any time 90 days after the Effective Date, at its election, to convert all or part of the outstanding and unpaid Principal Sum and accrued interest (and any other fees) into shares of fully paid and non-assessable shares of common stock of the Company. The Conversion Price is the lesser of \$1.50 or 70% of the lowest trade price in the 25 trading days previous to the conversion.

The common shares issuable upon conversion of the \$400,000 JMJ Note have “piggyback” registration rights and must be included the next registration statement the Company files with the Securities and Exchange Commission. In the event of default under the \$400,000 JMJ Note, default interest will accrue at a rate of 18% and the Company will be assessed a significant default penalty as defined in paragraph 8 of the \$400,000 JMJ Note.

The initial consideration received on August 8, 2012 was \$100,000, and the Company has not received any further consideration to date from the Lender.

The issuance of the \$400,000 JMJ Note referred to above (and any shares of common stock underlying them) are made in reliance upon exemptions from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of the results of operations and financial condition of the Company for the three and six months ended June 30, 2012 and 2011 should be read in conjunction with our financial statements and the notes to those financial statements that are included elsewhere in this Quarterly Report on Form 10-Q for fiscal quarter ended June 30, 2012 (the "Form 10-Q"). References in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" to "the Company," "us," "we," "our," and similar terms refer to Globalwise Investments, Inc., a Nevada corporation ("Globalwise"), and our wholly-owned subsidiary, Intellinetics, Inc., an Ohio corporation ("Intellinetics"). This discussion includes forward-looking statements, as that term is defined in the federal securities laws, based upon current expectations that involve risks and uncertainties, such as plans, objectives, expectations and intentions. Actual results and the timing of events could differ materially from those anticipated in these forward-looking statements as a result of a number of factors. Words such as "anticipate," "estimate," "plan," "continuing," "ongoing," "expect," "believe," "intend," "may," "will," "should," "could," and similar expressions are used to identify forward-looking statements.

We caution you that these statements are not guarantees of future performance or events and are subject to a number of uncertainties, risks and other influences, many of which are beyond our control, which may influence the accuracy of the statements and the projections upon which the statements are based. Factors that may affect our results include, but are not limited to, the risk factors that we reported in the Form 8-K/A filed with the Securities and Exchange Commission ("SEC") on March 30, 2012. Any one or more of these uncertainties, risks and other influences could materially affect our results of operations and whether forward-looking statements made by us ultimately prove to be accurate. Our actual results, performance and achievements could differ materially from those expressed or implied in these forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements, whether from new information, future events or otherwise.

Overview

We are an enterprise content management ("ECM") software development, sales and marketing company serving both public and private sector clients. In the public sector, our products, services and process models serve the critical needs of law enforcement and compliance agencies within the state and local government establishment. We have been providing ECM solutions for customers since 1996. Through our software platforms and value added solutions, our customers are able to realize improvements in business processes, customer service and operational efficiencies. These solutions make the process of storing, organizing, managing and retrieving documents simple, accessible and cost efficient.

Historically, we have derived revenues primarily from the development and licensing of customer-specific software solutions and fees paid for related consulting and software maintenance services. In an effort to expand our business, we took on certain projects with lower margins because (i) those projects allowed us to enter new geographic markets, (ii) those projects enabled us to demonstrate our capabilities to large national resellers, or (iii) working on those projects allowed us to develop product and service features and enhancements that we were able to integrate into our suite of products, resulting in an overall product portfolio that better aligns with the needs of our target customers.

Our sales cycle has historically been comparatively long (i.e., 18-24 months), and customer margins have varied as we provided customer- focused services and project specific features to satisfy a customers' specific needs.

Our strategy is to migrate our sales efforts toward a much greater percentage of sales through intermediaries, such as software resellers, rather than through direct sales. We have been developing marketing programs with resellers that facilitate their selling and support of our software solutions. We refer to these resellers as our "channel partners."

We believe that these channel partner strategy improvements have increased the competitive strength of our platform of products. In addition, we have established a set of business solutions templates that provide base software configurations which we believe will facilitate our delivery and installation of software to our customers. We believe that these advancements, in the aggregate, will allow us to license and sell our products to a broader customer base, shortening our sales cycle, making margins more consistent, and allowing us to expand our sales through new channel partnerships.

To date, most of our software customers install our software onto computers at their location (premises-based). Our software applications are also available through the internet, as a service generally referred to as the "cloud" or "SaaS" ("software as a service"), allowing customers to avoid the upfront costs of the typical premises-based software installation. We anticipate that software as a service will become a primary source of revenues for us.

Recent Developments

On February 10, 2012, Globalwise, formerly a publicly reporting shell company, entered into a Securities Exchange Agreement (the "Exchange Agreement") with Intellinetics. Pursuant to the terms of the Exchange Agreement, the former shareholders of Intellinetics surrendered all of the issued and outstanding shares of Intellinetics common stock and received in exchange an aggregate of 28,034,850 shares of Globalwise common stock, on a 4,650-for-1 basis (the "Share Exchange"). Intellinetics became a wholly-owned subsidiary of Globalwise as a result of the Share Exchange. References to the "Company" throughout this Quarterly Report on Form 10-Q refer to the consolidated entity, except as otherwise indicated.

As disclosed in Note 7 – Notes Payable, in the Notes to Condensed Consolidated Financial Statements in this Form 10-Q, from January 17, 2012 to February 3, 2012, the Company issued a total of \$130,000 in contingently convertible notes to certain of its employees and friends and family of its officers and directors (the “Friends and Family Notes”). Of the Friends and Family Notes, \$50,000 of these notes were issued to relatives of the Company’s founders and officers (See Note 8 – Notes Payable – Related Parties), the Friends and Family Notes became due and payable on June 1, 2012, however if certain conditions were met, each of the Friends and Family Notes, could be converted at the holder’s discretion, based on a conversion ratio, to newly issued shares of the Company’s common stock. The note holders notified the Company of their intention to convert in accordance with the term of the notes, however, the notes did not provide for a notice provision for the note holder to exercise the conversion feature and was ambiguous as to the issuer of the shares upon conversion. As such, on July 20, 2012, the Company and each holder of the notes, entered into a First Amendment To Convertible Promissory Notes and all the Friends and Family Notes were converted to common shares of the Company, at the election of each note holder. Pursuant to such conversion, on July 20, 2012, the Company issued a total of 162,063 common shares, \$0.001 par value, (subject to the applicable holding period restrictions under Rule 144).

On March 29, 2012, the Company issued a note payable to Ramon Shealy, a director of the Company, in the amount of \$238,000, bearing interest at a rate of 10% for the term of the note. All principal and interest was due and payable on June 27, 2012. The proceeds were used for working capital needs and operating as a public company. On June 27, 2012, this note was extended an additional 60 days. On April 26, 2012, the Company issued a note payable to Ramon Shealy, a director of the Company, in the amount of \$12,000, bearing interest at a rate of 10% for the term of the note. The proceeds were used for working capital needs and operating as a public company. All principal and interest was due and payable on July 12, 2012. On July 12, 2012, the maturity was extended an additional 60 days.

During the six months ended June 30, 2012, the Company issued notes payable to an advisor and shareholder totaling \$531,056. These unsecured notes bear interest at 3.25% per annum, with principal and interest due 180 days from the date of issuance. The proceeds were used for working capital needs and operating as a public company.

On June 6, 2012, the Company issued a note payable to an unrelated third party in the amount of \$50,000, bearing an interest rate of 10% per annum. All principal and interest is due and payable on September 4, 2012. The proceeds were used for working capital needs and operating as a public company.

Revenues

Revenues are generated from the licensing, modification, subscription and maintenance of our enterprise software products and from professional services fees in connection with the implementation of software applications. Our revenues, especially our license revenues, are impacted by the competitive strength of our software products, as well as general economic and industry conditions.

For our sales of software without modification and sales of software with modification, our customer base has traditionally been made up of customers with larger projects that can take as much as six months to two years to complete. For these projects, our policy is to not recognize revenue until the project is complete and delivered to our customer. As such, there are spikes in our revenue when these projects are completed and the associated revenue is recognized. As a result, revenues for sales of software without modification and sales of software with modification may vary widely from quarter to quarter.

Cost of Revenues

We maintain a staff of software design engineers, developers, installers and customer support personnel, dedicated to the development and implementation of customer applications, customer support and maintenance of deployed software applications. While the total costs related to these personnel are relatively consistent from period to period, the cost of revenues categories to which these costs are charged may vary depending on the type of work performed by our staff.

Costs of revenues also include the costs of server hosting and software as a service applications, as well as certain third-party costs and hardware costs incurred. Third-party and hardware costs may vary widely from quarter to quarter.

In addition, while revenues are recognized upon the completion of software and consulting projects, the related costs are recognized when incurred, resulting in gross margins which may vary widely from quarter to quarter for these revenue categories.

Sales and Marketing Expenses

Sales expenses consist of compensation and overhead associated with the development and support of our channel sales network, as well as our direct sales efforts. Marketing expenses consist primarily of compensation and overhead associated with the development and production of product marketing materials, as well as promotion of the Company’s products through the trade and industry.

General and Administrative Expenses

General and administrative expenses consist of the compensation and overhead of administrative personnel and professional services firms performing administrative functions, including management, accounting, finance and legal services, plus expenses associated with infrastructure, including depreciation, information technology, telecommunications, facilities and insurance.

Interest, Net

Interest, net, consists primarily of interest expense associated with our notes payable. See Results of Operations – Interest Expense – Net, for additional information.

Results of Operations

The Three and Six Months Ended June 30, 2012 Compared to the Three and Six Months Ended June 30, 2011.

Overview

We reported net losses of \$155,250 and \$93,039 for the three months ended June 30, 2012 and 2011, respectively, representing an increase in net loss of \$62,211 or 67%. An increase in gross profit of \$232,462, or 64%, for the three months ending June 30, 2012 was offset by a \$294,673 net increase in operating and other expenses during this period. We reported net losses of \$1,303,123 and \$464,144 for the six months ended June 30, 2012 and 2011, respectively, representing an increase in net loss of \$838,979, or 181%. An increase in gross profit of \$253,860 for the six months ended June 30, 2012 was offset by a \$1,092,839 net increase in operating and other expenses during this period. Our increase in operating expenses for the three and six months ended June 30, 2012 was principally related to costs that we incurred in connection with the Share Exchange and the corresponding costs of public company reporting, as well as the costs of additional sales and marketing personnel.

Revenues

Our total revenues for the three months ended June 30, 2012 were \$887,285 as compared to \$582,051 for the three months ended June 30, 2011, an increase of \$305,234, or 52%, primarily attributable to increases in revenues from software licenses with substantive modification, software maintenance services and consulting services as described below. Our total revenues for the six months ended June 30, 2012 were \$1,247,613 as compared to \$821,177 for the six months ending June 30, 2011, an increase of \$426,436 or 52%. The increase was primarily attributable to increases in revenues from software licenses with substantive modification, software maintenance services and consulting services as described below.

Sale of Software Licenses without Modification

Revenues from the sale of software licenses without modification principally consist of sales of additional or upgraded software licenses and applications to existing customers and sales of software to our resellers. Software in this sales category is sold without substantive modification. These software license revenues were \$34,939 and \$19,925, respectively, for the three months ended June 30, 2012 and 2011, representing an increase of \$15,014, or 75%. For the six months ended June 30, 2012 and 2011, these revenues were \$56,678 and \$36,800, respectively, representing an increase of \$19,878, or 54%. The improvement in sales of software licenses without modification was due in part to our efforts to develop and expand our channel partner reseller organization. In addition, we have found that after the initial installation, many of our customers will later deploy our software into other areas and functions of the organization. We are able to add these additional licenses for our customers generally with very little effort. This results in additional software sales for us. Our license revenues are impacted by the competitive strength of our software products, as well as general economic and industry conditions, and we have seen a moderate improvement in information technology spending within the private sector markets that we serve.

Sale of Software Licenses with Substantive Modification

Although we have traditionally provided our software to customers through customized solutions, increasingly, we are providing our resellers and our direct customers with software solutions that require less customization and in turn allow us to shorten our sales cycle. A new customized software engagement typically begins with a thorough assessment and mapping of the customer's needs, capacities and information technology environment. Upon the completion of the needs analysis, we then prepare a specifications document in order to determine the scope and extent of modification work required. Then, the customization work starts with the foundation of our core software applications upon which we develop custom modifications, features, enhancements and integration that would meet the outlined specifications. Each application is thoroughly tested by us before being installed at the customer's location. Revenues from the sale of software licenses with substantive modification were \$393,403 for the three months ended June 30, 2012, as compared to \$227,979 for the three months ended June 30, 2011, an increase of \$165,424, or 73%. For the six months ended June 30, 2012 and 2011, revenues were \$413,395 and \$242,764, an increase of \$170,631, or 70%. This was primarily the result of new accounts that we have gained through our expanded sales channel partners.

Sale of Software as a Service

For those customers that wish to avoid the upfront costs of typical premises-based software installations, we provide access to our software solutions as a service, accessible through the internet. Our customers typically enter into software as a service agreements for periods in excess of one year. Under these agreements, we generally provide access to the applicable software, data storage and related customer assistance and support. Our software as a service revenue was \$24,596 and \$37,910 for the three months ended June 30, 2012 and 2011, respectively, a decrease of \$13,314 or 35%. For the six months ended June 30, 2012 and 2011, software as a service revenue was \$53,637 and \$69,327, respectively, a decrease of \$15,690 or 23%.

Sale of Software Maintenance Services

Software maintenance services revenues consist of fees for post contract customer support services provided to license holders. These agreements allow our customers to receive technical support, enhancements and upgrades to new versions of our software products when and if available. Customer support revenues are generated from customers that have purchased our software. A substantial portion of these revenues were generated from customers to whom we sold software in prior years who have continued to renew their maintenance agreements. The terms of support and maintenance agreements are typically 12 months. Our software maintenance support revenue was \$195,857 for the three months ended June 30, 2012 as compared to \$160,209 for the three months ended June 30, 2011 an increase of \$35,648, or 22%. Our software maintenance support revenue for the six months ended June 30, 2012 and 2011 were \$373,308 and \$314,242, respectively, an increase of \$59,066, or 19%. The increase was primarily the result of new accounts that we have gained through our expanded sales channel partners and renewals of existing maintenance agreements.

Sales of Consulting Services

Consulting services revenues consist of revenues from consulting, advisory services, training, and projects to assist customers with the uploading of client data into the client's applications. Consulting services revenues for the three months ended June 30, 2012 and 2011 were \$238,490 and \$136,028, respectively, an increase of \$102,462, or 75%. For the six months ended June 30, 2012 and 2011 consulting revenues was \$350,595 and \$158,044, respectively, an increase of \$192,551 or 122%. These increases primarily resulted from the increase in new projects brought to us through our growing sales channel partner organization, including a client document conversion project.

Cost of Revenues

The cost of revenues during the three months ended June 30, 2012 and 2011 were \$290,162 and \$217,390, respectively, representing an increase of \$72,772, or 33%. The cost of revenues during the six months ended June 30, 2012 and 2011 were \$594,109 and \$421,533, respectively, representing an increase of \$172,576 or 41%. The increase in total cost of revenues is primarily the result of additional staff hired to meet the growing demand for our products and services and third-party costs in connection with a client document conversion project.

Gross Margins

The gross margin for the three months ended June 30, 2012 was 67% as compared to 63% for the three months ended June 30, 2011. Overall gross margin for the six months ended June 30, 2012 was 52%, as compared to 49% for the six months ended June 30, 2011.

Cost of License Revenues – without Modification

Cost of license revenues consists primarily of third-party software licenses that are sold in connection with our core software applications. Cost of license revenues without modification was \$14,627 and \$5,084 for the three months ended June 30, 2012 and 2011, respectively, representing an increase of \$9,543, or 188%. For the six months ended June 30, 2012, costs were \$31,832, as compared to \$9,451 for the six months ended June 30, 2011, representing an increase of \$22,381 or 237%. Gross margin for this product category decreased from 74% for the three months ended June 30, 2011 to 58% for the three months ended June 30, 2012, reflecting an increase in third-party costs incurred. Gross margin for this product category decreased from 74% for the six months ended June 30, 2011 to 44% for the six months ended June 30, 2012, reflecting an increase in third-party costs.

Cost of License Revenues – with Substantial Modification

Cost of revenues consists primarily of the compensation of our software engineers and implementation consultants. Costs were \$109,229 for the three months ended June 30, 2012, as compared to \$121,052 for the three months ended June 30, 2011, representing a decrease of \$11,823, or 10%. For the six months ended June 30, 2012, costs were \$262,855, as compared to \$229,490 for the six months ended June 30, 2011, representing an increase of \$33,365 of 15%.

Gross margins for this product category were 72% and 46% for the three months ended June 30, 2012 and 2011, respectively. Gross margins for this product category were 36% and 5% for the six months ended June 30, 2012 and 2011, respectively. The gross margin increases for the three and six month periods were the result of costs incurred related to certain larger projects, which had been completed as of June 30, 2012, but for which the related costs had been recognized in previous periods when incurred.

Cost of Software as a Service

Cost of software as a service consists primarily of technical support personnel and related costs. Cost of software as a service was \$7,364 for the three months ended June 30, 2012, as compared to \$6,930 for the three months ended June 30, 2011, representing an increase of \$434, or

6%. The increase in the cost of software was due to the software revenue mix of selling more software to government agencies, which reduced the revenue for this product. For the six months ended June 30, 2012 costs were \$13,894, as compared to \$13,516 for the six months ended June 30, 2011, representing an increase of \$378, or 3%. The increase in the cost of software was due to the software revenue mix of selling more software to government agencies, which reduced the revenue for this product.

Gross margins for this product category were 70% and 82% for the three months ended June 30, 2012 and 2011, respectively and 74% and 81% for the six months ended June 30, 2012 and 2011 respectively. The decrease in margins was due to the software revenue mix of selling more software to government agencies, which have a lower gross margin than non-government clients.

Cost of Software Maintenance

Cost of software maintenance consists primarily of technical support personnel and related costs. Cost of software maintenance for the three months ended June 30, 2012 was \$36,404 compared to \$29,449 for the three months ended June 30, 2011, representing an increase of \$6,955, or 24%. For the six months ended June 30, 2012 costs were \$61,284, as compared to \$52,172 for the six months ended June 30, 2011, representing an increase of \$9,122, or 17%. The increase in costs for the three and six months ending June 30, 2012 were a direct result from an increase in revenues for this product category, as well as our focused efforts to reduce support costs through better utilization of knowledge-based tools and our customer support portal.

Gross margins in this product category were 81% and 82% for the three months ended June 30, 2012 and 2011, respectively. For the six months ending June 30, 2012 and 2011, the gross margins were 84% and 83%, respectively.

Cost of Consulting Services

Cost of consulting services consists primarily of the compensation of our software engineers and implementation consultants and related third-party costs. Cost of consulting services was \$122,538 for the three months ended June 30, 2012, as compared to \$54,875 for the three months ended June 30, 2011, representing an increase of \$67,663 or 123%. This increase resulted primarily from additional third-party costs incurred related to a client document conversion project. For the six months ended June 30, 2012 costs were \$224,244, as compared to \$116,904 for the six months ending June 30, 2011, representing an increase of \$107,340, or 92%. This increase resulted primarily from additional third-party costs incurred related to a client document conversion project.

Gross margins in this product category were 49% and 60% for the three months ended June 30, 2012 and 2011, respectively. Gross margins in this product category were 36% and 26% for the six months ended June 30, 2012 and 2011 respectively. Gross margins related to consulting services are typically lower and may vary widely, depending upon the nature of the consulting project.

Operating Expenses

General and Administrative Expenses

General and administrative expenses were \$348,976 during the three months ended June 30, 2012 as compared to \$278,773 during the three months ended June 30, 2011, representing an increase of \$70,203, or 25%. The increase is primarily due to expenses of \$85,427, consisting of legal, consulting and professional fees incurred related to the costs of operating and reporting as a public company. For the six months ended June 30, 2012, general and administrative expenses were \$1,169,198, as compared to \$501,631 for the six months ended June 30, 2011, representing an increase of \$667,567, or 133%. The increase is primarily due to expenses of \$676,668 consisting of legal, consulting and professional fees incurred related to the Share Exchange and the corresponding costs of operating and reporting as a public company

Sales and Marketing Expenses

Sales and marketing expenses increased by \$190,915 or 144% during the three months ended June 30, 2012 to \$323,439 from \$132,524 for the three months ended June 30, 2011. The increase is primarily related to our increased emphasis on selling activities, which includes the expansion of our sales team, increased promotional marketing activities and increased travel expenses. For the six months ended June 30, 2012, sales and marketing expense increased by \$374,408, or 142% during the six months ended June 30, 2012 to \$645,333 from \$266,925 for the six months ended June 30, 2011. An increase of \$276,764 from the expansion of the sales team and an increase of travel of \$65,251 make up the primary increase for the six months ended June 30, 2012.

Depreciation and Amortization

Depreciation and amortization was \$7,647 for the three months ended June 30, 2012, as compared to \$10,339 for the three months ended

June 30, 2011, representing a decrease of \$2,692 or approximately 26%, and \$14,437 for the six months ended June 30, 2012, as compared to \$21,133 for the six months ended June 30, 2011, representing a decrease of \$6,696, or approximately 32%. The decrease in both periods are the result of certain assets becoming fully amortized.

Interest Expense, Net

Interest expense, net, was \$72,311 during the three months ended June 30, 2012 as compared to \$36,064 during the three months ended June 30, 2011, representing an increase of 36,247, or 101%. The increase resulted primarily from accruals of participation fees in the amount of \$10,037 associated with a note payable, as well as an increase in the average debt balance outstanding during the three months ended June 30, 2012. For the six months ending June 30, 2012, interest expense increased \$53,560 to \$127,659 from \$74,099 for the six months ended June 30, 2011. The increase resulted from additional loans of over \$2,000,000 received between July 1, 2011 through June 30, 2012, which caused an increase in interest expense for the six months ended June 30, 2012.

Liquidity and Capital Resources

We measure our liquidity in a variety of ways, including the following:

	<u>June 30, 2012</u>
Cash	\$ 17,366
Working Capital Deficiency	<u>\$ (3,018,212)</u>

Through June 30, 2012, we have incurred cumulative net losses since inception of \$4,986,298.

From our inception, we have generated revenues from the sales and implementation of our internally generated software applications.

Our plan is to increase our sales and market share by developing an expanded network of resellers through which we expect to sell our expanded software product portfolio. We expect that this marketing initiative will require us to hire and develop an expanded sales force and enhance our product marketing efforts, all of which will require additional capital.

On February 10, 2012, we consummated the Share Exchange and on that date, our shares began trading on the Over-the-Counter Quote Board under the symbol "GWIV". We believe that this was a first step to raising capital to finance our growth plan. We intend to deploy any additional capital we may raise to expand our sales and marketing capabilities, develop ancillary software products, enhance our internal infrastructure, support the accounting, auditing and legal costs of operating as a public company, and provide working capital.

We expect that through the next 10 to 16 months, the capital requirements to fund our growth and to cover the operating costs of a public company will consume substantially all of the cash flows that we intend to generate from our operations, as well as from the proceeds of intended issuances of debt and equity securities. We further believe that during this period, while we are focusing on the growth and expansion of our business, the gross profit that we expect to generate from operations will not generate sufficient funds to cover these anticipated operating costs. Accordingly, we require external funding to sustain operations and to follow through on the execution of our business plan. However, there can be no assurance that our plans as discussed above will materialize and/or that we will be successful in funding estimated cash shortfalls through additional debt or equity capital and through the cash generated by our operations. Given these conditions, our ability to continue as a going concern is contingent upon us being able to secure an adequate amount of debt or equity capital to enable us to meet our cash requirements. In addition, our ability to continue as a going concern must be considered in light of the problems, expenses and complications frequently encountered by entrants into established markets, the competitive environment in which we operate and the current capital raising environment. These factors, among others, raise substantial doubt that we will be able to continue as a going concern.

Since inception, our operations have primarily been funded through a combination of operating margins, state business development loans, bank loans and loans from friends and family. Although management believes that we may have access to capital resources, there are currently no commitments in place for new financing, and there is no assurance that we will be able to obtain funds on commercially acceptable terms, if at all.

During the six months ended June 30, 2012, we raised \$975,056 in net new funds through the issuance of both conventional and contingently convertible notes. The proceeds from these notes were used to fund our working capital needs and the costs of the Share Exchange.

We intend to raise a minimum of \$2,000,000 during the years 2012 and 2013 through a private placement of debt and equity securities, or some other financing source. We expect the funds raised through this private placement or other financing sources will be used to fund our operations, including the costs that we expect to incur as a public company, and to fund our growth plans by increasing staff and operations to complete the build-out of our expanded reseller network which we believe will enable us to expand into additional markets and deepen our penetration of existing markets. The current level of cash and operating margins is not enough to cover our existing fixed and variable obligations, so increased revenue performance and the addition of capital are critical to our success. If we are not able to raise these additional funds through the private placement or some other financing source, we may take one or more of the following actions to help conserve cash, including (i) limiting the hiring of additional personnel, (ii) reducing existing staffing, (iii) deferring the payment of compensation to our key employees, (iv) negotiating extended payment terms to vendors, advisors and consultants and (v) offering incentives to customers which would reward the early remittance of payments to us.

Assuming that we are successful in our growth plans and development efforts, we believe that we will be able to raise additional funds through sales of our common stock, issuance of debt or some other financing source. There is no guarantee that we will be able to raise these additional funds or do so on acceptable terms.

Our financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should we be unable to continue as a going concern.

The Company's outstanding indebtedness at June 30, 2012 is as follows:

- \$1,003,556 owed to an advisor and shareholder pursuant to various promissory notes that mature 180 to 594 days from the date of issuance (the 594th day being July 1, 2013); interest at June 30, 2012 was charged at a rate of 3.25% per annum. We utilized these proceeds for working capital needs and operating as a public company;
- \$157,292 owed to a related party pursuant to a promissory note that matures on January 1, 2014; interest at June 30, 2012 was charged at a rate of 8.65% per annum. We utilized these proceeds for working capital needs and operating as a public company;
- \$119,415 owed to related parties pursuant to two promissory notes that mature on January 1, 2014; interest at June 30, 2012 was charged at a rate of 5.00% per annum. We utilized these proceeds for working capital needs and operating as a public company;
- \$840,646 owed to the State of Ohio pursuant to a loan agreement and note that matures on July 1, 2015; interest at June 30, 2012 was charged at a rate of 6.00% per annum; we utilized the proceeds from this loan to finance the development of customer software applications;
- \$750,000 owed to the State of Ohio pursuant to a loan agreement and note that mature on June 1, 2018; interest at June 30, 2012 was charged at a rate of 7.00% per annum; we utilized the proceeds from this loan to finance the development of customer software applications;
- \$78,030 owed to a bank pursuant to a loan agreement and note that matures on April 30, 2014; interest at June 30, 2012 was charged at a rate of 3.25% per annum; we utilized the proceeds from this loan for working capital needs;
- \$250,000 (aggregate principal amount) owed to director of the Company, that matures on August 27, 2012 and September 13, 2012; interest is charged at 10% for the term of the notes. We utilized these proceeds for working capital needs and operating as a public company;
- \$130,000 contingently convertible promissory notes that matured on June 1, 2012, of which \$50,000 is owed to related parties; interest is charged at 10% per annum. We utilized these proceeds for working capital needs and operating as a public company; and
- \$50,000 owed to a non-related party pursuant to a promissory note that matures on September 4, 2012; interest at June 30, 2012 was charged at a rate of 10% per annum. We utilized these proceeds for working capital needs and operating as a public company.

There were no material commitments for capital expenditures at June 30, 2012.

Cash Flows

Operating Activities

Net cash used in operating activities for the six months ended June 30, 2012 and 2011 was \$914,267 and \$295,954, respectively. During the six months ended June 30, 2012, the net cash used in operating activities was primarily attributable to the net loss adjusted for non-cash expenses of \$1,283,682 and a decrease in net operating assets of \$369,415. During the six ended June 30, 2011, the net cash used in operating activities was primarily attributable to the net loss adjusted for non-cash expenses of \$452,772, by a decrease in net operating assets of \$156,818.

Investing Activities

Net cash used in investing activities for the six months ended June 30, 2012 and 2011 amounted to \$48,178 and \$5,275, respectively, and was related to the purchase of property and equipment.

Financing Activities

Net cash provided by financing activities for the six months ended June 30, 2012 amounted to \$839,540. The net cash provided by financing activities resulted primarily from new borrowings of \$975,056, of which \$314,000 was borrowed from related parties. These borrowings were partially offset by \$135,516 of notes payable repayments, of which \$0 was repaid to related parties.

Net cash provided by financing activities for the six months ended June 30, 2011 amounted to \$277,685. The net cash provided by financing activities resulted primarily from new borrowings of \$322,500, of which \$87,500 was borrowed from related parties. These borrowings were partially offset by \$44,815 of notes payable repayments, of which \$22,440 was repaid to related parties.

Critical Accounting Policies and Estimates

Liquidity, Going Concern and Management's Plans

We have incurred substantial recurring losses since our inception. The accompanying financial statements have been prepared assuming that we will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities and commitments in the normal course of business. We intend to raise a minimum of \$2,000,000 during the years 2012 and 2013 through issuance of debt and equity securities, or some other financing source. We are also in the process of exploring strategies to increase our existing revenues. We believe we will be successful in these efforts; however, there can be no assurance we will be successful in raising additional debt or equity financing or finding any other financing source to fund our operations on terms agreeable to us. These matters raise substantial doubt about our ability to continue as a going concern. The financial statements do not include any adjustments that might be necessary if we were unable to continue as a going concern.

Use of Estimates

The preparation of our consolidated financial statements in conformity with U.S. generally accepted accounting principals requires management to exercise its judgment. We exercise considerable judgment with respect to establishing sound accounting policies and in making estimates and assumptions that affect the reported amounts of our assets and liabilities, our recognition of revenues and expenses, and other financial information.

On an ongoing basis, we evaluate our estimates and judgments. Areas in which we exercise significant judgment include, but are not necessarily limited to, recognition of revenues, our valuation of accounts receivable, and income taxes, along with the estimated useful lives of depreciable property, plant and equipment. We have also adopted certain policies with respect to our recognition of revenue that we believe are consistent with the guidance provided under SEC Staff Accounting Bulletin No. 104.

We base our estimates and judgments on a variety of factors, including our historical experience, knowledge of our business and industry, current and expected economic conditions, and the attributes of our products and services. We periodically re-evaluate our estimates and assumptions with respect to these judgments and modify our approach when circumstances indicate that modifications are necessary.

While we believe that the factors we evaluate provide us with a meaningful basis for establishing and applying sound accounting policies, we cannot guarantee that the results will always be accurate. Since the determination of these estimates requires the exercise of judgment, actual results could differ from such estimates.

A description of significant accounting policies that require us to make estimates and assumptions in the preparation of our consolidated financial statements is as follows:

Revenue Recognition

We generate revenues from the sale of software licenses, both with and without modification, from consulting services without an associated software sale, from maintenance services performed under periodic contracts, and agreements that provide customers the use of our software applications as a service.

We recognize revenues in accordance with Accounting Standards Codification (“ASC”) topic 985-605 “Software Revenue Recognition” (“ASC 985-605”). We record revenues from the sale of software licenses when persuasive evidence of an arrangement exists, the software product has been shipped, there are no significant uncertainties surrounding product acceptance by the customer, the fees are fixed and determinable, and collection is considered probable.

If an undelivered element for the arrangement exists under the license arrangement, revenues related to the undelivered element are deferred based on vendor specific objective evidence (“VSOE”) of the fair value of the undelivered element. Often, multiple-element sales arrangements include arrangements where software licenses and the associated post contract customer support (“PCS”) are sold together. We have established VSOE of the fair value of the undelivered PCS element based on the contracted price for renewal PCS included in the original multiple element sales arrangement, as substantiated by contractual terms and our significant PCS renewal experience from our existing customer base.

In connection with the sale of software with substantive modification, we provide the customer with a solution that is customized or configured to fit the customer’s particular needs. We typically start with our core software applications and then develop customized modifications and/or configuration enhancements that would meet the specific needs of the customer. Upon completion of software development work, we deliver the software to the customer only after the customized software had passed our internal testing.

We record the revenues for these sales as prescribed by ASC 985-605, in accordance with the contract accounting guidelines in ASC topic 605-35 “Revenue Recognition: Construction-Type and Production-Type Contracts” (“ASC 605-35”), after evaluating for separation of any non- ASC 605-35 elements in accordance with the provisions of ASC 605-25, “Revenue Recognition: Multiple-Element Arrangements,” as updated.

We account for these contracts under the completed contract method, as we believe that this method is most appropriate. The contract is considered to be complete when persuasive evidence of an arrangement exists, the software has been installed on the customer’s site, there are no significant uncertainties surrounding acceptance by the customer, the fees are fixed and determinable, and collection is considered probable.

The fair value of any undelivered elements in multiple-element arrangements in connection with the sales of software licenses with substantive modification are deferred based upon VSOE.

Revenues generated under maintenance contracts are recognized ratably over the term of the contract. Software as a service revenues are typically billed on a monthly or annual basis.

We assess whether payment terms are customary or extended in accordance with normal practice relative to the market in which the sale is occurring. Our sales arrangements generally include standard payment terms; however, payment terms may be extended to accommodate the conditions of certain customers. These terms effectively relate to all customers, products and arrangements regardless of customer type, product mix or arrangement size.

We generally do not offer rights of return or any other incentives such as concessions, product rotation, or price protection and, therefore, do not provide for or make estimates of rights of return and similar incentives.

We establish allowances for doubtful accounts when available information causes us to believe that credit loss is probable.

Deferred Revenues

Deferred revenues primarily relate to support agreements which have been paid for by customers prior to the performance of those services. Generally, the services will be provided within twelve months after the signing of the agreement.

Item 3 . Quantitative and Qualitative Disclosures About Market Risk.

Not applicable.

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed with the SEC pursuant to the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

We carry out a variety of on-going procedures under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, to evaluate the effectiveness of the design and operation of our disclosure controls and procedures. Based on the foregoing, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of June 30, 2012.

Changes in Internal Control Over Financial Reporting

Other than as disclosed below, there were no changes in our internal control over financial reporting during the quarter ended June 30, 2012 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

On February 10, 2012, Globalwise and Intellinetics consummated the Share Exchange pursuant to which Intellinetics became a wholly-owned subsidiary of Globalwise, a former shell company. As a result of the Share Exchange, the Company became an operating entity and implemented the following changes to its overall internal control over financial reporting:

Addition of internal accounting personnel;

Engagement of a third-party consultant with more than 30 years of accounting experience to assist the Company with the application of applicable accounting principles and analysis of complex accounting matters. The third party consultant replaced the previously retained third party consulting firm;

Engagement of a third-party consulting firm to assist the Company with its internal accounting functions and external financial reporting;

Application of formalized processes for revenue recognition;

Application of formalized processes for reporting sales and new contracts; and

Enhanced its processes to timely evaluate potential material events that could trigger Form 8-K filing requirements.

PART II

OTHER INFORMATION

Item 1. Legal Proceedings.

None.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

As disclosed in Note 7 – Notes Payable, in the Notes to Condensed Consolidated Financial Statements in this Form 10-Q, incorporated by reference herein, from January 17, 2012 to February 3, 2012, the Company issued a total of \$130,000 in contingently convertible notes to certain of its employees and friends and family of its officers and directors (the “Friends and Family Notes”). Of the \$130,000 aggregate value of contingently convertible notes issued, \$50,000 of these notes were issued to relatives of the Company’s founders and officers (as disclosed in Note 8 – Notes Payable – Related Parties). The proceeds were used for working capital needs and operating as a public company. The Friends and Family Notes became due and payable on June 1, 2012, however if certain conditions were met, each of the Friends and Family Notes, could be converted at the holder’s discretion, based on a conversion ratio, to newly issued shares of the Company’s common stock. The note holders notified the Company of their intention to convert in accordance with the term of the notes, however, the notes did not provide for a notice provision for the note holder to exercise the conversion feature and was ambiguous as to the issuer of the shares upon conversion. As such, effective July 20, 2012, the Company and each holder of the notes, entered into a First Amendment To Convertible Promissory Notes and all the Friends and Family Notes were converted to common shares of the Company, at the election of each note holder. Pursuant to such conversion, on July 20, 2012, the Company issued a total of 162,063 common shares, \$0.001 par value, (subject to the applicable holding period restrictions under Rule 144) in reliance upon exemptions from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended.

Item 3. Default Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not Applicable.

Item 5. Other Information.

- (a) On March 29, 2012, the Company issued a promissory note, dated March 29, 2012, in the principal amount of \$238,000 in favor of Ramon M. Shealy, a director of the Company, at an interest rate of 10% for the term of the promissory note (the “\$238,000 Promissory Note”). The \$238,000 Promissory Note had a maturity date of June 27, 2012. All past-due principal and accrued and past-due interest on the \$238,000 Promissory Note shall bear interest until paid at the rate of 13%. Pursuant to the \$238,000 Promissory Note, the Company made certain customary representations, warranties and covenants. Payment of indebtedness under the \$238,000 Promissory Note may be accelerated upon a default in payment or in any of the terms, covenants, agreements, conditions or provisions of the \$238,000 Promissory Note, if not cured pursuant to the terms therein, or in the event of any insolvency or bankruptcy of the Company. The \$238,000 Promissory Note is filed as Exhibit 10.44 to the Current Report on Form 8-K/A filed on March 30, 2012. The summary of the terms of the \$238,000 Promissory Note contained herein is qualified in its entirety by reference such Exhibit 10.44.

On June 27, 2012, the parties extended the maturity date of the \$238,000 Promissory Note to August 27, 2012, without changing any other terms. The \$238,000 Promissory Note Extended on June 27, 2012 is filed as Exhibit 10.8 to this Quarterly Report on Form 10-Q. The summary of the terms of the \$238,000 Promissory Note Extended on June 27, 2012 contained herein is qualified in its entirety by reference to Exhibits 10.44 to the Current Report on Form 8-K/A filed on March 30, 2012 and 10.8 herein.

On November 15, 2011, the Company issued a promissory note, dated November 15, 2011, in the principal amount of \$300,000 in favor of Alphonon Capital Partners, Inc., an advisor who is a shareholder, at an interest rate of 3.25% per annum (the “\$300,000 Promissory Note”). The \$300,000 Promissory Note had a maturity date of May 13, 2012. Pursuant to the \$300,000 Promissory Note, the Company made certain customary representations, warranties and covenants. Payment of indebtedness under the \$300,000 Promissory Note may be accelerated upon a default in payment or a material default in any of the terms, covenants, agreements, conditions or provisions of the \$300,000 Promissory Note, if not cured pursuant to its terms, or in the event of any insolvency or bankruptcy of the Company. The \$300,000 Promissory Note is filed as Exhibit 10.9 to this Quarterly Report on Form 10-Q. The summary of the terms of the \$300,000 Promissory Note contained herein is qualified in its entirety by reference to Exhibit 10.9 herein.

On May 7, 2012, the parties extended the maturity date of the \$300,000 Promissory Note to August 11, 2012, without changing any other terms. The \$300,000 Promissory Note Extended on May 7, 2012 is filed as Exhibit 10.10 to this Quarterly Report on Form 10-Q. The summary of the terms of the \$300,000 Promissory Note Extended on May 7, 2012 contained herein is qualified in its entirety by reference to Exhibits 10.9 and 10.10 herein.

On August 10, 2012, the parties further extended the maturity date of the \$300,000 Promissory Note to July 1, 2013, without changing any other terms. The \$300,000 Promissory Note Extended on August 10, 2012 is filed as Exhibit 10.11 to this Quarterly Report on Form 10-Q. The summary of the terms of the \$300,000 Promissory Note Extended on August 10, 2012 contained herein is qualified in its entirety by reference to Exhibits 10.9, 10.10 and 10.11 herein.

On August 7, 2012 (the “Effective Date”), the Company issued a \$400,000 Promissory Note (the “\$400,000 MJM Note”) to MJM Financial, (“MJM”, or the “Lender”). The Principal Sum due to the Lender shall be prorated based on the consideration actually funded by the Lender, plus an approximate 10% Original Issue Discount (“OID”) that is prorated based on the consideration actually funded by the Lender as well as any other interest or fees, such that the Company is only required to repay the amount funded and the Company is not required to repay any unfunded portion of the \$400,000 MJM Note.

The \$400,000 MJM Note has a maturity date of twelve (12) months from the Effective Date of each amount funded. If the \$400,000 MJM Note is repaid within ninety (90) days of the Effective Date, the interest rate shall be zero percent (0%). If the \$400,000 MJM Note remains outstanding after 90 days, a one-time 5% interest rate will be applied. In addition, the Lender has the right, at any time 90 days after the Effective Date, at its election, to convert all or part of the outstanding and unpaid Principal Sum and accrued interest (and any other fees) into shares of fully paid and non-assessable shares of common stock of the Company. The Conversion Price is the lesser of \$1.50 or 70% of the lowest trade price in the 25 trading days previous to the conversion.

The common shares issuable upon conversion of the \$400,000 MJM Note have “piggyback” registration rights and must be included the next registration statement the Company files with the Securities and Exchange Commission. In the event of default under the \$400,000 MJM Note, default interest will accrue at a rate of 18% and the Company will be assessed a significant default penalty as defined in paragraph 8 of the \$400,000 MJM Note.

The initial consideration received on August 8, 2012 was \$100,000, and the Company has not received any further consideration to date from the Lender.

The issuance of the \$400,000 MJM Note referred to above (and any shares of common stock underlying them) are made in reliance upon exemptions from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended.

This summary of the terms of the \$400,000 MJM Note contained herein is qualified in its entirety by reference to Exhibit 10.12 filed with this Quarterly Report on Form 10-Q.

- (b) There have been no material changes to the procedures by which security holders may recommend nominees to the Company’s Board of Directors since the filing of the Company’s Annual Report on Form 10-K for the year ended December 31, 2011.

We are a smaller reporting company with a small number of directors and officers who have active roles in our operations. As a result, we currently have an audit committee comprising of two members and we do not have an audit committee financial expert serving on the audit committee. It is anticipated that, in the future, the board of directors will appoint one or more additional members to the audit committee, including an audit committee financial expert.

Item 6. Exhibits.

The following is a list of exhibits filed as part of this Quarterly Report on Form 10-Q.

Exhibit No.	Description of Exhibit
2.1	Securities Exchange Agreement by and among Globalwise Investments, Inc. and Intellinetics, Inc., dated as of February 10, 2012 (incorporated by reference to Exhibit 2.1 to the Company's Form 8-K filed with the Commission on February 13, 2012).
3.1.1	Articles of Incorporation of Globalwise Investments, Inc., as amended (incorporated by reference to Exhibit 3.1 to the Company's Form 10-QSB filed with the Commission on October 11, 2001).
3.1.2	Certificate of Correction, effective May 22, 2007 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Commission on June 15, 2007).
3.2.1	Bylaws of Globalwise Investments, Inc. (incorporated by reference to Exhibit 3.3 to the Company's Registration Statement on Form 10-SB filed with the Commission on October 2, 2000).
3.2.2	Amendment No. 1 to the Bylaws of Globalwise Investments, Inc. (incorporated by reference to Exhibit 3.4 to the Company's Current Report on Form 8-K filed with the Commission on March 1, 2012).
4.1	Form of Convertible Promissory Note of Intellinetics, Inc. (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the Commission on February 13, 2012).
4.2	Form of First Amendment to Convertible Promissory Note to that certain Convertible Promissory Note referenced in Exhibit 4.1 of the Exhibit Index to this Form 10-Q.
10.1	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Commission on February 13, 2012).
10.2	Form of Promissory Note by Intellinetics, Inc. in favor of Alpharion Capital Partners, Inc. (incorporated by reference to Exhibit 10.15 to the Company's Current Report on Form 8-K filed with the Commission on February 13, 2012).
10.3	Form of Promissory Note Extension Agreement by and among Intellinetics, Inc. and Alpharion Capital Partners, Inc.
10.4	Form of Stock Award Agreement (incorporated by reference to Exhibit 10.34 to the Company's Current Report on Form 8-K filed with the Commission on February 13, 2012).
10.5	Lease Renewal Agreement by and between Intellinetics, Inc. and Dividend Drive LLC, dated as of February 21, 2012 (incorporated by reference to Exhibit 10.41 to the Company's Current Report on Form 8-K/A filed with the Commission March 30, 2012).
10.6	Waiver, dated as of February 10, 2012, of non-compliance items relating to the Loan Agreement between Intellinetics, Inc. and the Director of Development of the State of Ohio, dated July 17, 2009, as amended, and the Loan Agreement between Intellinetics, Inc. and the Director of Development of the State of Ohio, dated June 3, 2011 (incorporated by reference to Exhibit 10.43 to the Company's Current Report on Form 8-K/A filed with the Commission on March 30, 2012).
10.7	Promissory Note by Globalwise Investments, Inc. in favor of Ramon Shealy in the principal amount of \$238,000, dated March 29, 2012 (incorporated by reference to Exhibit 10.44 to the Company's Current Report on Form 8-K/A filed with the Commission on March 30, 2012).
10.8	Promissory Note Extension Agreement by and among Globalwise Investments, Inc. and Ramon Shealy dated June 27, 2012.
10.9	Promissory Note by Globalwise Investments, Inc. in favor of Alpharion Capital Partners, Inc. in the principal amount of \$300,000, dated November 15, 2011.
10.10	Promissory Note Extension Agreement by and among Globalwise Investments, Inc. and Alpharion Capital Partners, Inc. dated May 7, 2012.
10.11	Promissory Note Extension Agreement by and among Globalwise Investments, Inc. and Alpharion Capital Partners, Inc. dated August 10, 2012.
10.12	Promissory Note by Globalwise Investments, Inc. in favor of JMJ Financial in the principal amount of \$400,000, dated August 7, 2012.
31.1	Certification of Principal Executive Officer pursuant to Section 302 of The Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer pursuant to Section 302 of The Sarbanes-Oxley Act of 2002.
32.1	Certification of Principal Executive Officer pursuant to Section 906 of The Sarbanes-Oxley Act of 2002.
32.2	Certification of Principal Financial Officer pursuant to Section 906 of The Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Schema.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase.
101.DEF	XBRL Taxonomy Extension Definition Linkbase.
101.LAB	XBRL Taxonomy Extension Label Linkbase.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GLOBALWISE INVESTMENTS, INC.

Dated: August 13, 2012

By: /s/ William J. Santiago

William J. Santiago
President and Chief Executive Officer (Principal Executive Officer)

Dated: August 13, 2012

By: /s/ Matthew L. Chretien

Matthew L. Chretien
Executive Vice President, Chief Technology Officer and
Treasurer
(Principal Financial Officer and Principal Accounting Officer)

PROMISSORY NOTE EXTENSION AGREEMENT

This Promissory Note Extension Agreement, hereinafter referred to as "Extension", entered into this 27th day of June, 2012, by and among globalwise investments, inc. hereinafter called "Maker" and Ramon M. Shealy, hereinafter called "Lender".

WHEREAS, Maker and Lender have entered into a Promissory Note dated March 29, 2012 for the amount of Two Hundred Thirty Eight Thousand Dollars (\$238,000), hereinafter referred to as "Note". Said Note was originally due ninety days from its issuance.

WHEREAS, Maker and Lender desire to enter into this Extension Agreement in order to extend the due date of the Note.

NOW, THEREFORE, it is dually agreed by both Maker and Lender to extend the due date of the Note from ninety days to one hundred fifty days from its date of issuance.

All other provisions of the original Promissory Note and Subscription agreement shall prevail unless otherwise written.

IN WITNESS WHEREOF, the undersigned Maker and Lender has duly executed this Note as of the day and year above first written.

GLOBALWISE INVESTMENTS, INC.

By: /s/ William J. Santiago

Name: William J. Santiago

Title: President and CEO

By: /s/ Ramon M. Shealy

PROMISSORY NOTE

EXHIBIT 10.9

\$300,000.00

November 15, 2011

FOR VALUE RECEIVED, on the dates and in the amounts so herein stipulated, INTELLINETICS, INC., hereinafter called "Maker", hereby promises to pay to the order of Alpharion Capital Partners, Inc., at 9300 Shelbyville Road, Suite 1000, Louisville, KY 40222 hereinafter called "Lender", or at such other address as Lender may hereafter designate to Maker in writing, the sum of THREE HUNDRED THOUSAND AND NO/100 DOLLARS (\$300,00.00), in lawful money of the United States of America, which shall be legal tender, in payment of all debts and dues, public and private, at the time of payment, and to pay interest on the whole of the principal amount hereof, together with all accrued interest, from time to time outstanding prior to the maturity of this Note at a rate per annum equal to three and one-quarter percent (3.25%).

This Note shall be due and payable in a single balloon payment One Hundred Eighty (180) days after the date first written above, and shall be paid by the Maker to Lender in immediately available funds by check or wire transfer to Lender's bank account.

The principal balance and accrued interest of this Note may be prepaid, in whole or in part, at any time without any prepayment penalty. All payments, including prepayments, shall be applied first to accrued interest to the date of payment and then to principal. All past-due principal and all accrued and past-due interest on this Note shall bear interest until paid at the rate set forth above.

It is agreed that if default shall be made in any payment due hereon and such default is not cured within ten (10) days after written notice of such default is given by Lender to Maker, or if there is a material default in any of the terms, covenants, agreements, conditions or provisions set forth in any instrument or document given to secure this Note and such default is not cured within thirty (30) days after written notice of such default is given by the Lender to the Maker or as soon thereafter as is reasonably practicable in the event such default cannot be cured within thirty (30) days, or should Maker, become insolvent or commit an act of bankruptcy or make an assignment for the benefit of creditors or authorize the filing of a voluntary petition in bankruptcy, or should a receiver of any of their property be appointed, or should involuntary bankruptcy proceedings be filed or threatened against Maker, then in any such event, at the option of the holder hereof at any time thereafter, without demand or notice, the unpaid principal balance of this Note, and all accrued interest shall immediately become due and payable.

If this Note is placed in the hands of an attorney for collection or if collected by suit or through bankruptcy, probate, receivership or other legal or judicial proceedings, the Maker hereof agrees to pay as the reasonable costs of collection and reasonable attorney's fees incurred related thereto.

The Maker (i) waives demand, presentment for payment, notice of intention to accelerate the maturity of this Note and to declare the entire balance of the indebtedness evidenced hereby due and payable, notice that the entire balance of the indebtedness evidenced hereby has been declared due and payable, notice of nonpayment, protest, notice of protest and all other notices, filing of suit and diligence in collecting this Note or enforcing any of the security hereof, (ii) agrees to any substitution, exchange or release of any such security or the release of any party primarily or secondarily liable hereon, (iii) agrees that Lender or other holder hereof shall not be required first to institute suit or exhaust its remedies hereon against the Maker or others liable or to become liable hereon or enforce its rights against any security hereof in order to enforce payment of this Note by it, and (iv) consents to any extensions or postponement of time of payment of this Note and to any other indulgence with respect hereto without notice thereof to any of them.

Any check, draft, money order or other instrument given in payment of all or any portion of this Note may be accepted by the Lender of any other holder hereof and handled for collection in the customary manner, but the same shall not constitute payment hereunder or diminish any right of the Lender or any other holder hereof, except to the extent that actual cash proceeds of such instrument are unconditionally received by the Lender or any other holder hereof and applied to this indebtedness as herein provided.

This Note shall be paid and performed in the State of Ohio, and the laws of the State of Ohio shall govern the construction, validity, enforcement, and interpretation hereof, except to the extent federal laws otherwise govern the validity, construction, enforcement, and interpretation hereof. If any additional rights or remedies are hereafter granted to creditors under the laws of the State of Ohio or under the laws of the United States of America, the Lender shall also have and may exercise any such additional rights or remedies. Venue for any action brought on this Note shall be proper in any state or federal court sitting in Columbus, Ohio, and having jurisdiction of such action.

IN WITNESS WHEREOF, the undersigned Maker has duly executed this Note as of the day and year above first written.

INTELLINETICS, INC.

/s/ Matthew L. Chretien

Name: Matthew Chretien

Title: EVP/CTO

To Subscribe for Convertible Promissory Notes of Intellinetics, Inc.

1. Complete, Sign and Date the “Signature Page” on page 9 of the Subscription Agreement.
2. Initial the “Accredited Investor Certification” on page 10.
3. Return all signed original documents with payment to:
Intellinetics, Inc.
2190 Dividend Drive
Columbus, OH 43228-3806

Please make your subscription payment payable to the order of: **Intellinetics, Inc.**

For wiring funds directly, please use the following instructions:

Bank Name:	Huntington Bank 41 S. High Street, Columbus 43215
ABA Number:	044000024
Account Name:	Intellinetics, Inc.
Account Number:	01892012810

**INTELLINETICS, INC.
SUBSCRIPTION AGREEMENT**

August 31, 2011

Intellinetics, Inc.
2190 Dividend Drive
Columbus, OH 43228-3806

Ladies and Gentlemen:

1. **Subscription.** The undersigned subscriber(s) ("Subscriber"), subject to the terms and conditions hereof, hereby irrevocably subscribes for the principal amount of the promissory notes (the "Subscribed Notes"), of Intellinetics, Inc. (the "Company"), set forth on the signature page to this Agreement.

2. **Payment.** Concurrently with the delivery of this executed Subscription Agreement, Subscriber is delivering to the Company the aggregate purchase price for the Subscribed Notes in the amount and form(s) of consideration as set forth on the signature page to this Agreement, or by wire transfer pursuant to the instructions provided herein.

Such funds will be held for the Subscriber's benefit, and will be returned promptly, without interest, penalty, expense or deduction if the Company does not accept this Subscription Agreement or if the Company terminates the Offering.

3. **Acceptance of Subscription.** The Subscriber understands and agrees that the Company in its sole discretion reserves the right to either accept or reject this or any other subscription for the Subscribed Notes, in whole or in part, and in any order, notwithstanding prior receipt by the Subscriber of notice of acceptance of this subscription. Subscriptions are subject to allotment before and after acceptance. The Company shall have no obligation hereunder until the Company shall execute and deliver to the Subscriber an executed copy of this Subscription Agreement. If this subscription is rejected in whole or the offering is terminated, all funds received from the Subscriber will be returned without interest, penalty, expense or deduction, and this Subscription Agreement shall thereafter be of no further force or effect. If this subscription is rejected in part, the funds for the rejected portion of this subscription will be returned without interest, penalty, expense or deduction, and this Subscription Agreement will continue in full force and effect to the extent this subscription was accepted.

4. **Representations and Warranties.** The Subscriber hereby acknowledges, represents, warrants, and agrees as follows:

(a) The Subscribed Notes offered are not registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws. The Subscriber understands that the offering and sale of the Subscribed Notes is intended to be exempt from registration under the Securities Act, by virtue of Section 4(2) thereof and the provisions of Regulation D promulgated thereunder, based, in part, upon the representations, warranties and agreements of the Subscriber contained in this Subscription Agreement;

(b) The Subscriber and Subscriber's attorney, accountant, purchaser representative and/or tax advisor (the "Advisers"), if any, have received all documents requested by the Subscriber, have carefully reviewed and understand the information contained therein, and the Subscriber and the Advisers, if any, agree to abide by the terms set forth in this Subscription Agreement;

(c) Neither the Securities and Exchange Commission nor any state securities commission has approved the Subscribed Notes, or passed upon or endorsed the merits of this transaction. This Subscription Agreement has not been reviewed by any federal, state or other regulatory authority;

(d) All documents, records, and books pertaining to the investment in the Subscribed Notes have been made available for inspection by such Subscriber and the Advisers;

(e) The Subscriber and the Advisers, if any, have had a reasonable opportunity to ask questions of and receive answers from a person or persons acting on behalf of the Company concerning the offering of the Subscribed Notes and the business of the Company, and all such questions have been answered to the full satisfaction of the Subscriber and the Advisers, if any;

(f) In evaluating the suitability of an investment in the Company, the Subscriber has not relied upon any representation or other information (oral or written) other than as contained in documents or answers to questions so furnished to the Subscriber and the Advisers, if any, by the Company;

(g) The Subscriber is unaware of, is no way relying on, and did not become aware of the Subscribed Notes through or as a result of, any form of general solicitation or general advertising including, without limitation, any article, notice, advertisement or other communication published in any newspaper, magazine or similar media or broadcast over television, radio or the Internet, in connection with the offering and sale of the Subscribed Notes and is not subscribing for the Subscribed Notes and did not become aware of the offering of the Subscribed Notes through or as a result of any seminar or meeting to which the Subscriber was invited by, or any solicitation of a subscription by, a person not previously known to the Subscriber in connection with investments in securities generally;

(h) The Subscriber has taken no action other than that fully disclosed to the company which would give rise to any claim by any person for brokerage commissions, finders' fees or the like relating to this Subscription Agreement or the transactions contemplated hereby;

(i) The Subscriber, either alone or together with its Advisers, if any, has such knowledge and experience in financial, tax, and business matters, and, in particular, investments in securities, so as to enable them to utilize the information made available to them in connection with the offering of the Subscribed Notes to evaluate the merits and risks of an investment in the Subscribed Notes and the Company and to make an informed investment decision with respect thereto;

(j) The Subscriber is not relying on the Company or any of its respective employees, directors, shareholders, managers or agents with respect to the legal, tax, economic and related considerations of an investment in the Subscribed Notes, and the Subscriber has relied on the advice of, or has consulted with, its Advisers;

(k) The Subscriber is acquiring the Subscribed Notes solely for such Subscriber's own account for investment and not with a view to resale or distribution thereof, in whole or in part. The Subscriber has no agreement or arrangement, formal or informal, with any person to sell or transfer all or any part of the Subscribed Notes, and the Subscriber has no plans to enter into any such agreement or arrangement;

(l) The purchase of the Subscribed Notes represents risk capital and the Subscriber is able to afford an investment in a speculative venture having the risks and objectives of the Company and the loss of all of the purchase price of the Subscribed Notes or the Subscribed Notes, themselves. The Subscriber must bear the substantial economic risks of the investment in the Notes indefinitely because the Subscribed Notes may not be sold, hypothecated or otherwise disposed of unless subsequently registered under the Securities Act and applicable state securities laws or an exemption from such registration is available. Legends shall be placed on the certificates, if any included, representing the Subscribed Notes to the effect that they have not been registered under the Securities Act or applicable state securities laws and appropriate notations thereof will be made in the Company's stock books. It is not anticipated that the Subscribed Notes will be freely transferable at any time in the foreseeable future;

(m) The Subscriber has adequate means of providing for such Subscriber's current financial needs and foreseeable contingencies and has no need for liquidity of the investment in the Subscribed Notes for an indefinite period of time;

(n) The Subscriber is aware that an investment in the Subscribed Notes involves a number of very significant risks and has carefully read and considered such matters;

(o) The Subscriber meets the requirements of at least one of the suitability standards for an "accredited investor" as that term is defined in Regulation D under the Securities Act, and has truthfully and accurately completed the Accredited Investor Certification contained herein;

(p) The Subscriber, if a natural person, represents that the Subscriber has reached the age of 21 and has full power and authority to execute and deliver this Subscription Agreement and all other related agreements or certificates and to carry out the provisions hereof and thereof; (ii) if a corporation, partnership, limited liability company or partnership, association, joint stock company, trust, unincorporated organization or other entity, represents that such entity was not formed for the specific purpose of acquiring the Subscribed Notes, such entity is duly organized, validly existing and in good standing under the laws of the state of its organization, the consummation of the transactions contemplated hereby is authorized by, and will not result in a violation of state law or its charter or other organizational documents, such entity has full power and authority to execute and deliver this Subscription Agreement and all other related agreements or certificates and to carry out the provisions hereof and thereof and to purchase and hold the securities constituting the Subscribed Notes, the execution and delivery of this Subscription Agreement has been duly authorized by all necessary action, this Subscription Agreement has been duly executed and delivered on behalf of such entity and is a legal, valid and binding obligation of such entity; or (iii) if executing this Subscription Agreement in a representative or fiduciary capacity, represents that it has full power and authority to execute and deliver this Subscription Agreement in such capacity and on behalf of the subscribing individual, ward, partnership, trust, estate, corporation, limited liability company or partnership, or other entity for which the Subscriber is executing this Subscription Agreement, and such individual, partnership, ward, trust, estate, corporation, limited liability company or partnership, or other entity has full right and power to perform pursuant to this Subscription Agreement and make an investment in the Company, and represents that this Subscription Agreement constitutes a legal, valid and binding obligation of such entity. The execution and delivery of this Subscription Agreement will not violate or be in conflict with any order, judgment, injunction, agreement or controlling document to which the Subscriber is a party or by which it is bound;

(q) The Subscriber represents to the Company that any information that the Subscriber has heretofore furnished or furnishes herewith to the Company is complete and accurate and may be relied upon by the Company in determining the availability of an exemption from registration under federal and state securities laws in connection with the offering of the Subscribed Notes. The Subscriber further represents and warrants that it will notify and supply corrective information to the Company immediately upon the occurrence of any change therein occurring prior to the Company's issuance of the Subscribed Notes;

(r) The Subscriber has a sufficient net worth to sustain a loss of its entire investment in the Company in the event such a loss should occur. The Subscriber's overall commitment to investments that are not readily marketable is not excessive in view of the Subscriber's net worth and financial circumstances and the purchase of the Subscribed Notes will not cause such commitment to become excessive. The investment is a suitable one for the Subscriber;

(s) The Subscriber is satisfied that the Subscriber has received adequate information with respect to all matters which the Subscriber, or the Advisers, if any, considers material to the Subscriber's decision to make this investment;

(t) No oral or written representations have been made, or oral or written information furnished, to the Subscriber in connection with the offering of the Notes that are in any way inconsistent;

(u) Within five (5) days after receipt of a request from the Company, the Subscriber will provide such information and deliver such documents as may reasonably be necessary to comply with any and all laws and ordinances to which the Company is subject;

(v) THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF CERTAIN STATES AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF SAID ACT AND SUCH LAWS. THE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER SAID ACT AND SUCH LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR ANY OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THE OFFERING LETTER. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL;

(w) The Subscriber acknowledges that the Subscribed Notes have not been recommended by any federal or state securities commission or regulatory authority. In making an investment decision investors must rely on their own examination of the Company and the terms of the Offering, including the merits and risks involved. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Subscription Agreement. Any representation to the contrary is a criminal offense. The Subscribed Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and the applicable state securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time.

5. **Indemnification.** The Subscriber agrees to indemnify and hold harmless the Company and its respective employees, agents, control persons, shareholders and affiliates from and against all losses, liabilities, claims, damages, costs, fees and expenses whatsoever (including, but not limited to, any and all expenses incurred in investigating, preparing or defending against any litigation commenced or threatened) based upon or arising out of any actual or alleged false acknowledgment, representation or warranty, or misrepresentation or omission to state a material fact, or breach by the Subscriber of any covenant or agreement made by the Subscriber herein or in any other document delivered in connection with this Subscription Agreement.

6. **Irrevocability; Binding Effect.** The Subscriber hereby acknowledges and agrees that the subscription hereunder is irrevocable by the Subscriber, except as required by applicable law, and that this Subscription Agreement shall survive the death or disability of the Subscriber and shall be binding upon and inure to the benefit of the parties and their heirs, executors, administrators, successors, legal representatives, and permitted assigns. If the Subscriber is more than one person, the obligations of the Subscriber hereunder shall be joint and several and the agreements, representations, warranties, and acknowledgments herein shall be deemed to be made by and be binding upon each such person and such person's heirs, executors, administrators, successors, legal representatives, and permitted assigns.

7. **Modification.** Neither this Subscription Agreement, nor any part hereof shall be modified or waived except by a written and signed letter of mutual consent.

8. **Notices.** Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be mailed by certified mail, return receipt requested, or delivered against receipt to the party to whom it is to be given (a) if to the Company, at the address set forth above, or (b) if to the Subscriber, at the address set forth on the signature page hereof (or, in either case, to such other address as the party shall have furnished in writing in accordance with the provisions of this Section 10). Any notice or other communication given by certified mail shall be deemed given at the time of certification thereof, except for a notice changing a party's address which shall be deemed given at the time of receipt thereof.

9 . **Assignability.** This Subscription Agreement and the rights, interests and obligations hereunder are not transferable or assignable by the Subscriber and the transfer or assignment of the Notes shall be made only in accordance with all applicable laws.

10 . **Applicable Law; Forum.** This Subscription Agreement shall be governed by and construed in accordance with the laws of the State of Ohio relating to contracts entered into and to be performed wholly within such State. The Subscriber hereby irrevocably submits to the jurisdiction of the United States Federal Court sitting in Franklin County, Ohio over any action or proceeding arising out of or relating to this Subscription Agreement or any agreement contemplated hereby, and the Subscriber hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such court. The Subscriber further waives any objection to venue in such State and any objection to an action or proceeding in such State on the basis of a non-convenient forum. The Subscriber further agrees that any action or proceeding brought against the Company shall be brought only in the United States Federal Court sitting in Franklin County, Ohio. THE SUBSCRIBER AGREES TO WAIVE ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS SUBSCRIPTION AGREEMENT OR ANY DOCUMENT OR AGREEMENT CONTEMPLATED HEREBY AND AGREES TO SETTLE ANY DISPUTES BY ARBITRATION.

11. **Blue Sky Qualification.** The purchase of Notes under this Subscription Agreement is expressly conditioned upon the exemption from qualification of the offer and sale of the Subscribed Notes from applicable federal and state securities laws. The Company shall not be required to qualify this transaction under the securities laws of any jurisdiction and, should qualification be necessary, the Company shall be released from any and all obligations to maintain its offer, and may rescind any sale contracted, in such jurisdiction.

12. **Use of Pronouns.** All pronouns and any variations thereof used herein shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons referred to may require.

13. **Confidentiality.** The Subscriber acknowledges and agrees that any information or data the Subscriber has acquired from or about the Company, not otherwise properly in the public domain, was received in confidence. The Subscriber agrees not to divulge, communicate or disclose, except as may be required by law or for the performance of this Agreement, or use to the detriment of the Company or for the benefit of any other person or persons, or misuse in any way, any confidential information of the Company, including any scientific, technical, trade or business secrets of the Company and any scientific, technical, trade or business materials that are treated by the Company as confidential or proprietary, including, but not limited to, ideas, discoveries, inventions, developments and improvements belonging to the Company and confidential information obtained by or given to the Company about or belonging to third parties.

14. **Miscellaneous.**

(a) This Agreement constitutes the entire agreement between the Subscriber and the Company with respect to the subject matter hereof and supersede all prior oral or written agreements and understandings, if any, relating to the subject matter hereof. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by a written document executed by the party entitled to the benefits of such terms or provisions.

(b) The Subscriber's representations and warranties made in this Agreement shall survive the execution and delivery hereof and delivery of the Subscribed Notes.

(c) Each of the parties hereto shall pay its own fees and expenses (including the fees of any attorneys, accountants, appraisers or others engaged by such party) in connection with this Agreement and the transactions contemplated hereby whether or not the transactions contemplated hereby are consummated.

(d) This Agreement may be executed in one or more counterparts each of which shall be deemed an original, but all of which shall together constitute one and the same instrument.

(e) Each provision of this Subscription Agreement shall be considered separable and, if for any reason any provision or provisions hereof are determined to be invalid or contrary to applicable law, such invalidity or illegality shall not impair the operation of or affect the remaining portions of this Subscription Agreement.

(f) Paragraph titles are for descriptive purposes only and shall not control or alter the meaning of this Subscription Agreement as set forth in the text.

**INTELLINETICS, INC.
SIGNATURE PAGE TO
SUBSCRIPTION AGREEMENT**

Subscriber hereby elects to subscribe under the Subscription Agreement for a Promissory Note in the Principal Amount of \$ 300,000.

Date: NOVEMBER 15, 2011

If the purchaser is an INDIVIDUAL, and if purchased as JOINT TENANTS, as TENANTS IN COMMON, or as COMMUNITY PROPERTY:

Print Name(s)

Social Security Number(s)

Signature(s) of Subscriber(s)

Street Address

Date

City, State, Zip Code

If the purchaser is a PARTNERSHIP, CORPORATION, LIMITED LIABILITY COMPANY or TRUST:

Alpharion Capital Partners, Inc.
Name of Partnership, Corporation, Limited Liability Company or Trust

Nevada 27-4514940
State of Organization and Federal Taxpayer Identification Number

By: /s/ Rick Hughes
Name: Rick Hughes
Title: CEO
NOVEMBER 15, 2011
Date

9300 Shelbyville Road Suite 1000
Street Address
Louisville, KY 40222
City, State, Zip Code

SUBSCRIPTION FOR PROMISSORY NOTE ACCEPTED AND AGREED TO
this 15th day of NOVEMBER, 2011.

INTELLINETICS, INC.

/s/ Matthew L. Chretien
Name: Matthew Chretien
Title: EVP/CTO

**INTELLINETICS, INC.
ACCREDITED INVESTOR CERTIFICATION**

**For Individual Investors Only
(All Individual Investors Must Initial All Items Which Apply, Leave Blank if None Apply)**

Initial _____ I have a net worth (excluding the value of my personal residence) of at least \$1 million either individually or through aggregating my individual holdings and those in which I have a joint, community property or other similar shared ownership interest with my spouse.

Initial _____ I have had an annual gross income for the past two years of at least \$200,000 (or \$300,000 jointly with my spouse) and expect my income (or joint income, as appropriate) to reach the same level in the current year.

Initial _____ I am a manager, director or executive officer of Alparion Capital Partners, Inc.

**For Non-Individual Investors
(All Non-Individual Investors Must Initial Where Appropriate, Leave Blank if None Apply)**

Initial _____ the undersigned certifies that it is a partnership, corporation, limited liability company or business trust that is 100% owned by persons who meet the net worth or income criteria for Individual Investors.

Initial _____ the undersigned certifies that it is a partnership, corporation, Limited Liability Company or business trust that has total assets of at least \$5 million and was not formed for the purpose of investing in the Company.

Initial _____ the undersigned certifies that it is an employee benefit plan whose investment decision is made by a plan fiduciary (as defined in ERISA §3(21)) that is a bank, savings and loan association, insurance company or registered investment adviser.

Initial _____ the undersigned certifies that it is an employee benefit plan whose total assets exceed \$5,000,000 as of the date of this Agreement.

Initial _____ the undersigned certifies that it is a self-directed employee benefit plan whose investment decisions are made solely by persons who meet the net worth or income criteria for Individual Investors.

Initial _____ the undersigned certifies that it is a U.S. bank, U.S. savings and loan association or other similar U.S. institution acting in its individual or fiduciary capacity.

Initial _____ the undersigned certifies that it is a broker-dealer registered pursuant to §15 of the Securities Exchange Act of 1934.

Initial _____ the undersigned certifies that it is an organization described in §501(c) (3) of the Internal Revenue Code with total assets exceeding \$5,000,000 and not formed for the specific purpose of investing in the Company.

Initial _____ The undersigned certifies that it is a trust with total assets of at least \$5,000,000, not formed for the specific purpose of investing in the Company, and whose purchase is directed by a person with such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment.

Initial _____ the undersigned certifies that it is a plan established and maintained by a state or its political subdivisions, or any agency or instrumentality thereof, for the benefit of its employees, and which has total assets in excess of \$5,000,000.

Initial _____ the undersigned certifies that it is an insurance company as defined in §2(13) of the Securities Act, or a registered investment company.

PROMISSORY NOTE EXTENSION AGREEMENT

This Promissory Note Extension Agreement, hereinafter referred to as "Extension", entered into this Seventh day of May, 2012, by and among Intellinetics, Inc, hereinafter called "Maker" and Alpharion Capital Partners, hereinafter called "Lender".

WHEREAS, Maker and Lender have entered into a Promissory Note and Subscription Agreement dated November 15, 2011 for the amount of THREE HUNDRED THOUSAND AND NO/100 DOLLARS (\$300,000), hereinafter referred to as "Note". Said Note was originally due one hundred eighty days from its issuance.

WHEREAS, Maker and Lender desire to enter into this Extension Agreement in order to extend the due date of the Note.

NOW, THEREFORE, it is dually agreed by both Maker and Lender to extend the due date of the Note from one hundred eighty days to two hundred seventy days from its date of issuance.

All other provisions of the original Promissory Note and Subscription agreement shall prevail unless otherwise written.

IN WITNESS WHEREOF, the undersigned Maker and Lender has duly executed this Note as of the day and year above first written.

INTELLINETICS, INC.

By: /s/ William J. Santiago
Name: William J. Santiago
Title: President and CEO

ALPHARION CAPITAL PARTNERS, INC.

By: /s/ Rick Hughes
Name: Rick Hughes
Title: CEO

PROMISSORY NOTE SECOND EXTENSION AGREEMENT

This Promissory Note Extension Agreement, hereinafter referred to as "Extension", entered into this Tenth day of August, 2012, by and among Intellinetics, Inc, hereinafter called "Maker" and Alpharion Capital Partners, hereinafter called "Lender".

WHEREAS, Maker and Lender have entered into a Promissory Note and Subscription Agreement dated November 15, 2011 for the amount of THREE HUNDRED THOUSAND AND NO/100 DOLLARS (\$300,000), hereinafter referred to as "Note". Said Note was originally due one hundred eighty days from its issuance.

WHEREAS, Maker and Lender have entered into a Promissory Note Extension Agreement dated May 7, 2012 for the amount of THREE HUNDRED THOUSAND AND NO/100 DOLLARS (\$300,000), hereinafter referred to as the "Note Extension". Said Note Extension was originally due two-hundred seventy days from its issuance.

WHEREAS, Maker and Lender desire to enter into this Second Extension Agreement in order to extend the due date of the Note.

NOW, THEREFORE, it is dually agreed by both Maker and Lender to extend the due date of the Note from two hundred seventy days to a due date of July 1, 2013.

All other provisions of the original Promissory Note, Subscription Agreement and Promissory Note Extension Agreement shall prevail unless otherwise written.

IN WITNESS WHEREOF, the undersigned Maker and Lender has duly executed this Note as of the day and year above first written.

INTELLINETICS, INC.**By: /s/ William J. Santiago****Name: William J. Santiago****Title: President and CEO****ALPHARION CAPITAL PARTNERS, INC.****By: /s/ Rick Hughes****Name: Rick Hughes****Title: CEO**

GWIV

\$400,000 PROMISSORY NOTEInterest free if paid in full
within 3 months

FOR VALUE RECEIVED, **Globalwise Investments Inc.**, a Nevada corporation (the "Borrower") with at least 32,000,000 common shares issued and outstanding, promises to pay to JMJ Financial or its Assignees (the "Lender") the Principal Sum along with the Interest Rate and any other fees according to the terms herein. This Note will become effective only upon execution by both parties and delivery of the first payment of Consideration by the Lender (the "Effective Date").

The Principal Sum is \$400,000 (four hundred thousand) plus accrued and unpaid interest and any other fees. The Consideration is \$360,000 (three hundred sixty thousand) payable by wire (there exists a \$40,000 original issue discount (the "OID")). The Lender shall pay \$100,000 of Consideration upon closing of this Note. The Lender may pay additional Consideration to the Borrower in such amounts and at such dates as Lender may choose in its sole discretion. **THE PRINCIPAL SUM DUE TO LENDER SHALL BE PRORATED BASED ON THE CONSIDERATION ACTUALLY PAID BY LENDER (PLUS AN APPROXIMATE 10% ORIGINAL ISSUE DISCOUNT THAT IS PRORATED BASED ON THE CONSIDERATION ACTUALLY PAID BY THE LENDER AS WELL AS ANY OTHER INTEREST OR FEES) SUCH THAT THE BORROWER IS ONLY REQUIRED TO REPAY THE AMOUNT FUNDED AND THE BORROWER IS NOT REQUIRED TO REPAY ANY UNFUNDED PORTION OF THIS NOTE.** The Maturity Date is one year from the Effective Date of each payment (the "Maturity Date") and is the date upon which the Principal Sum of this Note, as well as any unpaid interest and other fees, shall be due and payable. The Conversion Price is the lesser of \$1.50 or 70% of the lowest trade price in the 25 trading days previous to the conversion (In the case that conversion shares are not deliverable by DWAC an additional 5% discount will apply; and if the shares are chilled for deposit into the DTC system and only eligible for Xclearing deposit an additional 7.5% discount shall apply). Unless otherwise agreed in writing by both parties, at no time will the Lender convert any amount of the Note into common stock that would result in the Lender owning more than 4.99% of the common stock outstanding.

1. **ZERO Percent Interest for the First Three Months.** The Borrower may repay this Note at any time on or before 90 days from the Effective Date, after which the Borrower may not make further payments on this Note prior to the Maturity Date without written approval from Lender. **If the Borrower repays the Note on or before 90 days from the Effective Date, the Interest Rate shall be ZERO PERCENT (0%).** If Borrower does not repay the Note on or before 90 days from the Effective Date, a one-time Interest charge of 5% shall be applied to the Principal Sum. Any interest payable is in addition to the OID, and that OID (or prorated OID, if applicable) remains payable regardless of time and manner of payment by Borrower.

2. **Conversion.** The Lender has the right, at any time from 90 days after the Effective Date, at its election, to convert all or part of the outstanding and unpaid Principal Sum and accrued interest (and any other fees) into shares of fully paid and non-assessable shares of common stock of the Borrower as per this conversion formula: Number of shares receivable upon conversion equals the dollar conversion amount divided by the Conversion Price. Conversions may be delivered to Borrower by method of Lender's choice (including but not limited to email, facsimile, mail, overnight courier, or personal delivery), and all conversions shall be cashless and not require further payment from the Lender. If no objection is delivered from Borrower to Lender regarding any variable or calculation of the conversion notice within 24 hours of delivery of the conversion notice, the Borrower shall have been thereafter deemed to have irrevocably confirmed and irrevocably ratified such notice of conversion and waived any objection thereto. The Borrower shall deliver the shares from any conversion to Lender (in any name directed by Lender) within 3 (three) business days of conversion notice delivery.

3. **Conversion Delays.** If Borrower fails to deliver shares in accordance with the timeframe stated in Section 2, Lender, at any time prior to selling all of those shares, may rescind any portion, in whole or in part, of that particular conversion attributable to the unsold shares and have the rescinded conversion amount returned to the Principal Sum with the rescinded conversion shares returned to the Borrower (under Lender's and Borrower's expectations that any returned conversion amounts will tack back to the original date of the Note). In addition, for each conversion, in the event that shares are not delivered by the fourth business day (inclusive of the day of conversion), a penalty of \$2,000 per day will be assessed for each day after the third business day (inclusive of the day of the conversion) until share delivery is made; and such penalty will be added to the Principal Sum of the Note (under Lender's and Borrower's expectations that any penalty amounts will tack back to the original date of the Note).

4. **Reservation of Shares.** At all times during which this Note is convertible, the Borrower will reserve from its authorized and unissued Common Stock to provide for the issuance of Common Stock upon the full conversion of this Note. The Borrower will at all times reserve at least 800,000 shares of Common Stock for conversion.

5. **Piggyback Registration Rights.** The Borrower shall include on the next registration statement the Borrower files with SEC (or on the subsequent registration statement if such registration statement is withdrawn) all shares issuable upon conversion of this Note. Failure to do so will result in liquidated damages of 25% of the outstanding principal balance of this Note, but not less than \$25,000, being immediately due and payable to the Lender at its election in the form of cash payment or addition to the balance of this Note.

6. **Terms of Future Financings.** So long as this Note is outstanding, upon any issuance by the Borrower or any of its subsidiaries of any security with any term more favorable to the holder of such security or with a term in favor of the holder of such security that was not similarly provided to the Lender in this Note, then the Borrower shall notify the Lender of such additional or more favorable term and such term, at Lender's option, shall become a part of the transaction documents with the Lender. The types of terms contained in another security that may be more favorable to the holder of such security include, but are not limited to, terms addressing conversion discounts, conversion lookback periods, interest rates, original issue discounts, stock sale price, private placement price per share, and warrant coverage.

7. Default. The following are events of default under this Note: (i) the Borrower shall fail to pay any principal under the Note when due and payable (or payable by conversion) thereunder; or (ii) the Borrower shall fail to pay any interest or any other amount under the Note when due and payable (or payable by conversion) thereunder; or (iii) a receiver, trustee or other similar official shall be appointed over the Borrower or a material part of its assets and such appointment shall remain uncontested for twenty (20) days or shall not be dismissed or discharged within sixty (60) days; or (iv) the Borrower shall become insolvent or generally fails to pay, or admits in writing its inability to pay, its debts as they become due, subject to applicable grace periods, if any; or (v) the Borrower shall make a general assignment for the benefit of creditors; or (vi) the Borrower shall file a petition for relief under any bankruptcy, insolvency or similar law (domestic or foreign); or (vii) an involuntary proceeding shall be commenced or filed against the Borrower; or (viii) the Borrower shall lose its status as "DTC Eligible" or the borrower's shareholders shall lose the ability to deposit (either electronically or by physical certificates, or otherwise) shares into the DTC System; or (ix) the Borrower shall become delinquent in its filing requirements as a fully-reporting issuer registered with the SEC.

8. Remedies. In the event of any default, the outstanding principal amount of this Note, plus accrued but unpaid interest, liquidated damages, fees and other amounts owing in respect thereof through the date of acceleration, shall become, at the Lender's election, immediately due and payable in cash at the Mandatory Default Amount. The Mandatory Default Amount means the greater of (i) the outstanding principal amount of this Note, plus all accrued and unpaid interest, liquidated damages, fees and other amounts hereon, divided by the Conversion Price on the date the Mandatory Default Amount is either demanded or paid in full, whichever has a lower Conversion Price, multiplied by the VWAP on the date the Mandatory Default Amount is either demanded or paid in full, whichever has a higher VWAP, or (ii) 150% of the outstanding principal amount of this Note, plus 100% of accrued and unpaid interest, liquidated damages, fees and other amounts hereon. Commencing five (5) days after the occurrence of any event of default that results in the eventual acceleration of this Note, the interest rate on this Note shall accrue at an interest rate equal to the lesser of 18% per annum or the maximum rate permitted under applicable law. In connection with such acceleration described herein, the Lender need not provide, and the Borrower hereby waives, any presentment, demand, protest or other notice of any kind, and the Lender may immediately and without expiration of any grace period enforce any and all of its rights and remedies hereunder and all other remedies available to it under applicable law. Such acceleration may be rescinded and annulled by Lender at any time prior to payment hereunder and the Lender shall have all rights as a holder of the note until such time, if any, as the Lender receives full payment pursuant to this Section 8. No such rescission or annulment shall affect any subsequent event of default or impair any right consequent thereon. Nothing herein shall limit Lender's right to pursue any other remedies available to it at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Borrower's failure to timely deliver certificates representing shares of Common Stock upon conversion of the Note as required pursuant to the terms hereof.

9. No Shorting. Lender agrees that so long as this Note from Borrower to Lender remains outstanding, Lender will not enter into or effect "short sales" of the Common Stock or hedging transaction which establishes a net short position with respect to the Common Stock of Borrower. Borrower acknowledges and agrees that upon delivery of a conversion notice by Lender, Lender immediately owns the shares of Common Stock described in the conversion notice and any sale of those shares issuable under such conversion notice would not be considered short sales.

10. Assignability. The Borrower may not assign this Note. This Note will be binding upon the Borrower and its successors and will inure to the benefit of the Lender and its successors and assigns and may be assigned by the Lender to anyone of its choosing without Borrower's approval.

11. Governing Law. This Note will be governed by, and construed and enforced in accordance with, the laws of the State of Florida, without regard to the conflict of laws principles thereof. Any action brought by either party against the other concerning the transactions contemplated by this Agreement shall be brought only in the state courts of Florida or in the federal courts located in Miami-Dade County, in the State of Florida. Both parties and the individuals signing this Agreement agree to submit to the jurisdiction of such courts.

12. Delivery of Process by Lender to Borrower. In the event of any action or proceeding by Lender against Borrower, and only by Lender against Borrower, service of copies of summons and/or complaint and/or any other process which may be served in any such action or proceeding may be made by Lender via U.S. Mail, overnight delivery service such as FedEx or UPS, email, fax, or process server, or by mailing or otherwise delivering a copy of such process to the Borrower at its last known attorney as set forth in its most recent SEC filing.

13. Attorney Fees. In the event any attorney is employed by either party to this Note with regard to any legal or equitable action, arbitration or other proceeding brought by such party for the enforcement of this Note or because of an alleged dispute, breach, default or misrepresentation in connection with any of the provisions of this Note, the prevailing party in such proceeding will be entitled to recover from the other party reasonable attorneys' fees and other costs and expenses incurred, in addition to any other relief to which the prevailing party may be entitled.

14. Opinion of Counsel. In the event that an opinion of counsel is needed for any matter related to this Note, Lender has the right to have any such opinion provided by its counsel. Lender also has the right to have any such opinion provided by Borrower's counsel.

15. Notices. Any notice required or permitted hereunder (including Conversion Notices) must be in writing and either personally served, sent by facsimile or email transmission, or sent by overnight courier. Notices will be deemed effectively delivered at the time of transmission if by facsimile or email, and if by overnight courier the business day after such notice is deposited with the courier service for delivery.

[Signature Page to Follow]

Borrower:

/S/ William Santiago
William Santiago
Globalwise Investments Inc.
Chief Executive Officer & President

Date: 8/7/12

Lender:

/s/ JMJ Financial
JMJ Financial
Its Principal

Date: 8/7/12

[Signature Page to \$400,000 Promissory Note]

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, William J. Santiago, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Globalwise Investments, Inc. for the quarter ended June 30, 2012;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 13, 2012

/s/ William J. Santiago
Name: William J. Santiago
Title: President and Chief Executive Officer (Principal Executive Officer)

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Matthew L. Chretien, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Globalwise Investments, Inc. for the quarter ended June 30, 2012;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 13, 2012

/s/ Matthew L. Chretien

Name: Matthew L. Chretien

Title: Executive Vice President, Chief Technology Officer and Treasurer
(Principal Financial Officer and Principal Accounting Officer)

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER

PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Globalwise Investments, Inc., (the "Company") on Form 10-Q for the quarter ended June 30, 2012, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, William J. Santiago, Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 13, 2012

/s/ William J. Santiago

Name: William J. Santiago
Title: President and Chief Executive Officer (Principal Executive Officer)

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER

PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Globalwise Investments, Inc., (the "Company") on Form 10-Q for the quarter ended June 30, 2012, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Matthew L. Chretien, Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 13, 2012

/s/ Matthew L. Chretien

Name: Matthew L. Chretien

Title: Executive Vice President, Chief Technology Officer and
Treasurer
(Principal Financial Officer and Principal Accounting
Officer)
