As filed with the Securities and Exchange Commission on October 29, 1999
Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM S-3
REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933

INDIVIDUAL INVESTOR GROUP, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	13-3487784
(State of Incorporation)	(I.R.S. Employer Identification Number)

125 Broad Street, 14th Floor
New York, NY 10004
(212) 742-2277
(Address and telephone number of principal executive offices)

Jonathan L. Steinberg, Chief Executive Officer
125 Broad Street, 14th Floor
New York, NY 10004
(212) 742-2277
(Name, address and telephone number of agent for service)

Copies to:

Peter M. Ziemba, Esq.
Graubard Mollen & Miller
600 Third Avenue
New York, New York 10016
(212) 818-8800
(212) 818-8881 - Facsimile

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. |_|

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. |X|

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

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

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. |_|

Calculation of Registration Fee

	Proposed Maximum	Proposed	Amount

Title of Shares to be Registered	Amount to be Registered	Offering Price Per Share	Maximum Aggregate Offering Price	of Registration Fee
Common Stock, $.01 par value	2,149,434	$2.640625(1)	$5,675,849.16	$1,577.89
Common Stock, $.01 par value, underlying Common Stock Purchase Warrants(2)	300,000	$2.640625	$792,187.50	$220.23
Common Stock, $.01 par value, underlying Series A Preferred Stock(2)	943,396	$2.640625	$2,491,155.06	$692.54
TOTAL FEE				$2,490.66

(1) Based upon the market price of the Common Stock, as reported by The Nasdaq Stock Market, Inc., on October 25, 1999, in accordance with Rule 457(c) of the Securities Act of 1933.

(2) Pursuant to Rule 416, there are also being registered additional shares of Common Stock as may become issuable pursuant to the antidilution provisions in the Common Stock Purchase Warrants and the Series A Preferred Stock.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is incomplete and may be changed. None of the selling stockholders may sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale of these securities is not permitted.

Subject to Completion, October 29, 1999.

Prospectus

INDIVIDUAL INVESTOR GROUP, INC.

3,392,830 Shares of Common Stock

This prospectus relates to up to 3,392,830 shares of common stock of Individual Investor Group, Inc. that may be offered for resale for the account of the selling stockholders set forth in this prospectus under the heading "Selling Stockholders" beginning on page 16.

Our common stock is traded on the Nasdaq National Market under the symbol INDI. On October 25, 1999, the last reported sale price of our common stock was $2.5625.

Investing in our common stock involves a high degree of risk. See "Risk Factors" beginning on page 4.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____ __, 1999.

You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information in this prospectus is accurate as of any date other than the date on the front page of this prospectus.

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Business Summary

We are a company engaged primarily in providing financial information services, including research and analysis of investment information, to individuals and investment professionals. We provide this information through print publications and online services.

We print and market three publications: Individual Investor magazine, Ticker(sm) magazine, and Individual Investor's Special Situations Report. Individual Investor magazine, a consumer-oriented monthly investment magazine, offers commentary and opinion on investment ideas regarding public companies and mutual funds believed to have higher earning potential than those of the general market. Individual Investor magazine is distributed through subscriptions and newsstands and has a circulation of approximately 500,000. Ticker(sm) magazine is a monthly trade publication distributed without charge to a controlled circulation of financial brokers, planners and advisers. Ticker(sm) has a circulation of approximately 100,000. Individual Investor's Special Situations Report is a subscription only, monthly newsletter with each issue featuring one new stock investment recommendation, including a detailed research report discussing the featured company's operating history, future plans and specific financial projections.

Our online services include IndividualInvestor.com and InsiderTrader.com (www.insidertrader.com). IndividualInvestor.com provides users with continuously updated research, message boards, portfolio tracking, analytical tools, news and financial information. InsiderTrader.com distributes "insider" data filed with the Securities and Exchange Commission, and provides proprietary research based on the data.

We also developed the INDI SmallCap 500(tm) index of small-cap stocks, which is listed on the American Stock Exchange under the ticker symbol NDI.

Individual Investor Group was incorporated under the laws of the State of Delaware on September 19, 1985. Our principal executive offices are located at 125 Broad Street, 14th Floor, New York, New York 10004 and our telephone number is (212) 742-2277.

Risk Factors

You should carefully consider these risks, as well as those described in our most recent Form 10-K, Form 10-Q and Form 8-K filings, before making an investment decision. The risks described below are not the only risks we face. Additional risks may also impair our business operations. If any of the following risks occur, our business, results of operations or financial condition could be materially adversely affected. If that happens, the trading price of our common stock could decline, and you may lose all or part of your investment. In the risk factors below, when we use the word "web," we are referring to the portion of the Internet commonly referred to as the "world wide web."

We have a history of losses and we anticipate that our losses will continue in the future. As of June 30, 1999, we had an accumulated deficit of $25.5 million. In the past ten years, the only calendar year during which we were profitable was 1995. We expect to continue to incur net losses in 1999 and in subsequent fiscal periods. We expect to continue to incur significant operating expenses and, as a result, will need to generate significant revenues to achieve profitability, which may not occur. Even if we do achieve profitability, we may be unable to sustain or increase profitability on a quarterly or annual basis in the future.

We will need to raise additional capital in the future. Based on our current business plan, we believe that our working capital and investments will be sufficient to fund our operations and capital requirements at least through the second quarter of fiscal 2000. Because we expect to incur continuing net losses, we expect that we will need to raise additional capital from time to time in the future. The availability of financing and the cost to us of financing will depend on the many factors existing at the time we seek funding. These factors may include our sources and amounts of revenues, our business development and prospects and the state of the financial markets generally. It is possible that additional financing may not be available to us, or, if available, the terms upon which it may be obtained may be unfavorable to us and may result in dilution of an investor's equity investment in us. Our failure to obtain additional financing on favorable terms, or at all, would have a substantial adverse effect on our future ability to conduct operations.

Our online services business has a limited operating history. We commenced our online services operations in May 1997. Accordingly, we have only a limited operating history upon which you can evaluate this business segment and its prospects. An investor in our common stock must consider the risks, expenses and difficulties frequently encountered by early stage businesses in new and rapidly evolving markets, including web-based financial news and information companies.

Our quarterly financial results are subject to significant fluctuations. Our quarterly operating results may fluctuate significantly in the future as a result of a variety of factors, many of which are outside our control. For example, in our print publications business, our revenues tend to reflect seasonal patterns, with certain calendar quarters tending to be stronger than others. Similar seasonal patterns may develop in the online services business as well.

We believe that quarter-to-quarter comparisons of our operating results may not be a good indication of our future performance, nor would our operating results for any particular quarter be indicative of future operating results. In some future quarters, our operating results may be below the expectations of public market analysts and investors. If that happens, the price of our common stock may fall, perhaps dramatically.

We face intense competition in both our print publications business and our online services business. An increasing number of financial news and information sources compete for consumers' and advertisers' attention and spending. We expect this competition to continue and to increase. We compete for advertisers, readers, staff and outside contributors with many types of companies. These competitors include:

- online services or web sites focused on business, finance and investing, such as CBS MarketWatch.com; The WallStreet Journal Interactive Edition; TheStreet.com; The Motley Fool; Yahoo! Finance; Silicon Investor; Microsoft Investor; SmartMoney.com; Money.com and Multex.com;

- publishers and distributors of traditional print media, such as The Wall Street Journal; Barron's; Investors Business Daily; Business Week; Fortune; Forbes; Money; Kiplinger's; Smart Money; Worth; Registered Representative; Institutional Investor; Research and On Wall Street;

- publishers and distributors of radio and television programs focused on business, finance and investing, such as Bloomberg Business Radio and CNBC;

- web "portal" companies, such as Yahoo!; Excite; Lycos; Snap!; Go Network; and America Online; and

- online brokerage firms, many of which provide financial and investment news and information, such as Charles Schwab and E*TRADE.

Our ability to compete depends on many factors, including the originality, timeliness, comprehensiveness and trustworthiness of our content and that of our competitors, the ease of use of services developed either by us or our competitors and the effectiveness of our sales and marketing efforts.

Many of our existing competitors, as well as a number of potential new competitors, have longer operating histories, greater name recognition, larger customer bases and significantly greater financial, technical and marketing resources than we do. This may allow them to devote greater resources than we can to the development and promotion of their services and products. These competitors may also engage in more extensive research and development,

undertake more far-reaching marketing campaigns, adopt more aggressive pricing policies to attract advertisers and make more attractive offers to existing and potential employees, outside contributors, strategic partners and advertisers. Our competitors may develop content that is equal or superior to ours or that achieves greater market acceptance than ours. It is also possible that new competitors may emerge and rapidly acquire significant market share. We may not be able to compete successfully for advertisers, readers, staff or outside contributors. Increased competition could result in price reductions, reduced margins or loss of our market share. Any of these could materially adversely affect our business, results of operations and financial condition.

Because our editorial content is focused on the financial markets, a prolonged "bear market" may cause our businesses to suffer. Our editorial content is highly focused on the financial markets. If the markets suffer a prolonged downturn or "bear market," it is possible that our businesses might suffer materially for two reasons. First, during a bear market, people may become less interested in buying and selling securities, and thus less interested in our research and analysis of securities. Less people might be interested in subscribing to our print publications, and less people might be interested in using our online services. Second, advertisers, particularly the financial services advertisers that are our most important source of advertising revenue, might decide to reduce their advertising budgets. Either of these developments could cause our operations to suffer materially.

Because our editorial content is focused on research and analysis of specific stocks, our businesses could suffer if our recommendations are poor. Our editorial content is focused on research and analysis of specific stocks. We frequently state that a particular company's stock is undervalued or overvalued at the current prices. We believe that our research and analysis is of a high quality, and we are proud to take a stand and to be held accountable for our opinions. We believe our readers appreciate this editorial courage and find it to be of greater value than stories on such topics as "the best cities in which to live" and the like. Because we give these specific opinions, the wisdom of our conclusions can be measured: did the stocks we said were undervalued go up, and did the stocks we said were overvalued go down. If our opinions turn out to be incorrect - and some of our opinions certainly will be - people may become less interested in learning these opinions. They may be less interested in subscribing to our print publications and less interested in using our online services. If interest in our opinions declines, our operations could suffer materially.

Our company may not be able to attract and retain qualified employees for our print publications business. Many of our competitors in the print publications business are larger than us and have a number of print titles. We only have two magazines and one newsletter. There is a general perception in the employment market that larger publishers are more prestigious or offer more varied career opportunities. Although we believe our company offers an attractive work environment and employment opportunity in our print publications business, including offering our employees greater responsibility and the ability to have a more meaningful impact on the product than would be the case at a magazine with a larger staff, we may be perceived by many people as a less attractive employer than a larger publisher. If we are unable to attract and retain qualified employees for our print publications business, that business could suffer materially.

Our company may not be able to attract and retain qualified employees for our online service business. There is a general perception in the employment market

for online employees that pure Internet companies offer a more attractive work environment for a youthful workforce. This is based on the belief that the Internet is a new and growing industry that offers a great future. In addition, many employees in the Internet industry seek and often receive significant portions of their compensation through stock options. The stock prices of many pure Internet companies have increased dramatically during the past year or so. Although we believe our company offers an attractive work environment and employment opportunity in our online services business, we may be perceived by many people as a less attractive employer than a pure Internet company. If we are unable to attract and retain qualified employees for our online services business, that business could suffer materially.

We depend on our editorial staff and outside contributors. Our success depends substantially upon the efforts of our editorial staff and outside contributors to produce original, timely, comprehensive and trustworthy content. Our writers are not bound by employment agreements. Competition for financial journalists is intense, and we may not be able to retain existing or attract additional qualified writers in the future. If we lose the services of a large portion of our editorial staff and outside contributors or are unable to attract additional writers with appropriate qualifications, our business, results of operations and financial condition could be materially adversely affected.

We depend on key management personnel. Our future success depends upon the continued service of key management personnel. The loss of one or more of our key management personnel could materially adversely affect our business, results of operations and financial condition. Moreover, the costs that may arise in connection with executive departures and replacements can be significant, as they were during 1998.

We depend on certain advertisers and on independent advertising agents, to generate revenue. In 1998, and continuing through the second quarter of 1999, the majority of our print publications advertising revenue came from financial services companies, followed by consumer advertisers and others. We were not dependent upon any particular advertiser for our print publications revenues. During the second quarter of 1999, approximately sixty percent of the online services advertising revenue came from four brokerage firms offering online trading. We expect that the majority of advertising revenues derived from our online services operations will come from online brokerage firms. In the event that online brokerage firms choose to scale back on their advertising (on the Internet in general or on our web sites in particular), our online services business, results of operations and financial condition could be materially adversely affected.

If we do not continue to increase our revenue from financial services advertisers or attract advertisers from non-financial industries, our business, results of operations and financial condition could be materially adversely affected. With respect to our online services in particular, advertising rates are frequently measured on a "cost per thousand" clicks, or "CPM," basis. CPM rates have fluctuated in the past and we expect CPM rates to continue to fluctuate. CPM rates may experience industry-wide declines in the future, as the supply of desirable online advertising space may be increasing at a rate greater than the demand for that space by advertisers. We believe that we charge advertising rates that are among the highest of financial web sites. However, we cannot guarantee that we will be able to command premium rates in the future.

Moreover, a number of advertisers that have been a source of a material portion of our online services advertising revenues are purchasing advertising on a "cost-per-action" basis, in which we are paid only when a user of our online services takes the relevant action. The number of such completed actions is usually a very small percent of the number of advertising impressions shown on our web site. It is more difficult to accurately predict revenue that will be received from cost-per-action ads than from CPM ads. An increased shift of our important advertisers to cost-per-action ads could have a material adverse effect on our online services advertising revenues.

In selling print advertising, we depend both on our internal advertising sales department and on outside sales representatives to maintain and increase our advertising sales. In selling online advertising, we depend primarily upon our internal advertising sales department and an outside sales agent. The success of our advertising sales efforts is subject to a number of risks, including the competition we face from other companies in hiring and retaining sales personnel and effective outside sales representatives, and the length of time it takes new sales personnel to become productive. Our business, results of operations and financial condition could be materially adversely affected if we do not maintain an effective advertising sales department.

Additional risks associated with online advertising. No standards have been widely accepted to measure the effectiveness of web advertising. If standards do not develop, existing advertisers may not continue or increase their levels of web advertising. If standards develop and we are unable to meet those standards, advertisers may not continue advertising on our site. Furthermore, advertisers that have traditionally relied upon other advertising media may be reluctant to advertise on the web. If advertisers perceive the Internet or our web site to be a limited or an ineffective advertising medium, they may be reluctant to devote a portion of their advertising budget to Internet advertising or to advertising on our web site. Our business, results of operations and financial condition could be materially adversely affected if the market for web advertising declines or develops more slowly than expected.

Different pricing models are used to sell advertising on the web. It is difficult to predict which, if any, will emerge as the industry standard. This uncertainty makes it difficult to project our future advertising rates and revenues. We cannot assure you that we will be successful under alternative pricing models that may emerge. Moreover, "filter" software programs that limit or prevent advertising from being delivered to a web user's computer are available. Widespread adoption of this software could materially adversely affect the commercial viability of web advertising, which could materially adversely affect our advertising revenues. Risks associated with our list rental revenue. The ability to earn revenue from list rental depends in large degree upon three factors: first, the number of subscribers on the list; second, the demographic characteristics of the subscribers on the list (such as age, income and wealth); and third, the degree to which previous rentals of the list have produced favorable results for the renter. This last factor is affected by the manner in which the subscribers have been added. For example, new subscribers from direct-to-publisher sources (such as direct mail and insert cards in the

magazine) typically are more valuable than subscribers obtained from subscription agencies by means of reduced introductory rates or the use of airline frequent flyer miles.

We use an independent party, Rickard List Marketing, to promote the rental of our subscriber lists. The revenue we earn from list rentals thus also depends in part upon the efforts our agent makes.

We depend on independent parties to publish our print publications. We depend upon an independent party, Quebecor, to print our print publications and to deliver the printed copies to the United States Post Office for mailing to our subscribers. If our printer's business is disrupted for any reason, such as fire or other natural disaster, labor strife, supply shortages, or machinery problems, we might not be able to distribute our publications in a timely manner. Since magazines typically are printed only shortly before the time they are to be mailed to subscribers, any disruption at our printer could prevent our magazines from being distributed in a timely manner. If we don't distribute our magazines on time, our subscribers may become dissatisfied and cancel their subscriptions. If a disruption at our printer delays our ability to distribute Individual Investor magazine to newsstands, we may lose newsstand sales. In the event of a disruption, our insurance may not cover all of our losses. Any of these developments may cause our operating results to suffer materially.

We depend on independent parties to distribute Individual Investor magazine to newsstands. We depend upon independent parties (the largest of which is International Circulation Distributors, a subsidiary of The Hearst Corporation) to distribute Individual Investor magazine to newsstands. If the business of our distributors is disrupted for any reason, such as labor strife or natural disaster, we might not be able to distribute Individual Investor magazine to newsstands in a timely manner. Since our distributors typically pickup Individual Investor magazine for newsstand distribution only shortly before the time the magazine is to be delivered, any disruption at our distributors could prevent the magazine from being distributed to newsstands in a timely manner. If a disruption at our distributors delays our ability to deliver Individual Investor magazine to newsstands, we may lose newsstand sales. Any of these developments may cause our operating results to suffer materially.

We depend on independent parties to obtain the majority of the subscribers to Individual Investor magazine. We depend upon independent parties to obtain the majority of the subscribers to Individual Investor magazine. These agencies include American Family Publishers, Publishers Clearing House and NewSub services. These agencies obtain subscribers primarily through use of direct mail campaigns. If the positive response to the promotion of Individual Investor magazine by these agencies is not great enough, or if the agencies believe that we may fail to fulfill a subscription, they may stop promoting our magazine. This could cause our subscriber base to shrink, which would lower our subscription revenue and reduce our advertising rate base, which would lead to lower advertising revenue. Also, many publications compete for services of subscription agencies, and one or more of these subscription agencies may choose not to continue to market Individual Investor in order to better serve one of our competitors. Any of those developments could cause our operating results to suffer materially.

We may incorrectly forecast our success in obtaining and renewing subscriptions. We attempt to accurately forecast the number of subscribers to our print publications. We run the risk that our forecasts will be incorrect, either too high or too low. Our forecast could be too high if the number of new subscribers that we obtain is less than the amount we projected. Our forecast also could be too high if we get less renewal orders from existing subscribers. If our subscriber base is less than our projections, we will earn less subscription revenue and our advertising rate base will be lower, which would lead to lower advertising revenue. This could cause our operating results to suffer materially.

Our forecast could be too low if we obtain more new subscribers than projected, or if we receive more renewal orders than projected from existing subscribers. If our subscriber base is higher than we projected, we would earn more subscription revenue than projected, but have higher than expected production and distribution costs. We might not be able to increase our advertising rate base immediately. This could lead to our operating results being worse than projected.

We depend on independent parties to manage our subscriber files. We depend upon an independent party to manage our subscriber files. This party receives subscription orders and payments for our print publications, sends renewal and invoice notices to subscribers and generates subscribers' labels and circulation reports for us. If the business of this party is disrupted, we may become unable to process subscription requests, or send out renewal notices or invoices, or deliver our print publications. If this were to happen, our insurance might not cover all of our losses. Any of those developments could cause our operating results to suffer materially.

We need to manage our growth. Although our print publications business has not experienced rapid growth in the recent past, our online services, which commenced in May 1997, have experienced rapid growth. This growth has placed a strain on our managerial, operational and financial resources. We expect this strain to increase with anticipated future growth in both print publications and online services. To manage our growth, we must continue to implement and improve our managerial controls and procedures and our operational and financial systems. In addition, our future success will depend on our ability to expand, train and manage our workforce, in particular our editorial, advertising sales and business development staff. We cannot assure you that we have made adequate allowances for the costs and risks associated with this expansion, that our systems, procedures or controls will be adequate to support our operations, or that our management will be able to successfully offer and expand our services. If we are unable to manage our growth effectively, our business, results of operations and financial condition could be materially adversely affected.

We need to establish and maintain relationships with other web sites to promote the growth of our online services business. For us to maintain and increase the traffic to our web sites, it is important for us to establish and maintain content distribution relationships with highly- trafficked web sites operated by other companies. There is intense competition for relationships with these sites. Although we have not paid any material sum with respect to our relationships to date, it is possible that, in the future, we might be required to pay fees in order to establish or maintain relationships with these sites. It also is possible, however, that we may be able to charge fees in connection with these relationships in the future. Additionally, many of these sites compete

with our web sites as providers of financial information, and these sites may become less willing to establish or maintain strategic relationships with us in the future. We may be unable to enter into relationships with these sites on commercially reasonable terms or at all. Even if we enter into such relationships, they may not attract significant numbers of viewers to our web sites.

Increased traffic to our web sites may strain our systems and impair our online services business. On occasion, we have experienced significant spikes in traffic on our web site. In addition, the number of users of our online services has increased over time and we are seeking to increase our user base further. Accordingly, our web site must accommodate a high volume of traffic, often at unexpected times. Our web site has in the past, and may in the future, experience slower response times than usual or other problems for a variety of reasons. These occurrences could cause our readers to perceive our web site as not functioning properly and, therefore, cause them to use other methods to obtain their financial news and information. In such a case, our business, results of operations and financial condition could be materially adversely affected.

We face a risk of system failure for our online services business. Our ability to provide timely information and continuous news updates depends on the efficient and uninterrupted operation of our computer and communications hardware and software systems. Similarly, our ability to track, measure and report the delivery of advertisements on our site depends largely on the efficient and uninterrupted operation of a third-party system maintained by DoubleClick. These systems and operations are vulnerable to damage or interruption from human error, natural disasters, telecommunication failures, break-ins, sabotage, computer viruses, intentional acts of vandalism and similar events. We do not have a formal disaster recovery plan for the event of such damage or interruption. Any system failure that causes an interruption in our service or a decrease in responsiveness of our web site could result in reduced traffic, reduced revenue and harm to our reputation, brand and our relations with our advertisers. Our insurance policies may not adequately compensate us for any losses that we may incur because of any failures in our system or interruptions in our delivery of content. Our business, results of operations and financial condition could be materially adversely affected by any event, damage or failure that interrupts or delays our operations.

We may not successfully develop new and enhanced services and features for our online services to the satisfaction of our customers. We intend to introduce additional and enhanced services in order to retain the current users of our online services and to attract new users. If we introduce a service that is not favorably received or fail to introduce certain new or enhanced services, our current users may choose a competitive service over ours. We may also experience difficulties that could delay or prevent us from introducing new services. Furthermore, the new services we may introduce could contain errors that are discovered after the services are introduced. If that happens, we may need to significantly modify the design or implementation of the services on our web sites to correct these errors. Our business, results of operations and financial condition could be materially adversely affected if we experience difficulties in introducing new services or if these new services are not accepted by our users.

We depend on the continued growth in use and efficient operation of the web. The web- based information market is new and rapidly evolving. Our business would be materially adversely affected if web usage does not continue to grow or grows slowly. Web usage may be inhibited for a number of reasons, such as:

- -- inadequate network infrastructure;
- -- security concerns;
- -- inconsistent quality of service; and
- -- unavailability of cost-effective, high-speed access to the Internet.

The users of our online services depend on Internet service providers, online service providers and other web site operators for access to our web site. Many of these services have experienced significant service outages in the past and could experience service outages, delays and other difficulties due to system failures unrelated to our systems. These occurrences could cause our readers to perceive the web in general or our web site in particular as an unreliable medium and, therefore, cause them to use other media to obtain their financial news and information. We also depend on certain information providers to deliver information and data feeds to us on a timely basis. Our web site could experience disruptions or interruptions in service due to the failure or delay in the transmission or receipt of this information, which could have a material adverse effect on our business, results of operations and financial condition.

Government regulation and legal uncertainties relating to the web. Certain existing laws or regulations specifically regulate communications or commerce on the web. Further, laws and regulations that address issues such as user privacy, pricing, online content regulation, taxation and the characteristics and quality of online products and services are under consideration by federal, state, local and foreign governments and agencies. Several telecommunications companies have petitioned the Federal Communications Commission to regulate Internet service providers and online services providers in a manner similar to the regulation of long distance telephone carriers and to impose access fees on such companies. That regulation, if imposed, could increase the cost of transmitting data over the web. Moreover, it may take years to determine the extent to which existing laws relating to issues such as intellectual property ownership and infringement, libel, obscenity and personal privacy are applicable to the web. The Federal Trade Commission and government agencies in certain states have been investigating certain Internet companies regarding their use of personal information. We could incur additional expenses if any new regulations regarding the use of personal information are introduced or if these agencies chose to investigate our privacy practices. Any new laws or regulations relating to the web, or certain applications or interpretations of existing laws, could decrease the growth in the use of the web, decrease the demand for our web site or otherwise materially adversely affect our business.

Web security concerns could hinder Internet commerce. Concern about the transmission of confidential information over the Internet has been a significant barrier to electronic commerce and communications over the web. Any well-publicized compromise of security could deter people from using the web or from using it to conduct transactions that involve the transmission of confidential information, such as signing up for a paid subscription, executing stock trades or purchasing goods or services. Because many of our advertisers seek to advertise on our web site to encourage people to use the web to purchase goods or services, our business, results of operations and financial condition could be materially adversely affected if Internet users significantly reduce their use of the web because of security concerns. We may also incur significant costs to protect ourselves against the threat of security breaches or to alleviate problems caused by such breaches.

Our efforts to build positive brand recognition may not be successful. We believe that maintaining and growing awareness about our brands (including Individual Investor, IndividualInvestor.com, Ticker, Magic 25 and the INDI SmallCap 500) is an important aspect of our efforts to continue to attract subscribers and readers. The importance of positive brand recognition will increase in the future because of the growing number of providers of financial information. We cannot assure you that our efforts to build positive brand recognition will be successful.

In order to build positive brand recognition, it is very important that we maintain our reputation as a trustworthy source of investment ideas, research, analysis and news. The occurrence of certain events, including our misreporting a news story or the non-disclosure of a financial interest by one or more of our employees in a security that we write about, could harm our reputation for trustworthiness. These events could result in a significant reduction in the number of our readers, which could materially adversely affect our business, results of operations and financial condition.

Control of the Company by Principal Stockholders. At the present time, Jonathan Steinberg, Wise Partners, L.P. (a partnership controlled by Jonathan Steinberg), Saul Steinberg (who is Jonathan's father) and Reliance Financial Services Corporation (a substantial portion of the common stock of Reliance Financial Services Corporation's parent, Reliance Group Holdings, Inc., is beneficially owned by Saul Steinberg, members of his family and affiliated trust), beneficially own approximately 42.4% of the outstanding shares of common stock of our company. As a result of their ownership of common stock, they will be able to significantly influence all matters requiring approval by our stockholders, including the election of our directors. Because it would be very difficult for another company to acquire our company without the approval of the Steinbergs, other companies might not view our company as an attractive takeover candidate. Our stockholders therefore may have less of a chance to benefit from any possible takeover of our company, than they would if the Steinbergs did not have as much influence.

We rely on our intellectual property. To protect our rights to our intellectual property, we rely on a combination of trademark and copyright law, trade secret protection, confidentiality agreements and other contractual arrangements with our employees, affiliates, clients, strategic partners and others. The protective steps we have taken may be inadequate to deter misappropriation of our proprietary information. We may be unable to detect the unauthorized use of,

or take appropriate steps to enforce, our intellectual property rights. We have registered certain of our trademarks in the United States and we have pending U.S. applications for other trademarks. Effective trademark, copyright and trade secret protection may not be available in every country in which we offer or intend to offer our services.

We are somewhat dependent upon the use of certain trademarks in our operation, including the marks Individual Investor, IndividualInvestor.com, Ticker, Magic 25 and the INDI SmallCap 500. We have a perpetual license for use of the trademark Individual Investor. To perfect our interests in the mark, however, we filed suit in 1997 against the licensor and a third party whom we believed was infringing the mark. The litigation was resolved favorably to us, with an agreement by the third party not to further infringe the mark. We commenced negotiations with the licensor to obtain assignment of the mark, but did not reach an agreement. Although we will continuously monitor and may seek enforcement against any perceived infringement of the mark, we cannot assure you that our efforts will be successful.

Additionally, we are somewhat dependent upon the ability to protect our proprietary content through the laws of copyright, unfair competition and other law. We cannot assure you, however, that the laws will give us meaningful protection.

We may be liable for information published in our print publications or on our online services. We may be subject to claims for defamation, libel, copyright or trademark infringement or based on other theories relating to the information we publish in our print publications or through our online services. We could also be subject to claims based upon the content that is accessible from our web site through links to other web sites. Our insurance may not adequately protect us against these claims.

Year 2000 risks. We have evaluated the potential impact of the situation commonly referred to as the "Year 2000 Issue". The Year 2000 Issue concerns the inability of information systems, whether due to computer hardware or software, to properly recognize and process date sensitive information relating to the year 2000 and beyond. To attempt to ensure that our computer systems will not be disrupted by the Year 2000 Issue, we developed a plan to assess, and to fix where necessary, any Year 2000 Issue with respect to our computer systems. We have identified the fixes that should be made to our computer systems in light of the Year 2000 Issue, have completed most of our repair efforts, and currently expect to complete our repair efforts and test our systems before December 1999.

We currently believe that total direct costs associated with making our systems "Year 2000 Ready" (that is, not disrupted by the Year 2000 Issue) should not exceed $30,000. We do not believe that the diversion of employee resources required to address the Year 2000 Issue will have a material effect on our operating results or financial condition. We do not currently have in place a contingency plan of action in the event that we are not able to make our computer systems Year 2000 Ready, but will consider on an ongoing basis whether such a contingency plan should be developed.

The dates on which we believe we will complete our Year 2000 plan, and the costs associated with the efforts, are based on our current best estimates. However, we cannot guarantee that these estimates will be achieved, or that there will not be a delay in, or increased costs associated with, making our

systems Year 2000 Ready. Specific factors that might cause differences between the estimates and actual results include the following: the availability and cost of personnel trained in these areas; the ability to locate and correct all relevant computer code and hardware devices (such as microcontrollers); timely responses to and corrections by third-parties and suppliers; the ability to implement interfaces between the new systems and the systems not being replaced; and similar uncertainties. Due to the general uncertainty inherent in the Year 2000 Issue, resulting in part from the uncertainty of the Year 2000 readiness of third parties and the interconnection of global businesses, we cannot guarantee that will be able to resolve, in a timely or cost-effective fashion, any problems associated with the Year 2000 Issue. If we fail to resolve, in a timely and cost-effective fashion, any problems associated with the Year 2000 Issue, our operations and business could be materially adversely affected. If that happens, we also could incur liabilities to third parties.

We also face risks and uncertainties to the extent that the independent suppliers of products, services and systems on which we rely do not have business systems or products that are Year 2000 Ready. We have communicated with significant suppliers and customers to determine the extent to which our systems and products are vulnerable to those third parties' failure to fix their own systems' Year 2000 Issues. The systems or products of other companies on which we rely might not be made Year 2000 Ready in time to prevent disruption. If the systems of any of those third parties are disrupted, our operations and business could be materially adversely affected. We are in the process of identifying what actions may be needed to reduce our vulnerability to problems related to the companies with which we interact, but we do not currently have in place a contingency plan of action in the event that the failure by one or more third parties to make their computer systems Year 2000 Ready causes us to suffer material adverse effects. We will consider on an ongoing basis whether such a contingency plan should be developed.

Use of Proceeds

We will not receive any proceeds from the sale of the shares by the selling stockholders. However, we will receive $646,875 from the exercise by certain selling stockholders of their warrants if they are all exercised. If received, these proceeds will be used for working capital.

Selling Stockholders

The following table provides certain information with respect to the selling stockholders' beneficial ownership of our common stock as of October 27, 1999, and as adjusted to give effect to the sale of all of the shares offered hereby. See "Plan of Distribution." Except as otherwise indicated, the number of shares reflected in the table has been determined in accordance with Rule 13d-3 promulgated under the Exchange Act. Under this rule, each selling stockholder is deemed to own beneficially the number of shares issuable upon exercise of warrants or options it holds that are exercisable within 60 days from the date of this prospectus. For purposes of presentation, it is assumed that the selling stockholders will exercise all of the warrants or options and then resell all of the shares received as a consequence of such exercise. Unless otherwise indicated, each of the selling stockholders possesses sole voting and investment power with respect to the securities shown.

	Shares Beneficially Owned Before Offering			Shares Beneficially Owned After Offering	
Name	Number of Shares	Per-centage	Number of Shares Offered	Number of Shares	Per-centage
Wise Partners, L.P. (1)	1,781,133	17.2%	1,781,133	-0-	-0-
Telescan, Inc.	1,147,431	11.2%	368,301	779,130	7.6%
Great American Life Insurance Company	471,698	4.4%	471,698	-0-	-0-
Great American Insurance Company	471,698	4.4%	471,698	-0-	-0-
GKN Securities Corp.	262,500	2.5%	262,500	-0-	-0-
David Nussbaum	13,000	*	13,000	-0-	-0-

	Shares Beneficially Owned Before Offering			Shares Beneficially Owned After Offering	
Name	Number of Shares	Per-centage	Number of Shares Offered	Number of Shares	Per-centage
Kevin Neumark	9,000	*	9,000	-0-	-0-
Barry King	5,000	*	5,000	-0-	-0-
Steven Levine	4,000	*	4,000	-0-	-0-
Robert Gladstone	4,000	*	4,000	-0-	-0-
Scott Naft	1,500	*	1,500	-0-	-0-
Burton Lefcort	1,000	*	1,000	-0-	-0-

*Less than 1 percent

(1) Does not include 1,584,010 shares of common stock (including 680,000 shares issuable upon exercise of option) beneficially owned by Jonathan Steinberg, the general partner of Wise, and 1,288,090 shares of common stock (including 666,666 shares owned by Reliance Financial Services Corporation) beneficially owned by Saul Steinberg, the limited partner of Wise.

On June 30, 1997, we entered into a Stock Purchase Agreement with Wise Partners, L.P. pursuant to which Wise purchased 31,496 shares of our common stock for $250,000. On December 31, 1997, we entered into a second Stock Purchase Agreement with Wise in which Wise purchased 489,795 shares of our common stock for $3 million. Then, on June 26, 1998, we entered into a third Stock Purchase Agreement with Wise in which Wise purchased 1,259,842 shares of common stock for $5 million. The purchase price for each purchase was the closing ask price of our common stock on the trading day immediately preceeding the date of each agreement. The proceeds of these sales were used for working capital. Wise is a partnership of which the general partner is Jonathan Steinberg, our Chief Executive Officer and a director of the company, and of which the sole limited partner is Saul Steinberg. Jonathan Steinberg and Saul Steinberg, directly and indirectly, beneficially own 42.4% of the outstanding shares of common stock of our company.

On December 16, 1998, we entered into a two-year Financial Advisory and Investment Banking Agreement with EarlyBirdCapital.com Inc. (formerly known as Southeast Research Partners, Inc.), pursuant to which it provides financial

consulting and investment banking advice to us. Under this agreement, we pay EarlyBirdCapital a monthly fee of $5,000 and issued warrants to designees of EarlyBirdCapital to purchase 300,000 shares of common stock until December 16, 2002 at an exercise price of $2.15625. In accordance with EarlyBirdCapital's instructions, these warrants were issued to GKN Securities Corp., David Nussbaum, Kevin Neumark, Barry King, Steven Levine, Robert Gladstone, Burton Lefcort and Scott Naft. GKN Securities Corp. is a "sister" company of EarlyBirdCapital and each of the indviduals is associated with GKN Securities. We are able to terminate this agreement any time after 12 months from the effective date of the agreement as long as we provide EarlyBirdCapital prior written notice. If we terminate the agreement, we may cancel 150,000 of the warrants that have been issued and are currently held by GKN Securities Corp.

On November 30, 1998, we entered into Stock Purchase Agreements with Great American Insurance Company and Great American Life Insurance Company. Pursuant to these agreements, each of these companies purchased 5,000 shares of our Series A Preferred Stock for $1 million. Under each of these agreements, the 5,000 shares of preferred stock will be convertible commencing December 2, 1999 into 471,698 shares of our common stock based on a conversion price of $2.12, subject to adjustment. The proceeds of these sales of preferred stock were used for working capital.

On September 29, 1999, in exchange for a three-year license to use several of Telescan, Inc.'s proprietary technology and investment analytic tools on our financial information websites, we issued to Telescan 368,301 shares of our common stock valued at $3.08 per share. On the same date, Telescan also purchased 779,130 shares of our common stock for $3 million in cash, at a price of $3.85 per share. Telescan owns an aggregate of 1,147,431 shares of our common stock.

Plan of Distribution

The shares offered by the selling stockholders may be sold from time to time in transactions in The Nasdaq Stock Market, in negotiated transactions, or a combination of such methods of sale, at fixed prices which may be changed, at market prices prevailing at the time of sale, or at negotiated prices. The selling stockholders may sell their shares directly to purchasers or to or through broker-dealers (including GKN Securities Corp. and EarlyBirdCapital), which may act as agents or principals. These broker-dealers may receive compensation in the form of discounts, concessions or commission from the selling stockholders. None of the selling stockholders have entered into agreements, understandings or arrangements with any underwriters or broker-dealers regarding the sale of their shares. The selling stockholders and any broker-dealer that assist in the sale of the common stock may be deemed to be underwriters within the meaning of Section 2(a)(11) of the Securities Act. The selling stockholders may agree to indemnify any agents, dealers or broker-dealers that participates in transactions involving sales of the common stock against certain liabilities, including liabilities arising under the Securities Act. From time to time, the selling stockholders may pledge, hypothecate or grant a security interest in some or all of the shares owned by them, and the pledgees, secured parties or persons to whom such securities have been hypothecated shall, upon foreclosure in the event of a default, be deemed to be the selling stockholder for purposes hereof.

We are responsible for all costs, expenses and fees incurred in registering the shares offered hereby. The selling stockholders are responsible for brokerage commissions, if any, attributable to the sale of such securities.

Legal Matters

The legality of the securities offered hereby has been passed upon by Graubard Mollen & Miller, New York, New York.

Experts

The financial statements of the Company and its consolidated subsidiaries, except the Company's unconsolidated investment in WisdomTree Associates, L.P., as of December 31, 1998 and 1997 and for each of the three years in the period ended December 31, 1998, incorporated in this prospectus by reference from the Company's Annual Report on Form 10-K for the year ended December 31, 1998, have been audited by Deloitte & Touche LLP as stated in their report which is incorporated herein by reference. The financial statements of WisdomTree Associates, L.P. not presented separately within the Annual Report on Form 10-K have been audited by Ernst & Young LLP, as stated in their report which is incorporated by reference in this prospectus. Such financial statements of the Company and its consolidated subsidiaries are incorporated herein in reliance upon the respective reports of such firms given upon their authority as experts in accounting and auditing. All of the foregoing firms are independent auditors.

Where You Can Find More Information

We file annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission. Our SEC filings are available to the public over the Internet at the SEC's web site at http://www.sec.gov. You may also read and copy any document we file at the SEC's public reference room at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information about the public reference room.

The SEC allows us to incorporate by reference the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and information that we file later with the SEC will automatically update and supersede this information. This prospectus incorporates by reference our documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, until all of the securities are sold.

- Annual Report on Forms 10-K and 10-K/A for the year ended December 31, 1998;
- Quarterly Reports on Form 10-Q for the quarters ended March 31, 1999 and June 30, 1999;
- Proxy Statement dated May 7, 1999, for its 1999 Annual Meeting of Stockholders;

- Current Report on Form 8-K dated June 2, 1999; and

- The description of our common stock that is contained in our Registration Statement on our Form 8-A filed November 19, 1991, file number 1-10932.

Potential investors may obtain a copy of any of our SEC filings without charge by written or oral request directed to Individual Investor Group, Attention: Investor Relations, 125 Broad Street, 14th Floor, New York, New York 10004, (212) 742-2277.

Part II

Information Not Required in Prospectus

Item 14. Other Expenses of Issuance and Distribution

The following is an itemized statement of the estimated amounts of all expenses payable by us in connection with the registration of the common stock, other than underwriting discounts and commissions:

SEC filing fee	$ 2,491
The Nasdaq Stock Market, Inc. fee for listing additional shares	40,000
Legal fees and expenses	15,000
Accounting fees and expenses	5,000
Miscellaneous	5,000
Total	$ 67,491

Item 15. Indemnification of Directors and Officers

Section 145 of the General Corporation Law of the State of Delaware empowers a Delaware corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the corporation) by reason of the fact that such person is or was a director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit, or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe that such person's conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon plea of nolo contendere or its equivalent, does not, of itself, create a presumption that such person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

In the case of an action by or in the right of the corporation, Section 145 empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action in

any of the capacities set forth above against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in and not opposed to the best interests of the corporation, except that indemnification is not permitted in respect of any claim, issue, or matter as to which such person is adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court deems proper. Section 145 further provides: that a Delaware corporation is required to indemnify a director, officer, employee, or agent against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with any action, suit, or proceeding or in defense of any claim, issue, or matter therein as to which such person has been successful on the merits or otherwise; that indemnification provided for by Section 145 shall not be deemed exclusive of any other rights to which the indemnified party may be entitled; that indemnification provided for by Section 145 shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of such person's heirs, executors, and administrators; and empowers the corporation to purchase and maintain insurance on behalf of a director or officer against any such liability asserted against such person in any such capacity or arising out of such person's status as such whether or not the corporation would have the power to indemnify him against liability under Section 145. A Delaware corporation may provide indemnification only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct. Such determination is to be made (i) by the board of directors by a majority vote of a quorum consisting of directors who were not party to such action, suit, or proceeding, or (ii) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (iii) by the stockholders.

Article VIII of the Amended and Restated Certificate of Incorporation of the Company and Article VIII of the Bylaws of the Company provides for indemnification of directors and officers of the Company to the fullest extent permitted by law, as now in effect or later amended. Article VIII of the Bylaws provides that expenses incurred by an officer of director in defending a civil or criminal action, suit, or proceeding may be paid by the Company in advance of final disposition upon receipt of an undertaking by or on behalf of such person to repay such amount if it ultimately is determined that such person is not entitled to be indemnified by the Company.

The Company may provide liability insurance for each director and officer for certain losses arising from claims or charges made against them while acting in their capacities as directors or officers of the Company. The Company currently maintains such liability insurance.

Article VII of the Company's Amended and Restated Certificate of Incorporation eliminates the personal liability of the directors of the Company to the fullest extent permitted by the provisions of Section 102 of the Delaware General Corporation Law, as the same may be amended and supplemented.

Additionally, the Company has entered into Indemnification Agreements with certain of its directors and officers whereby the Company has agreed to indemnify, and advance expenses to, each indemnitee to the fullest extent permitted by applicable law. The Indemnification Agreements will continue until and terminate upon the later of (i) ten years after the date that the indemnitee has ceased to serve as a director or officer of the Company or any entity which the indemnitee served at the request of the Company, or (ii) the final termination of all pending proceedings in respect of which the indemnitee is granted rights of indemnification or advancement of expenses or any proceeding commenced by the indemnitee.

Item 16. Exhibits

Exhibit Number	Description	Incorporated by Reference from Document	No. in Document	Page
3.1	Amended and Restated Certificate of Incorporation of Registrant, as amended through June 22, 1999	A	3.2	
3.2	By-Laws of Registrant amended through April 27, 1999	A	3.3	
4.1	Specimen Certificate for Common Stock of Registrant	B	4.1	
5.1	Opinion of Graubard Mollen & Miller (including Consent)	-	-	Filed Herewith
10.1	Form of Warrant dated December 16, 1998 for GKN Securities Corp., David Nussbaum, Kevin Neumark, Barry King, Stephen Levine, Robert Gladstone, Burton Lefcort and Scott Naft	A	10.1	
10.2	Stock Purchase Agreement dated as of November 30, 1998 between Registrant and Great American Insurance Company	C	10.1	
10.3	Stock Purchase Agreement dated as of November 30, 1998 between Registrant and Great American Life Insurance Company	C	10.2	
10.4	Letter dated as of April 28, 1999 between Registrant, Great American Life Insurance Company and Great American Insurance Company	A	10.2	
10.5	Stock Purchase Agreement dated as of June 30, 1997 between Registrant and Wise Partners L.P.	D	10.3	
10.6	Stock Purchase Agreement dated as of December 31, 1997 between Registrant and Wise Partners L.P.	E	10.6	

Exhibit Number	Description	Incorporated by Reference from Document	No. in Document	Page
10.7	Stock Purchase Agreement dated as of June 26, 1998 between Registrant and Wise Partners L.P.	E	10.3	
10.8	Stock Purchase Agreement dated as of September 29, 1999 between Registrant and Telescan, Inc.	-	-	Filed Herewith
10.9	Letter Agreement dated as of September 29, 1999 between Registrant and Telescan, Inc.	-	-	Filed Herewith
10.10	Stock Purchase Agreement dated May 1, 1997, for 164,339 shares of the Company's Common Stock	D	10.1	
10.11	Stock Purchase Agreement dated May 1, 1997, for 164,339 shares of the Company's Common Stock	D	10.2	
10.12	Indemnification Agreement, dated August 19, 1991, between Registrant and Bruce L. Sokoloff	B	10.2	
10.13	Indemnification Agreement, dated August 19, 1991, between Registrant and Jonathan L. Steinberg	B	10.3	
10.14	Indemnification Agreement, dated October 8, 1998, between Registrant and Henry G. Clark	G	10.3	
10.15	Indemnification Agreement, dated June 19, 1996, between Registrant and Peter M. Ziemba	G	10.4	
10.16	Indemnification Agreement, dated September 14, 1998, between Registrant and Brette Popper	H	10.5	
10.17	Indemnification Agreement, dated September 14, 1998, between Registrant and Gregory Barton	H	10.6	

Exhibit Number	Description	Incorporated by Reference from Document	No. in Document	Page
10.18	Indemnification Agreement, dated June 17, 1998, between Registrant and S. Christopher Meigher III	I	10.1	
10.19	Agreement with Robert Schmidt dated May 25, 1998	F	10.1	
10.20	Agreement with Scot Rosenblum dated June 20, 1998	F	10.2	
10.21	Agreement with Michael J. Kaplan dated April 1, 1998	J	10.1	
10.22	Form of 1991 Stock Option Plan of Registrant	B	10.13	
10.23	Form of 1993 Stock Option Plan of Registrant	K	4.2	
10.24	Form of 1996 Performance Equity Plan of Registrant	L	10.43	
10.25	Form of 1996 Management Incentive Plan of Registrant	M	4.10	
10.26	Trademark License Agreement dated June 19, 1992 between Registrant and the American Association of Individual Investors, Inc.	N	10.25	
10.27	Form of Stock Option Agreement, dated May 9, 1997 between Registrant and each of Jonathan Steinberg, Robert Schmidt, Scot Rosenblum and Michael Kaplan	D	10.4	
10.28	Agreement dated as of November 19, 1998 between Registrant and Jonathan Steinberg.	G	10.21	

Exhibit Number	Description	Incorporated by Reference from Document	No. in Document	Page
10.29	Stock Option Agreement between Registrant and Brette Popper dated September 14, 1998	H	10.2	
10.30	Stock Option Agreement between Registrant and Gregory Barton dated September 14, 1998	H	10.4	
10.31	Employment Agreement between Registrant and Brette Popper dated September 11, 1998	H	10.1	
10.32	Employment Agreement between Registrant and Gregory Barton dated July 21, 1998	H	10.3	
10.33	Form of Partnership Agreement for WisdomTree Associates, L.P.	O	10.37	
10.34	WisdomTree Capital Advisors, LLC Agreement dated November 1, 1995	O	10.38	
10.35	Agreement between WisdomTree Offshore L.T.D. and WisdomTree Capital Management, Inc. and WisdomTree Capital Advisors, LLC dated December 1, 1995	O	10.39	
10.36	Office sublease, dated December 8, 1995 between Registrant and Porter Novelli, Inc.	L	10.41	
10.37	Office sublease, dated January 1996 between the Registrant and VCH Publishers, Inc.	L	10.42	
10.38	Lease, dated November 30, 1998 between Registrant and 125 Broad Unit C LLC	G	10.31	

Exhibit Number	Description	Incorporated by Reference from Document	No. in Document	Page
10.39	Office Leaes, dated January 10, 1994 between the Registrant and 333 7th Avenue Realty Co.	P	10.22	
10.40	Agreement, dated as of June 2, 1999, between Registrant, Kirlin Holding Corp. and VentureHighway.com Inc.	Q	10.1	
10.41	Stockholder Agreement, dated as of June 2, 1999, between Registrant, Kirlin Holding Corp. and VentureHighway.com Inc.	Q	10.2	
10.42	Securities Purchase Agreement, dated as of June 2, 1999, between Registrant and Kirlin Holding Corp.	Q	10.3	
11	Computation of (Loss) Income Per Share	G	11	
21	Subsidiaries of the Registrant	G	21	
23.1	Consent of Graubard Mollen & Miller (included in Exhibit 5.1)	-	-	
23.2	Consent of Independent Auditors Deloitte & Touche LLP	-	-	Filed Herewith
23.3	Consent of Independent Auditors Ernst & Young LLP	-	-	Filed Herewith
27.1	Financial Data Schedule March 31, 1999	R	27	
27.2	Financial Data Schedule June 30, 1999	R	27	
27.3	Financial Data Schedule June 30, 1998	F	27	
27.4	Financial Data Schedule June 30, 1997	F	27.3	
99.1	Press Release, dated June 2, 1999	Q	99.1	

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A. Registrant's Form 10-Q for the quarter ended June 30, 1999.

B. Registrant's Form S-18 (No. 33-43551-NY).

C. Registrant's Form 8-K filed December 14, 1998.

D. Registrant's Form 10-QSB filed 6/30/97.

E. Schedule 13D filed on behalf of Jonathan Steinberg on 1/13/98.

F. Registrant's Form 10-Q for the quarter ended June 30, 1998.

G. Registrant's Form 10-K for the year ended December 31, 1998.

H. Registrant's Form 10-Q for the quarter ended September 30, 1998.

I. Registrant's Form10-Q for the quarter ended March 31, 1999.

J. Registrant's Form 10-Q for the quarter ended March 31, 1998

K. Registrant's Registration Statement on Form S-8 (File No. 33-72266).

L. Registrant's Form 10-KSB for the year ended December 31, 1995.

M. Registrant's Registration Statement on Form S-8 (File No. 333-17697).

N. Registrant's Form 10-KSB for the year ended December 31, 1992.

O. Registrant's Form 10-KSB for the year ended December 31, 1994.

P. Registrant's Form 10-KSB for the year ended December 31, 1993.

Q. Registrant's Form 8-K filed 6/16/99.

R. Filed only with electronic submission on Form 10-K in accordance with EDGAR requirement.

Item 17. Undertakings

(a) The undersigned registrant hereby undertakes:

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

1. To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

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

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

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the registration statement is on Form S-3, Form S-8 or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the SEC by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

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

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

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the

Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

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

Signatures

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York on October 29, 1999.

Individual Investor Group, Inc.

By: /s/ Jonathan L. Steinberg

Jonathan L. Steinberg,
Chief Executive Officer and Director

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Jonathan L. Steinberg and Gregory E. Barton his true and lawful attorneys-in-fact and agents, each acting alone, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any or all amendments to this registration statement, including post-effective amendments, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the SEC, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, and hereby ratifies and confirms all that said attorneys-in-fact and agents, each acting alone, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

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

Signature	Title	Date
/s/ Jonathan L. Steinberg --- Jonathan L. Steinberg	Chief Executive Officer and Director (Principal Executive Officer)	October 29, 1999
/s/ David Allen --- David Allen	Chief Financial Officer	October 29, 1999
/s/ Henry G. Clark --- Henry G. Clark	Vice President - Finance (Principal Accounting Officer)	October 29, 1999

/s/ S. Christopher Meigher - ------------------------ S. Christopher Meigher	Director	October 29, 1999
/s/ Bruce L. Sokoloff - ------------------------- Bruce L. Sokoloff	Director	October 29, 1999
/s/ Peter M. Ziemba - ------------------------- Peter M. Ziemba	Director	October 29, 1999

Graubard Mollen & Miller
600 Third Avenue
New York, New York 10016-2097

October 29, 1999

Individual Investor Group, Inc.
125 Broad Street
14th Floor
New York, New York 10004

Dear Sirs:

Reference is made to the Registration Statement on Form S-3 ("Registration Statement") filed by Individual Investor Group, Inc. ("Company"), a Delaware corporation, under the Securities Act of 1933, as amended ("Act"), with respect to an aggregate of 3,392,832 shares of common stock, par value $.01 per share ("Common Stock"),to be offered for resale by certain individuals and entities ("Selling Stockholders") of which 2,149,434 shares of Common Stock are issued and outstanding, having been sold to certain of the Selling Stockholders, 943,396 shares of Common Stock to be issued to upon conversion of the Company's outstanding Series A Preferred Stock, par value $.01 per share ("Preferred Stock"), issued to two of the Selling Stockholders and 300,000 shares of Common Stock are to be issued pursuant to various warrant agreements ("Consulting Warrants") held by certain of the Selling Stockholders entered into by the Company in connection with a Financial Consulting Services Agreement between EarlyBirdCapital.com Inc. (formerly Southeast Research Partners, Inc.).

We have examined such documents and considered such legal matters as we have deemed necessary and relevant as the basis for the opinion set forth below. With respect to such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as reproduced or certified copies, and the authenticity of the originals of those latter documents. As to questions of fact material to this opinion, we have, to the extent deemed appropriate, relied upon certain representations of certain officers and employees of the Company.

Based upon the foregoing, it is our opinion that:

1. The Common Stock issued and outstanding, held by certain of the Selling Stockholders was duly authorized and was legally issued, and is fully paid and nonassessable.

2. The Common Stock to be issued by the Company upon conversion of the Preferred Stock and upon exercise of the Consulting Warrants have been duly authorized and, when sold in the manner provided in the Certificate of Designations regarding the Preferred Stock and agreements governing the Consulting Warrants, as the case may be, will be legally issued, fully paid and nonassessable.

In giving this opinion, we have assumed that the agreements governing the Consulting Warrants have been authorized by the board of directors of the Company and duly executed and that all certificates for the Company's shares of Common Stock, prior to their issuance, will be duly executed on behalf of the Company by the Company's transfer agent and registered by the Company's registrar, if necessary, and will conform, except as to denominations, to specimens which we have examined.

We hereby consent to the use of this opinion as an exhibit to the Registration Statement, to the use of our name as your counsel and to all references made to us in the Registration Statement and in the Prospectus

forming a part thereof. In giving this consent, we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Act, or the rules and regulations promulgated thereunder.

Very truly yours,

/s/ Graubard Mollen & Miller

GRAUBARD MOLLEN & MILLER

STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT (the "Agreement") dated as of September 29, 1999 (the "Effective Date"), is entered into between INDIVIDUAL INVESTOR GROUP, INC., a Delaware corporation with its principal place of business at 125 Broad Street, 14th Floor, New York, New York 10004 (the "Company"), and TELESCAN, INC., a Delaware corporation, having its principal place of business at 5959 Corporate Drive, Suite 2000, Houston, Texas 77036 (the "Buyer").

1. SALE AND ISSUANCE OF COMMON STOCK.

1.1 Subject to the terms and conditions of this Agreement, at the Closing (as defined below) Buyer agrees to purchase from the Company, and the Company agrees to sell, issue and deliver to Buyer, the number of shares (the "Shares") of the Company's common stock, par value $0.01 per share ("Common Stock") obtained by dividing THREE MILLION DOLLARS ($3,000,000) (the "Purchase Price") by the Purchase Price Per Share (as defined below) of the Common Stock. As used herein, "Purchase Price Per Share" shall mean one hundred and twenty-five percent (125%) of the average of the last sale prices of the Common Stock, as reported by Nasdaq, for the seven business days prior to the date of the Closing.

2. CLOSING.

2.1 The closing of the transaction contemplated by the Agreement (the "Closing") shall occur as soon as practicable following execution of the Agreement, but in any event not more than fourteen (14) days following execution of the Agreement.

3. CLOSING ITEMS.

3.1 At the Closing, the Company shall deliver, or cause to be delivered, to Buyer resolutions of the board of directors of the Company authorizing the execution, delivery and consummation of this Agreement, the issuance of the Shares and the other matters contemplated hereby, certified as to their due adoption and continued validity by the Secretary of the Company.

3.2 Promptly (and in no event more than five (5) business days) after the Closing, the Company shall deliver, or cause to be delivered, to Buyer one or more certificates (as requested by Buyer) representing in the aggregate the Shares.

3.3 At the Closing, Buyer shall deliver, or cause to be delivered, by wire transfer to the Company to the account the Company shall specify, the Purchase Price in immediately available funds.

4. FURTHER ASSURANCES. Each party shall execute such additional documents and take such other actions as the other party or parties may reasonably request to consummate the transactions contemplated hereby and otherwise as may be necessary to effectively carry out the terms and provisions of this Agreement.

5. REPRESENTATIONS AND COVENANTS OF THE COMPANY. The Company hereby represents and warrants to and covenants with Buyer as follows:

5.1 Organization. The Company is duly organized, validly existing and in good standing in the State of Delaware. The Company has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted and as presently proposed to be conducted and to execute, deliver and perform this Agreement. The Company is duly licensed, authorized and qualified to do business and is in good standing in all jurisdictions (domestic or foreign) in which the conduct of its business or the ownership or leasing of its properties requires it to be so licensed, authorized or qualified, except where its failure to be so licensed, authorized or qualified would not have a material adverse effect, singularly or in the aggregate, on the results of operations, financial condition, properties, business or prospects of the Company (a "Material Adverse Effect").

5.2 Authority; Execution and Delivery, Etc. The execution, delivery, and performance of this Agreement has been duly authorized by the Company's Board of Directors and no other corporate proceedings on the part of the Company or its stockholders are required. This Agreement has been duly executed and delivered by the Company and constitutes the legal, valid, and binding

obligation of the Company enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights in general or general principles of equity.

5.3 Financial Condition. The consolidated financial statements of the Company included in the Disclosure Documents (as described in Section 5.11) fairly present on a consolidated basis the financial position, the results of operations, the changes in financial position and the changes in stockholders' equity and the other information purported to be shown therein of the Company and its consolidated subsidiaries at the respective dates and for the respective periods to which they apply and such financial statements have been prepared in conformity with generally accepted accounting principles, consistently applied throughout the periods involved, and all adjustments necessary for a fair presentation of the results for such periods have been made.

5.4 Validly Issued Shares. The Shares to be issued, sold and delivered in accordance with the terms of this Agreement for the consideration set out herein, will, upon issuance in accordance with the terms hereof, be duly and validly issued, fully paid and nonassessable, free of restrictions on transfer other than restrictions on transfer under this Agreement and under applicable federal and state securities laws. The issuance of the Shares to Buyer pursuant to this Agreement will comply with all applicable laws, including federal and state securities laws, and will not violate the preemptive rights of any person.

5.5 Consents. No consent, approval, qualification, order or authorization of, or registration, declaration or filing with, any court, administrative agency or commission or other governmental authority or instrumentality, domestic or foreign, or other third party is required by or with respect to the Company in connection with the execution and delivery of this Agreement, or the consummation by the Company of the transactions contemplated hereby, which has not already been obtained, except for the filing of any notices of sale required to be filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act") or Securities Exchange Act of 1934, as amended (the "Exchange Act") or with the Nasdaq Stock Market, or such post closing filings as may be required under applicable state securities laws which will be timely filed within the applicable periods therefor.

5.6 Litigation. There is no action, suit, proceeding or investigation pending or to the Company's knowledge currently threatened against the Company, nor does the Company have any actual knowledge that there is any basis for the foregoing, except for those disclosed in the Disclosure Documents, those for which there has been no manifestation by a potential claimant of an awareness of a possible claim and for which the Company has not determined that it is probable that a claim will be asserted, and those which, if adversely determined, would not reasonably be expected to have a Material Adverse Effect. The foregoing includes, without limitation, actions, suits, proceedings or investigations pending or threatened involving the prior employment or engagement of any of the Company's employees or consultant, their use in connection with the Company's business of any information or techniques allegedly proprietary to any of their former employers or their current employers/clients (in the case of consultants), or their obligations under any agreements with such employers/clients. The Company is not a party or subject to the provisions of any order, writ, injunction, judgment or decree of any court or government agency or instrumentality. There is no action, suit, proceeding or investigation by the Company currently pending or that the Company intends to initiate.

5.7 Compliance with Other Instruments. The Company is not in violation or default in any material respect of any provision of its Restated and Amended Certificate of Incorporation, as amended, or bylaws, or in any material respect of any instrument, judgment, order, writ, decree or contract to which it is a party or by which it is bound, or, to the best of its knowledge, of any provision of any federal or state statute, rule or regulation applicable to the Company; except where such violation or default would not reasonably be expected to have a Material Adverse Effect. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not result in any such violation or be in conflict with or constitute, with or without the passage of time and giving of notice, either a default under any such provision, instrument, judgment, order, writ, decree or contract or an event that results in the creation of any lien, charge or encumbrance upon any assets of the Company or the suspension, revocation, impairment, forfeiture, or nonrenewal of any material permit, license, authorization, or approval applicable to the Company, its business or operations or any of its assets or properties, except where such violation, default, event, suspension, revocation, impairment, forfeiture or nonrenewal would not reasonably be expected to have a Material Adverse Effect.

5.8 Material Facts. The Company has provided Buyer with all the information reasonably available to it that Buyer has requested for deciding whether to purchase the Shares. The representations and warranties by the Company contained in this Agreement, when taken together with the Disclosure Documents, do not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements contained herein or therein, in light of the circumstances in which they are made, not misleading, except, with respect to assumptions, projections and expressions of opinions or predictions contained in the documents or written materials furnished by the Company, the Company represents only that such assumptions, projections and expressions of opinions and predictions were made in good faith and the Company believes that there is a reasonable basis therefor.

5.9 Compliance with Laws. To the best knowledge of the Company, the Company is in compliance in all material respects with all applicable statutes, laws, ordinances, rules, regulations and orders of any governmental entity, except where non-compliance would not reasonably be expected to have a Material Adverse Effect, and the Company has not received any notice or other communication whether oral or written from any governmental entity, arbitrator or any other person regarding any such violation or failure.

5.10 Subsequent Events. Subsequent to the respective dates as of which information is given in the Disclosure Documents, except as described therein, there has not been any Material Adverse Effect on the Company and its subsidiaries, whether or not arising from transactions in the ordinary course of business, the Company and its subsidiaries have not sustained any material loss or interference with their businesses or properties from fire, explosion, earthquake, flood or other calamity, whether or not covered by insurance, or from any labor dispute or any court or legislative or other governmental action, order or decree, and since the date of the latest balance sheet included in the Disclosure Documents, neither the Company nor any of its subsidiaries has incurred or undertaken any liability or obligation, indirect or contingent, except for liabilities or obligations incurred or undertaken in the ordinary course of business and except for any such liabilities or obligations as are reflected in the Disclosure Documents.

5.11 Disclosure. The Company has provided to Buyer true, correct and complete copies of its Annual Report on Form 10-K for the fiscal year ended December 31 1998; its Annual Report on Form 10-K/A for the fiscal year ended December 31, 1998; its Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 1999 and June 30, 1999; its Notice of Annual Meeting of Stockholders and Proxy Statement relating to its annual meeting of stockholders held on June 22, 1999; and its Current Report on Form 8-K dated June 2, 1999 (collectively, the "Disclosure Documents").

6. REPRESENTATIONS OF BUYER. Buyer hereby represents and warrants to the Company as follows:

6.1 Buyer is aware that its investment in the Company involves a substantial degree of risk, including, but not limited to the following: (i) if the Company fails to meet the maintenance criteria for continued inclusion on the Nasdaq National Market System ("NMS"), including but not limited to, the requirement that the Company maintain minimum net tangible assets of at least

$4,000,000 and the requirement that the minimum bid price of the Common Stock is at least $1.00, it may be delisted from the NMS; (ii) the Company has had substantial operating losses for the fiscal year ended December 31, 1998 and for the fiscal quarters ended March 31, 1999 and June 30, 1999 and expects to continue to incur losses in the future; (iii) the Company will need additional financing in the future to fund operating losses and for capital investment in its current and proposed business operations; (iv) the Company's development of its internet products is not currently generating sufficient revenue to cover development and operating expenses, and may not be profitable in the future; (v) management and the existing principal stockholders of the Company beneficially own a substantial amount of the outstanding voting stock of the Company and accordingly are in a position to substantially influence the election of all directors of the Company and the vote on matters requiring stockholder approval; and (vi) the Company's success will to a significant extent rely upon the continued services and abilities of Jonathan Steinberg. Buyer acknowledges and is aware that there is no assurance as to the future performance of the Company.

6.2 Buyer is purchasing the Shares for its own account for investment and not with a view to or in connection with a distribution of the Shares, nor with any present intention of selling or otherwise disposing of all or any part of the Shares, except as contemplated in Section 8 below. Subject to Section 8 below, Buyer agrees that it must bear the economic risk of its investment because, among other reasons, the Shares have not been registered under the Securities Act, or under the securities laws of any state and, therefore, cannot be resold, pledged, assigned, or otherwise disposed of unless and until they are registered under the Securities Act and under applicable securities laws of certain states, or an exemption from such registration is available.

6.3 Buyer has the financial ability to bear the economic risk of its investment in the Company (including its complete loss), has adequate means for providing for its current needs and has no need for liquidity with respect to its investment in the Company.

6.4 Buyer has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Company and has obtained, in its judgment, sufficient information from the Company to evaluate the merits and risks of an investment in the Company. Buyer has had full opportunity to ask questions and receive satisfactory answers concerning all matters pertaining to its investment and all such questions have been answered to its full satisfaction. Buyer has been provided an opportunity to obtain any additional information concerning the Company and all other information to the extent the Company possesses such information or can acquire it without unreasonable effort or expense. Buyer has received no representation or warranty from the Company with respect to its investment in the Company, and Buyer has relied solely upon its own investigation in making a decision to invest in the Company.

6.5 Buyer is an "accredited investor" as defined in Section 2(15) of the Securities Act and in Rule 501 promulgated thereunder.

6.6 The execution, delivery, and performance of this Agreement has been duly authorized by Buyer and no other corporate proceedings on the part of Buyer or its stockholders are required. This Agreement has been duly executed and delivered by Buyer and constitutes the legal, valid, and binding obligation of Buyer enforceable against Buyer in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights in general or general principles of equity.

7. RESTRICTIONS ON TRANSFER.

7.1 Restrictions on Transfer. Buyer agrees that it will not sell, transfer, or otherwise dispose of any of the Shares except pursuant to an effective registration statement under the Securities Act or an exemption from the registration requirements of the Securities Act and the Company has received an opinion of counsel satisfactory to the Company that such exemption is available.

7.2 Legend. Each certificate for the Shares shall bear the following legend:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND MAY BE SOLD OR OTHERWISE TRANSFERRED ONLY IF SO REGISTERED OR IF AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE AND THE CORPORATION HAS RECEIVED AN OPINION OF COUNSEL SATISFACTORY TO THE CORPORATION THAT SUCH EXEMPTION IS AVAILABLE."

8. REGISTRATION RIGHTS.

8.1 Piggyback Registration. From the date of this Agreement until the second anniversary of the issuance of the Shares to Buyer, if the Company proposes to file a registration statement under the Securities Act ("Registration Statement") with respect to an offering for its own account of any class of security (other than a registration statement filed pursuant to the License and Service Agreement of even date herewith between the Company and Buyer or a registration statement on Form S-4 or S-8 or successor forms thereto or filed in connection with an exchange offer or business combination or an offering of securities solely to the Company's existing stockholders), then the Company shall in each case give written notice of such proposed filing to Buyer at least thirty (30) days before the anticipated filing date, and such notice shall offer Buyer the opportunity to register such number of the Shares as Buyer may request (the "Registrable Shares"). Upon the written request of Buyer made within twenty (20) days of receipt of such notice, the Company shall use its best efforts to register the Registrable Shares on the Registration Statement, provided however, that (i) the Company shall not be obligated to register any Registrable Shares if the Company shall promptly deliver to Buyer an opinion of counsel, reasonably satisfactory to Buyer, stating that such securities are saleable without restriction under an exemption from the registration requirements of the Securities Act or shall become so saleable within ninety (90) days of the filing of the Registration Statement; and (ii) if, in the written opinion of the Company's managing underwriter or underwriters, if any, for such offering, the inclusion of the Registrable Shares, when added to the

securities being registered by the Company or the selling stockholder(s), will exceed the maximum amount of the Company's securities which can be marketed (a) at a price reasonably related to their then current market value, or (b) without materially and adversely affecting the entire offering, in which case Buyer shall agree to the following if and as requested by the managing underwriter: (1) to withdraw the Registrable Shares from inclusion on the Registration Statement; (2) to include the Registrable Shares on the Registration Statement, but not to sell any Registrable Shares, without the consent of the managing underwriter, for a period of one hundred and eighty (180) days from the effective date of the Registration Statement or (3) to reduce the amount of Registrable Shares to be included in the Registration Statement to the amount recommended by such managing underwriter; provided that if securities are being offered for the account of other persons or entities as well as the Company (and the underwriters), such reduction shall not represent a greater fraction of the number of Registrable Shares requested to be registered by Buyer than the fraction of similar reductions imposed on such other persons or entities over the amount of securities requested to be registered by such holders.

8.2 Expenses. All expenses in connection with registrations of the Registrable Shares shall be borne by the Company except for underwriting discounts and commissions, applicable transfer taxes and expenses of counsel to Buyer, which shall be borne by Buyer.

8.3 Information Relating to Buyer. Buyer agrees that in connection with any Registration Statement which registers its Registrable Shares, that it will provide to the Company all information and execute and deliver all documents, agreements, certificates and other items at its expense, as the Company and/or its counsel reasonably request, and the failure to provide such information or items shall permit the Company to exclude the Registrable Shares from any Registration Statement, or not have declared effective any Registration Statement filed by the Company pursuant to Section 8.1.

8.4 Indemnification.

8.4.1 Subject to the conditions set forth below, the Company agrees to indemnify and hold harmless Buyer and its directors, officers, employees and each person, if any (a "Controlling Person") who controls Buyer within the meaning of Section 15 of the Securities Act or Section 20(a) of the Exchange Act against any and all loss, liability, claim, damage and expense whatsoever (including but not limited to any and all legal or other expenses reasonably incurred in investigating, preparing or defending against any litigation, commenced or threatened, or any claim whatsoever) to which it may become subject under the Securities Act, the Exchange Act or any other statute or at common law or otherwise, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any registration statement in which Buyer's securities shall be included or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, unless such statement or omission was made in reliance upon and in conformity with information furnished to the Company with respect to Buyer by Buyer or its agents, in writing, expressly for use in any such registration statement. The Company agrees promptly to notify Buyer of the commencement of any litigation or proceedings against the Company

or any of its officers, directors or controlling persons in connection with the issue and sale of the Registrable Shares in connection with any such registration statement.

8.4.2 If any action is brought against Buyer in respect of which indemnity may be sought against the Company pursuant to this Section 8.4, Buyer shall promptly notify the Company in writing of the institution of such action and the Company shall assume the defense of such action, including the employment and fees of counsel and payment of actual expenses. Buyer shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of Buyer unless (i) the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such action, or (ii) the Company shall not have employed counsel to have charge of the defense of such action, or (iii) Buyer shall have reasonably concluded that there may be defenses available to it which are different from or additional to those available to the Company (in which case the Company shall not have the right to direct the defense of such action on behalf of Buyer), in any of which events the reasonable fees and expenses of not more than one additional firm of attorneys selected by Buyer and/or controlling person shall be borne by the Company. Notwithstanding anything to the contrary contained herein, if Buyer shall assume the defense of such action as provided above, the Company shall have the right to approve the terms of any settlement of such action which approval shall not be unreasonably withheld.

8.4.3 Buyer agrees to indemnify and hold harmless each of the Company, its directors, officers and employees, any underwriter (as defined in the Securities Act) and each Controlling Person of the Company, against any and all loss, liability, claim, damage and expense described in the foregoing indemnity from the Company to Buyer, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions directly relating to Buyer in any such registration statement furnished to the Company by Buyer or its agents, in writing, expressly for use in any such registration statement. In case any action shall be brought against the Company or any other person so indemnified based on any such registration statement, and in respect of which indemnity may be sought against Buyer, Buyer shall have the rights and duties given to the Company, and the Company and each other person so indemnified shall have the rights and duties given to Buyer by the provisions of paragraph 8.4.2 above.

8.5 Contribution.

(a) In order to provide for just and equitable contribution under the Securities Act in any case in which (i) any person entitled to indemnification under Section 8.4 makes claim for indemnification pursuant hereto but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case notwithstanding the fact that Section 8.4 provides for indemnification in such case, or (ii) contribution under the Securities Act, the Exchange Act, or otherwise may be required on the part of any such person in circumstances for which indemnification is provided under Section 8.4, then, and in each such case, the Company and Buyer shall contribute, in proportion to their relative fault, to the aggregate losses, liabilities, claims, damages and expenses of the nature contemplated by said indemnity agreement incurred by the Company and Buyer, as incurred; provided, that, no person guilty of a fraudulent

misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(b) Within fifteen days after receipt by any party to this Agreement (or its representative) of notice of the commencement of any action, suit or proceeding, such party will, if a claim for contribution in respect thereof is to be made against another party (the "contributing party"), notify the contributing party of the commencement thereof, but the omission to so notify the contributing party will not relieve it from any liability which it may have to any other party other than for contribution hereunder. In case any such action, suit or proceeding is brought against any party, and such party notifies a contributing party or its representative of the commencement thereof within the aforesaid fifteen days, the contributing party will be entitled to participate therein with the notifying party and any other contributing party similarly notified. Any such contributing party shall not be liable to any party seeking contribution on account of any settlement of any claim, action or proceeding effected by such party seeking contribution on account of any settlement of any claim, action or proceeding effected by such party seeking contribution without the written consent of such contributing party. The contribution provisions contained in this Section 8 are intended to supersede, to the extent permitted by law, any right to contribution under the Securities Act, the Exchange Act or otherwise available.

9. MISCELLANEOUS.

9.1 Expenses. Each party shall be liable for its own expenses in connection with the transactions contemplated by this Agreement.

9.2 Successors and Assigns. All covenants and agreements in this Agreement contained by or on behalf of either of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the Company and of Buyer, whether so expressed or not.

9.3 Notices, Etc. All notices, requests, demands and other communications hereunder shall be in writing and shall be delivered in person, by overnight courier or mailed by certified or registered mail first-class, postage prepaid:

If to the Company:	with a copy to:
Individual Investor Group, Inc.	Graubard Mollen & Miller
125 Broad Street, 14th Floor	600 Third Avenue
New York, New York 10004	New York, New York 10016
Attention: General Counsel	Attn: Peter M. Ziemba, Esq.
fax: 212-742-0742	fax: 212-818-8881

If to Buyer:	with a copy to:
Telescan, Inc.	Telescan, Inc.
5959 Corporate Drive, Suite 2000	5959 Corporate Drive, Suite 2000
Houston, Texas 77036	Houston, Texas 77036
Attention: Roger C. Wadsworth	Attn: General Counsel
fax: 281-588-9843	fax: 281-588-9843

Any such notice, request, demand or other communication hereunder shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand or overnight courier, at the time of receipt thereof and (ii) if sent by registered or certified first-class mail, postage prepaid, five business days thereafter. Any party may, by written notice to the other, change the address to which notices to such party are to be delivered or mailed.

9.4 Governing Law. This Agreement is being delivered and is intended to be performed in the State of New York and shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of such State, without reference to principles of choice of law.

9.5 Entire Agreement. This Agreement, together with any exhibits hereto (which exhibits are an integral part hereof), constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior agreements, understandings, negotiations, representations and proposals, written or oral, with respect to such subject matter. Each party represents that it is not relying on any representations, whether written or oral, not set forth in this Agreement, in determining to execute this Agreement.

9.6 Amendments. This Agreement may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement is sought.

9.7 Severability. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality and enforceability of the remaining provisions shall not in any way be affected

or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

9.8 Negotiation. The parties acknowledge that they are entering into this Agreement after consulting with counsel and based upon equal bargaining power, with all parties participating in its preparation. The parties acknowledge and agree that the attorneys for each party have had an equal opportunity to participate in the negotiation and preparation of this Agreement. The terms of this Agreement shall not be interpreted in favor of or against any party on account of the draftsperson, but shall be interpreted solely for the purpose of fairly effectuating the intent of the parties hereto.

9.9 Counterparts and Facsimile/Photocopy Signatures; Authority of Signatories. This Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Agreement, which shall be binding upon and effective as to all parties. A signature received via facsimile or photocopy shall be deemed an original for all purposes. Each party represents that the person signing this Agreement on the party's behalf has been duly authorized to execute this Agreement on behalf of such party, and all of the signatories hereto signing in a representative capacity warrant and represent that they have been duly authorized by and on behalf of their respective principals to execute this Agreement.

9.10 Headings. The Article and Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Article and Section numbers refer to Articles and Sections of this Agreement, unless otherwise indicated.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Agreement as of the date first above written.

INDIVIDUAL INVESTOR GROUP, INC.

By:_____
Name: _____
Title: _____

TELESCAN, INC.

By:_____
Name: _____
Title: _____

September 29, 1999

Mr. Jonathan Steinberg
Individual Investor Group, Inc.
125 Broad Street
14th Floor
New York, NY 10004

Re: Binding Letter Agreement

Dear Jonathan:

1. This letter (the "Letter Agreement") dated as of September 29, 1999 (the "Effective Date") will confirm our agreement that, subject to the terms and conditions hereof, Individual Investor Group, Inc. ("II") and Telescan, Inc. ("Telescan") shall enter into a License and Service Agreement (the "License and Service Agreement) in accordance with and containing the terms contained in this Letter Agreement and the License and Service Agreement Term Sheet attached hereto as Attachment 1. The parties intend that the License and Service Agreement when executed shall supersede this Letter Agreement.

2. II shall license the Telescan Features (defined on Attachment 1) to be received and displayed on (a) all websites owned and operated by or on behalf II and (b) ConvertInvestor.com (collectively, "II Websites"). With respect to each II Website, II shall have the sole discretion to select which, if any, Telescan Features shall be displayed on such II Website.

3. II shall pay the License Fee (defined on Attachment 1) for each of the Telescan Enterprise Technology Licenses (defined on Attachment 1). II shall pay the Aggregate License Fee (defined on Attachment 1) upon execution of this Letter Agreement. Telescan represents that the pricing and terms under this Letter Agreement with respect to the Telescan Enterprise Technology Licenses (defined on Attachment 1) and the Service (defined on Attachment 1) are equivalent to and no worse than the pricing and terms upon which Telescan is currently providing equivalent products and/or services (except pursuant to agreements entered into by Telescan more than one year prior to the Effective Date, so long as not all current customers of such products and/or services are so excluded) .

4. II shall pay the Aggregate License Fee (defined on Attachment 1) by issuing and delivering to Telescan a certificate reflecting the number of shares of II common stock obtained by dividing the Aggregate License Fee by the average of the closing prices of II common stock as reported by Nasdaq over the seven business days prior to the Effective Date. II shall file at its expense, within thirty (30) days of the execution of this Letter Agreement, a registration statement with respect to the shares issued pursuant to this paragraph. In connection with the issuance of the License Fee Shares, the parties shall execute a Stock Purchase Agreement in substantially the form set forth on Attachment 3.

5. Telescan shall provide the Service (defined on Attachment 1) and the Development Work (defined on Attachment 1) to any of the II Websites that II may designate (the "Telescan Hosted II Sites; II Websites that are not Telescan Hosted II Sites shall be referred to as "Licensed Sites"). Telescan also shall provide the Service and Development Work to pages of Licensed II Sites containing Telescan Features (the "Telescan Feature Pages"). Each Telescan Feature Page shall have the branding of the applicable Licensed II Site. II will be responsible for the site navigation, architecture and development of the "look and feel" of the II Websites and the Telescan Feature Pages. If II desires Telescan to perform any work beyond the Service, the parties will mutually agree upon the fees to be paid to Telescan for such additional work; Telescan agrees that such fees will not exceed the lowest rates it is then-currently charging to third parties for similar development work, excluding work performed pursuant to agreements entered into more than one year prior to the Effective Date; in the event Telescan receives non-cash consideration with respect to such development work, the rate for such development work shall be based upon the fair market value of the consideration received. Each page of the Telescan Hosted II Sites and each Telescan Feature Page shall include a "Powered by Telescan" logo (164 x 41 pixel size) and Telescan's copyright information in the footer of the page.

6. If Telescan purchases, licenses or otherwise acquires the rights to any New Feature (as defined on Attachment 1), Telescan will promptly notify II in writing of the availability of such New Feature. Upon request from II and

the agreement of the parties upon any additional charges and fees ("Additional Charges") to be paid by II for such New Feature, Telescan will add such New Feature to the Service (upon such addition, the New Feature shall be deemed a Telescan Feature). The Additional Charges shall not exceed (a) with respect to incremental fees, costs and expenses that Telescan would incur to provide the New Feature to II (e.g., a per look-up fee with respect to real-time quotes), the amount of such incremental fees, costs and expenses (i.e., without a mark-up) and (b) with respect to any other fees, costs and expenses incurred by Telescan with respect to the licensing or acquisition of the New Feature (e.g., a one-time licensing fee, or the purchase price for the feature), the amount of such fees, costs and expenses multiplied by a fraction that reflects the reasonably anticipated usage of the New Feature by II during the Term (defined below) as a proportion of the total reasonably anticipated usage of the New Feature by Telescan and its licensees (including II) over the useful life of the feature.

7. For providing the Service to the Telescan Hosted II Sites, Telescan shall receive 15% of the Net Revenue (defined on Attachment 1) received with respect to the Telescan Hosted II Sites. For providing the Service to the Telescan Feature Pages, Telescan shall receive 15% of the Net Revenue received with respect to the Telescan Feature Pages. II shall pay such fees within 30 days of the end of the calendar month in which the Net Revenue is collected by II. To the extent that II receives applicable Net Revenue in the form of non-cash consideration, II shall pay Telescan one of the following, at II's election: (a) cash equal to 15% of the Fair Market Value (defined below) of the non-cash consideration; (b) 15% of the non-cash consideration in kind; or (c) the number of shares of II common stock obtained by dividing (i) 15% of the Fair Market Value by (ii) the average of the closing price of II common stock as reported by Nasdaq over the seven business days prior to the issuance. As used herein, "Fair Market Value" means the value of the non-cash consideration received by II, as reflected on II's quarterly income statements (excluding any gains or losses related to the sale or other disposition of assets). If II wishes to pay Telescan pursuant to clause (b), II must notify Telescan in writing of II's election. Within ten (10) calendar days of II's notice, Telescan may notify II in writing that Telescan rejects the proposed form of payment; if Telescan timely delivers such written notice, then, notwithstanding the foregoing, II shall pay Telescan pursuant to clause (a) or clause (c), at II's election.

8. Telescan will provide the Service for the Term so long as II renders all compensation due Telescan under this Letter Agreement and the License and Service Agreement. Prior to the execution of the License and Service Agreement, if Telescan has materially breached this Letter Agreement, II must inform Telescan of the material breach of service in writing (the "Default Notice") to Telescan at the address set forth below. Telescan agrees that it will use reasonable efforts to correct any such material breach as promptly as possible. If after thirty (30) days after receipt of the Default Notice, Telescan has not made reasonable efforts to correct the material breach, the contract will be considered in default ("Material Default") and II may terminate this Letter Agreement upon written notice to Telescan ("Termination Notice"). In the event that II terminates this Letter Agreement as a result of any such Material Default, Telescan will remit to II (within 30 days of the Termination Notice) liquidated damages in the amount of one thousand dollars ($1,000) for each day commencing with the date of the Default Notice and ending on the third anniversary of the Effective Date. The parties agree that the actual damages suffered by II as a result of a Material Default would be difficult to ascertain, and each party agrees that the liquidated damages set forth above are reasonable estimates of the harm that II would be expected to suffer. The License and Service Agreement shall contain a provision providing for the payment to II of liquidated damages as calculated above, in the event of termination of the License and Service Agreement due to a material breach of the License and Service Agreement with respect to which material breach Telescan did not, within 30 days after receipt of the Default Notice, make reasonable efforts to correct.

9. II shall reimburse Telescan for all actual royalties, license fees or other similar fees payable by Telescan (without a mark-up) to third party data, content and service providers associated with providing the Service. Such payment shall be made by II within 30 days of receipt of an invoice therefor, setting forth the calculation of such amount in reasonable detail and providing such supporting documentation as II reasonably may request. The current list of Data Vendors and Content Providers is set forth in Attachment 2. Telescan shall provide II promptly after request with a list of the royalties, license fees and other similar fees payable by Telescan to third party data, content and service providers associated with providing the Service.

10. Telescan shall provide Usage and Tracking Reports to II on a weekly basis. The Usage and Tracking Reports shall contain the following information: usage reports including pages viewed with segments of the Telescan Hosted II Sites and Telescan Feature Pages; inbound link reports including the

number of successful coded URL page requests from links originating outside of the Telescan Hosted II Sites and Telescan Feature Pages; and information sufficient to establish and monitor each of the metrics defined in the License and Service Agreement. Telescan shall also collect requested and defined survey information, store it in a database, and provide a nightly FTP file available for import by II. (Additional work required to provide this file will be billed and paid at Telescan's then-current published rates.) The parties shall not use or disclose, other than to further the performance of their obligations under the License and Service Agreement, any confidential information of the other party, during the Term or for a period of one year thereafter.

11. The "Term" of the License and Service Agreement shall be 3 years from the Effective Date.

12. II will (in its reasonable discretion) define the advertising inventory on the Telescan Hosted II Sites and the Telescan Feature Pages. II will have sole responsibility for serving the advertising. II shall use reasonable efforts to sell the advertising inventory, but does not warrant that any particular level of advertising will be sold or that any particular level of revenue will be collected with respect to such sales. If II does not sell the entire advertising inventory, the parties will agree upon a plan by which Telescan can sell a portion of the advertising inventory (subject to II's reasonable approval as to advertisers and creative). In such case, Telescan will be entitled to keep 15% of the Net Revenue from such sales and would remit the balance to II, within 30 days of Telescan's receipt of such revenue.

13. Telescan will take a project management approach in the execution of its duties as they relate to the Service. Telescan will collaborate with II on the design, development, management and maintenance of Telescan Hosted II Sites and Telescan Feature Pages strategic to II's internet initiatives. On an as-needed basis, Telescan will participate in II product planning and strategy sessions in order to suggest various combinations, customizations and implementations of Telescan technologies.

14. Telescan will provide phone-based technical support on issues related to the successful operation of the Service to II customer service representatives, on a 24 hours per day, seven days per week basis. Telescan will provide e-mail based technical support on issues related to the successful operation of the Service to II customer service representatives during weekdays between 8:00 a.m. and 5:00 p.m., Central Time.

15. If II should choose to use newsletters provided by Telescan or its subsidiaries on the II Websites, II will remit 85% of the Net Revenue received from those subscriptions to Telescan. If II should choose to use third-party newsletters on the II Websites, II will remit 15% of the Net Revenue received from those subscriptions to Telescan.

16. The parties agree that the following information shall be deemed "Confidential Information" as to which II is the "Disclosing Party," as those terms are used in the Mutual Confidentiality Agreement dated as of July 26, 1999 between the parties: (a) operating metrics and financial performance of Telescan Hosted II Sites and Telescan Feature Pages; (b) calculation of Net Revenue of Telescan Hosted II Sites and Telescan Feature Pages; and (c) information related to the planning or evaluation of potential new Telescan Hosted II Sites and Telescan Feature Pages.

17. II and Telescan shall mutually agree on the form and content of any public announcement which shall be made concerning this letter agreement or the transactions contemplated hereby, and neither II nor Telescan shall make any such public announcement or disclosure relating to this letter agreement or the transactions contemplated hereby without the consent of the other; provided that nothing herein shall prohibit II or Telescan, upon notice to the other party, from making any public filing or disclosure required by law or the policy of any exchange on which such party's (or its parent's) securities are listed.

18. Performance by the parties pursuant to this Letter Agreement shall be as independent contractors. Nothing contained herein or done under the terms of this Letter Agreement shall constitute the parties entering into a joint venture or partnership, or shall constitute any party the agent of any other party for any purpose.

19. If any provision of this Letter Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity,

legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under

other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

20. This Letter Agreement and its attachments (the "Documents") represent the entire agreement of the parties with respect to the subject matter hereof, and supersede all other discussions, whether written or oral. The terms of the Documents may not be modified or amended except in a writing signed by each party.

21. The failure of any party hereto to enforce, or the delay by any party in enforcing, any of its rights under the Documents shall not be deemed a waiver or a continuing waiver of such rights or a modification of the Documents, and such party may enforce any or all such rights at any time thereafter, subject to any applicable statute of limitations. No waiver of a particular breach or default of the Documents shall be deemed a waiver of any other breach or default of the Documents. All rights and remedies, whether conferred by the Documents, by any other instrument or by law, shall be cumulative, and may be exercised singularly or concurrently.

22. Neither party may assign the Documents or any rights under the Documents without the express written permission of the other parties, and any attempt to do so shall be null and void; provided however that either party may assign all or any portion of its rights under the Documents to any entity that it controls, is controlled by or under common control with. Subject to the foregoing, the Documents shall be binding upon and shall inure to the benefit of the respective permitted successors and assigns of the parties.

23. Each of the Documents may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts of such Document, shall constitute one instrument, which shall be binding upon and effective as to all parties. A signature received via facsimile or photocopy shall be deemed an original for all purposes.

24. If the foregoing correctly sets forth your understanding of our intentions with respect to the matters discussed herein, please indicate the same by executing a copy of this Letter Agreement as provided below and returning the same to the undersigned.

25. Any notice or communication required or permitted to be given under this Letter Agreement shall be deemed delivered if sent by: (i) personal delivery, with proof of delivery; (ii) expedited delivery service (e.g.; Federal Express, DHL), with proof of delivery; (iii) registered or certified U.S. mail, eturn receipt requested; or (iv) facsimile or telex transmission, provided each transmission is confirmed. Each such notice shall be deemed delivered if addressed as provided below (or to such different addresses or to the attention of such other persons as may be designated from time to time by such party by written notice to the other parties in accordance with this Section). Any such notice or communication shall be deemed to have been delivered: (a) upon the date of delivery pursuant to clause (i) or (ii); (b) upon receipt of a transmission confirmation if sent by facsimile or telex; or (c) in the case of U.S. mail, five (5) calendar days after deposit, postage pre-paid, in the mails of the U.S.

If to Telescan:	If to II:
Telescan, Inc.	Individual Investor Group, Inc.
5959 Corporate Drive, Suite 2000	125 Broad Street, 14th Floor
Houston, Texas 77036	New York, New York 10004
tel: 281-588-9700	tel: 212-742-2200
fax: 281-588-9843	fax: 212-742-0742
Attn: Roger C. Wadsworth	Attn: General Counsel

26. This Letter Agreement shall become binding upon each of the parties, simultaneously with the execution of the Stock Purchase Agreement of approximately even date herewith between the parties related to the purchase of II common stock for a payment of three million dollars.

Telescan, Inc.		Individual Investor Group, Inc.	
By:	_____	By:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____

Attachment 1

License and Services Agreement Term Sheet

1. The "Telescan Enterprise Technology Licenses" means perpetual, worldwide, non-exclusive licenses to the following, and the "License Fee" attributable to each Telescan Enterprise Technology License shall be as set forth below.

Telescan Enterprise Technology License	License Fee
> Host System Software and Technology License:	$72,000
> Base Internet Technology License:	$62,500
> Base SQL Interface Technology License:	$62,500
> Base Quotes License:	$37,500
> Base News License:	$37,500
> Base Technical Charting License:	$37,500
> Base Portfolio Tracker License:	$225,000
> Base ProSearch Technology License:	$375,000
> Add on: ProSearch - "Telescan Rankings" License Upgrade	$225,000

2. The "Aggregate License Fee" means One Million One Hundred Thirty-Four Thousand and Five Hundred US Dollars. ($1,134,500), which equals the sum of the License Fees for each Telescan Enterprise Technology License set forth above.

3. The "Service" means all hosting services, maintenance and support necessary to enable the Telescan Hosted II Sites and Telescan Feature Pages to operate in a manner reasonably acceptable to II, including without limitation (a) writing the computer code necessary to allow the Telescan Hosted II Sites and Telescan Feature Pages to be functional, (b) hosting and database management of all Telescan Hosted II Sites and Telescan Feature Pages, (c) parsing of all data for presentation and integration into the Telescan Hosted II Sites and Telescan Feature Pages, (d) network and bandwidth management, (e) server management, problem management and resolution and load balancing, (f) customer registration and authentication, (g) customer service support and (h) a reasonable level of redundant and back-up systems.

4. The "Development Work" means, for each II Website: (a) the development work needed to bring such website (or the applicable pages thereof) up on the Service, not to exceed four man-weeks of effort - if the level of requested work exceeds four man-weeks, II will be responsible for the excess hours, and all such work will be performed at then-current Telescan rates; and (b) commencing upon the initial launch of a Telescan Hosted II Site or Telescan Feature Page, development work not to exceed two man-days in order to enact changes or modifications that II may request - if the level of requested work exceeds two man-days, II will be responsible for the excess hours, and all such work will be performed at then-current Telescan rates, excluding work performed pursuant to agreements entered into more than one year prior to the Effective Date; in the event Telescan receives non-cash consideration with respect to such development work, the rate for such development work shall be based upon the fair market value of the consideration received. As used herein, a "man-day" and "man-week" mean eight hours of effort of a person possessing reasonable skills in the necessary work. The then-current Telescan rates charged pursuant to this paragraph shall not exceed the lowest rates charged by Telescan to third parties for similar development work.

5. "Telescan Features" means all current and future technology, tools, content and applications incorporated into Telescan's wallstreetcity.com website ("WSC"), including those developed or acquired by Telescan during the Term, and including all of the data and content listed on Attachment 2 hereto. "Telescan Features" shall not include any Telescan Restricted Features or New Features (except that Telescan Features will include New Features that are added to the Service pursuant to the agreement of the parties).

6. "New Features" means any new technology, tools, content and applications licensed by Telescan from a third party or acquired by Telescan from a third party (through a significant outlay of resources or via acquisition) with the right to provide such licensed or acquired New Feature through WSC, or to Telescan's alliance partners such as II, or as an II Restricted Feature.

7. "II Restricted Features" means all updates, upgrades, additions, and revisions to the Telescan Features and New Features developed by Telescan for II on a "work for hire" or exclusive basis, such that Telescan is contractually restricted from providing the same to its other customers or to WSC.

8. "Telescan Restricted Features" means any updates, upgrades, additions and revisions to Telescan Features or new features developed by Telescan for third parties on a "work for hire" or an exclusive basis such that Telescan is contractually restricted from providing the same to II, provided that Telescan will not agree to any such restriction unless it applies to all of its other customers and to WSC.

9. "Net Revenue" means Gross Revenue less Specified Expenses. "Gross Revenues" means all revenue, fees, charges and other amounts collected from end users, advertisers, sponsors and other users of the Telescan Hosted II Sites and Telescan Feature Pages (net of refunds and make-goods), including without limitation all online charges, sponsorship fees, subscription fees, vendor fees, insertion fees, product sales fees, and advertising charges, that were earned during the Term. "Specified Expenses" means the following expenses incurred by or on behalf of II in connection with the Service:

(i) All state sales and use taxes.
(ii) All merchant fees payable to any credit card issuers, check or other processing fees, credits for services and bad debt incurred in connection with the Service by II or Telescan, as applicable.
(iii) All royalties, license fees or other similar fees payable to third party data and service providers.
(iv) As to any product sold on the Service, the actual cost paid to third parties by II for that product (net of rebates).
(v) As to any advertisement sold on or in connection with the Service, II's actual cost of any commissions paid to II sales personnel or third parties for the procurement of advertisements, sponsorships or other promotions (and, if applicable, Telescan's actual cost of any commissions paid to Telescan sales personnel or third parties for the procurement of advertisements, sponsorships or other promotions).

Attachment 2

Data Vendors and Content Providers - As Of July, 1999

North American Quotes

American
New York
NASDAQ
OPRA
NYMEX
CYMEX
CEC
CBOT

CME
MACE
Toronto
Montreal
Vancouver
Alberta
Winnipeg

Other North American Security Feeds

Dow Jones Index Feed
Iverson Financial - Dividends & Splits
Muller Data - End of day h/l/v pricing file

International Quotes

Dow Jones Global Index Feed

News Wire Feeds

- Comtex
- A&G Information Services
- Africa News Service
- AsiaInfo Services, Inc.
- Business Wire
- Canadian Corporate News
- The Content Factory
- Cineman
- Compass Middle East Wire
- FedNet Government News
- Futures World News (FWN)
- InfoLatina
- Inter Press Service (IPS)
- Interactive Sports Wire
- ITAR/TASS News Agency
- M2 Communications
- Newsbytes News Network
- PR Newswire
- South American Business Information
- The Sports Network
- States News Service
- United Press International (UPI)
- U.S. Newswire
- Washington Technology
- Xinhua News Agency
- World Entertainment News Network
- Ziff-Wire Highlights

ATTACHMENT 2

Data Vendors and Content Providers

- continued -

Fundamentals, Earnings, Research, Commentary, etc.

Daily Market Consensus
Market Guide - Fundamentals
Vickers - Insider Trading (and Institutional Holders)
Zack's - Earnings Estimates
S&P Industry Groups
Macro*World Price Forecasts
J & J Mutual Funds
IDEA

Soon To Be Added

INVESTools.com - 3rd Qtr. 1999
Hoovers Capsules & Profiles - 3rd Qtr. 1999
Hoovers IPO Central - 3rd Qtr. 1999.
Microcap 1000 - 3rd Qtr. 1999
Media General Fundamental Information - 1st Qtr. 2000

Attachment 3

STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT (the "Agreement") dated as of September 29, 1999 (the "Effective Date"), is entered into between INDIVIDUAL INVESTOR GROUP, INC., a Delaware corporation with its principal place of business at 125 Broad Street, 14th Floor, New York, New York 10004 (the "Company"), and TELESCAN, INC., a Delaware corporation, having its principal place of business at 5959 Corporate Drive, Suite 2000, Houston, Texas 77036 (the "Buyer").

1. SALE AND ISSUANCE OF COMMON STOCK.

1.1 Subject to the terms and conditions of this Agreement, at the Closing (as defined below) Buyer agrees to purchase from the Company, and the Company agrees to sell, issue and deliver to Buyer, the number of shares (the "Shares") of the Company's common stock, par value $0.01 per share ("Common Stock") obtained by dividing ONE MILLION ONE HUNDRED THIRTY-FOUR THOUSAND AND FIVE HUNDRED DOLLARS ($1,134,500) (the "Purchase Price") by the Purchase Price Per Share (as defined below) of the Common Stock. As used herein, "Purchase Price Per Share" shall mean the average of the last sale prices of the Common Stock, as reported by Nasdaq, for the seven business days prior to the date of the Closing.

2. CLOSING.

2.1 The closing of the transaction contemplated by the Agreement (the "Closing") is conditioned upon (a) the closing of that certain Stock Purchase Agreement of approximately even date herewith between the parties related to the purchase of Common Stock for a payment of three million dollars and (b) the execution of the binding letter agreement between the parties dated as of September 29, 1999 concerning a License and Service Agreement (the "Letter Agreement").

3. CLOSING ITEMS.

3.1 At the Closing, the Company shall deliver, or cause to be delivered, to Buyer resolutions of the board of directors of the Company authorizing the execution, delivery and consummation of this Agreement, the issuance of the Shares and the other matters contemplated hereby, certified as to their due adoption and continued validity by the Secretary of the Company.

3.2 Promptly (and in no event more than five (5) business days) after the Closing, the Company shall deliver, or cause to be delivered, to Buyer one or more certificates (as requested by Buyer) representing in the aggregate the Shares.

3.3 At the Closing, Buyer shall deliver, or cause to be delivered, an executed copy of the Letter Agreement.

4. FURTHER ASSURANCES. Each party shall execute such additional documents and take such other actions as the other party or parties may reasonably request to consummate the transactions contemplated hereby and otherwise as may be necessary to effectively carry out the terms and provisions of this Agreement.

5. REPRESENTATIONS AND COVENANTS OF THE COMPANY. The Company hereby represents and warrants to and covenants with Buyer as follows:

5.1 Organization. The Company is duly organized, validly existing and in good standing in the State of Delaware. The Company has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted and as presently proposed to be conducted and to execute, deliver and perform this Agreement. The Company is duly licensed, authorized and qualified to do business and is in good standing in all jurisdictions (domestic or foreign) in which the conduct of its business or the ownership or leasing of its properties requires it to be so licensed, authorized or qualified, except where its failure to be so licensed, authorized or qualified would not have a material adverse effect, singularly or in the aggregate, on the results of operations, financial condition, properties, business or prospects of the Company (a "Material Adverse Effect").

5.2 Authority; Execution and Delivery, Etc. The execution, delivery, and performance of this Agreement has been duly authorized by the Company's Board of Directors and no other corporate proceedings on the part of the Company or its stockholders are required. This Agreement has been duly executed and delivered by the Company and constitutes the legal, valid, and binding obligation of the Company enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights in general or general principles of equity.

5.3 Financial Condition. The consolidated financial statements of the Company included in the Disclosure Documents (as described in Section 5.11) fairly present on a consolidated basis the financial position, the results of operations, the changes in financial position and the changes in stockholders' equity and the other information purported to be shown therein of the Company and its consolidated subsidiaries at the respective dates and for the respective periods to which they apply and such financial statements have been prepared in conformity with generally accepted accounting principles, consistently applied throughout the periods involved, and all adjustments necessary for a fair presentation of the results for such periods have been made.

5.4 Validly Issued Shares. The Shares to be issued, sold and delivered in accordance with the terms of this Agreement for the consideration set out herein, will, upon issuance in accordance with the terms hereof, be duly and validly issued, fully paid and nonassessable, free of restrictions on transfer other than restrictions on transfer under this Agreement and under applicable federal and state securities laws. The issuance of the Shares to Buyer pursuant to this Agreement will comply with all applicable laws, including federal and state securities laws, and will not violate the preemptive rights of any person.

5.5 Consents. No consent, approval, qualification, order or authorization of, or registration, declaration or filing with, any court, administrative agency or commission or other governmental authority or instrumentality, domestic or foreign, or other third party is required by or with respect to the Company in connection with the execution and delivery of this Agreement, or the consummation by the Company of the transactions contemplated hereby, which has not already been obtained, except for the filing of any notices of sale required to be filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act") or Securities Exchange Act of 1934, as amended (the "Exchange Act") or with the Nasdaq Stock Market, or such post closing filings as may be required under applicable state securities laws which will be timely filed within the applicable periods therefor.

5.6 Litigation. There is no action, suit, proceeding or investigation pending or to the Company's knowledge currently threatened against the Company, nor does the Company have any actual knowledge that there is any basis for the foregoing, except for those disclosed in the Disclosure Documents, those for which there has been no manifestation by a potential claimant of an awareness of a possible claim and for which the Company has not determined that it is probable that a claim will be asserted, and those which, if adversely determined, would not reasonably be expected to have a Material Adverse Effect. The foregoing includes, without limitation, actions, suits, proceedings or investigations pending or threatened involving the prior employment or engagement of any of the Company's employees or consultant, their use in connection with the Company's business of any information or techniques allegedly proprietary to any of their former employers or their current employers/clients (in the case of consultants), or their obligations under any agreements with such employers/clients. The Company is not a party or subject to the provisions of any order, writ, injunction, judgment or decree of any court or government agency or instrumentality. There is no action, suit, proceeding or investigation by the Company currently pending or that the Company intends to initiate.

5.7 Compliance with Other Instruments. The Company is not in violation or default in any material respect of any provision of its Restated and Amended Certificate of Incorporation, as amended, or bylaws, or in any material respect of any instrument, judgment, order, writ, decree or contract to which it is a party or by which it is bound, or, to the best of its knowledge, of any provision of any federal or state statute, rule or regulation applicable to the Company; except where such violation or default would not reasonably be expected to have a Material Adverse Effect. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not result in any such violation or be in conflict with or constitute, with or without the passage of time and giving of notice, either a default under any such provision, instrument, judgment, order, writ, decree or contract or an event that results in the creation of any lien, charge or encumbrance upon any assets of the Company or the suspension, revocation, impairment, forfeiture, or nonrenewal of any material permit, license, authorization, or approval applicable to the Company, its business or operations or any of its assets or properties, except where such violation, default, event, suspension, revocation, impairment, forfeiture or nonrenewal would not reasonably be expected to have a Material Adverse Effect.

5.8 Material Facts. The Company has provided Buyer with all the information reasonably available to it that Buyer has requested for deciding whether to purchase the Shares. The representations and warranties by the Company contained in this Agreement, when taken together with the Disclosure Documents, do not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements contained herein or therein, in light of the circumstances in which they are made, not misleading, except, with respect to assumptions, projections and expressions of opinions or predictions contained in the documents or written materials furnished by the Company, the Company represents only that such assumptions, projections and expressions of opinions and predictions were made in good faith and the Company believes that there is a reasonable basis therefor.

5.9 Compliance with Laws. To the best knowledge of the Company, the Company is in compliance in all material respects with all applicable statutes, laws, ordinances, rules, regulations and orders of any governmental entity, except where non-compliance would not reasonably be expected to have a Material Adverse Effect, and the Company has not received any notice or other communication whether oral or written from any governmental entity, arbitrator or any other person regarding any such violation or failure.

5.10 Subsequent Events. Subsequent to the respective dates as of which information is given in the Disclosure Documents, except as described therein, there has not been any Material Adverse Effect on the Company and its subsidiaries, whether or not arising from transactions in the ordinary course of business, the Company and its subsidiaries have not sustained any material loss or interference with their businesses or properties from fire, explosion, earthquake, flood or other calamity, whether or not covered by insurance, or from any labor dispute or any court or legislative or other governmental action, order or decree, and since the date of the latest balance sheet included in the Disclosure Documents, neither the Company nor any of its subsidiaries has incurred or undertaken any liability or obligation, indirect or contingent, except for liabilities or obligations incurred or undertaken in the ordinary course of business and except for any such liabilities or obligations as are reflected in the Disclosure Documents.

5.11 Disclosure. The Company has provided to Buyer true, correct and complete copies of its Annual Report on Form 10-K for the fiscal year ended December 31 1998; its Annual Report on Form 10-K/A for the fiscal year ended December 31, 1998; its Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 1999 and June 30, 1999; its Notice of Annual Meeting of Stockholders and Proxy Statement relating to its annual meeting of stockholders held on June 22, 1999; and its Current Report on Form 8-K dated June 2, 1999 (collectively, the "Disclosure Documents").

6. REPRESENTATIONS OF BUYER. Buyer hereby represents and warrants to the Company as follows:

6.1 Buyer is aware that its investment in the Company involves a substantial degree of risk, including, but not limited to the following: (i) if the Company fails to meet the maintenance criteria for continued inclusion on the Nasdaq National Market System ("NMS"), including but not limited to, the requirement that the Company maintain minimum net tangible assets of at least $4,000,000 and the requirement that the minimum bid price of the Common Stock is at least $1.00, it may be delisted from the NMS; (ii) the Company has had substantial operating losses for the fiscal year ended December 31, 1998 and for the fiscal quarters ended March 31, 1999 and June 30, 1999 and expects to continue to incur losses in the future; (iii) the Company will need additional financing in the future to fund operating losses and for capital investment in its current and proposed business operations; (iv) the Company's development of its internet products is not currently generating sufficient revenue to cover development and operating expenses, and may not be profitable in the future; (v) management and the existing principal stockholders of the Company beneficially own a substantial amount of the outstanding voting stock of the Company and accordingly are in a position to substantially influence the election of all directors of the Company and the vote on matters requiring stockholder approval; and (vi) the Company's success will to a significant extent rely upon the continued services and abilities of Jonathan Steinberg. Buyer acknowledges and is aware that there is no assurance as to the future performance of the Company.

6.2 Buyer is purchasing the Shares for its own account for investment and not with a view to or in connection with a distribution of the Shares, nor with any present intention of selling or otherwise disposing of all or any part of the Shares, except as contemplated in Section 8 below. Subject to Section 8 below, Buyer agrees that it must bear the economic risk of its investment because, among other reasons, the Shares have not been registered under the Securities Act, or under the securities laws of any state and, therefore, cannot be resold, pledged, assigned, or otherwise disposed of unless and until they are registered under the Securities Act and under applicable securities laws of certain states, or an exemption from such registration is available.

6.3 Buyer has the financial ability to bear the economic risk of its investment in the Company (including its complete loss), has adequate means for providing for its current needs and has no need for liquidity with respect to its investment in the Company.

6.4 Buyer has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Company and has obtained, in its judgment, sufficient information from the Company to evaluate the merits and risks of an investment in the Company. Buyer has had full opportunity to ask questions and receive satisfactory answers concerning all matters pertaining to its investment and all such questions have been answered to its full satisfaction. Buyer has been provided an opportunity to obtain any additional information concerning the Company and all other information to the extent the Company possesses such information or can acquire it without unreasonable effort or expense. Buyer has received no representation or warranty from the Company with respect to its investment in the Company, and Buyer has relied solely upon its own investigation in making a decision to invest in the Company.

6.5 Buyer is an "accredited investor" as defined in Section 2(15) of the Securities Act and in Rule 501 promulgated thereunder.

6.6 The execution, delivery, and performance of this Agreement has been duly authorized by Buyer and no other corporate proceedings on the part of Buyer or its stockholders are required. This Agreement has been duly executed and delivered by Buyer and constitutes the legal, valid, and binding obligation of Buyer enforceable against Buyer in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights in general or general principles of equity.

7. RESTRICTIONS ON TRANSFER.

7.1 Restrictions on Transfer. Buyer agrees that it will not sell, transfer, or otherwise dispose of any of the Shares except pursuant to an effective registration statement under the Securities Act or an exemption from the registration requirements of the Securities Act and the Company has received an opinion of counsel satisfactory to the Company that such exemption is available.

7.2 Legend. Each certificate for the Shares shall bear the following legend:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND MAY BE SOLD OR OTHERWISE TRANSFERRED ONLY IF SO REGISTERED OR IF AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE AND THE CORPORATION HAS RECEIVED AN OPINION OF COUNSEL SATISFACTORY TO THE CORPORATION THAT SUCH EXEMPTION IS AVAILABLE."

8. REGISTRATION RIGHTS.

8.1 Filing of Registration Statement. Within thirty (30) days after the Closing Date, the Company shall file a registration statement under the Securities Act ("Registration Statement") with respect to the Shares.

8.2 Expenses. All expenses in connection with the Registration Statement shall be borne by the Company except for applicable transfer taxes and expenses of counsel to Buyer, which shall be borne by Buyer.

8.3 Information Relating to Buyer. Buyer agrees that in connection with the Registration Statement it will provide to the Company all information and execute and deliver all documents, agreements, certificates and other items at its expense, as the Company and/or its counsel reasonably request, and the failure to provide such information or items shall permit the Company to delay the filing of, or not have declared effective, the Registration Statement filed by the Company pursuant to Section 8.1.

8.4 Indemnification.

8.4.1 Subject to the conditions set forth below, the Company agrees to indemnify and hold harmless Buyer and its directors, officers, employees and each person, if any (a "Controlling Person") who controls Buyer within the meaning of Section 15 of the Securities Act or Section 20(a) of the Exchange Act against any and all loss, liability, claim, damage and expense whatsoever (including but not limited to any and all legal or other expenses reasonably incurred in investigating, preparing or defending against any litigation, commenced or threatened, or any claim whatsoever) to which it may become subject under the Securities Act, the Exchange Act or any other statute or at common law or otherwise, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any registration statement in which Buyer's securities shall be included or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, unless such statement or omission was made in reliance upon and in conformity with information furnished to the Company with respect to Buyer by Buyer or its agents, in writing, expressly for use in any such registration statement. The Company agrees promptly to notify

Buyer of the commencement of any litigation or proceedings against the Company or any of its officers, directors or controlling persons in connection with the issue and sale of the Shares in connection with any such registration statement.

8.4.2 If any action is brought against Buyer in respect of which indemnity may be sought against the Company pursuant to this Section 8.4, Buyer shall promptly notify the Company in writing of the institution of such action and the Company shall assume the defense of such action, including the employment and fees of counsel and payment of actual expenses. Buyer shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of Buyer unless (i) the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such action, or (ii) the Company shall not have employed counsel to have charge of the defense of such action, or (iii) Buyer shall have reasonably concluded that there may be defenses available to it which are different from or additional to those available to the Company (in which case the Company shall not have the right to direct the defense of such action on behalf of Buyer), in any of which events the reasonable fees and expenses of not more than one additional firm of attorneys selected by Buyer and/or controlling person shall be borne by the Company. Notwithstanding anything to the contrary contained herein, if Buyer shall assume the defense of such action as provided above, the Company shall have the right to approve the terms of any settlement of such action which approval shall not be unreasonably withheld.

8.4.3 Buyer agrees to indemnify and hold harmless each of the Company, its directors, officers and employees, any underwriter (as defined in the Securities Act) and each Controlling Person of the Company, against any and all loss, liability, claim, damage and expense described in the foregoing indemnity from the Company to Buyer, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions directly relating to Buyer in any such registration statement furnished to the Company by Buyer or its agents, in writing, expressly for use in any such registration statement. In case any action shall be brought against the Company or any other person so indemnified based on any such registration statement, and in respect of which indemnity may be sought against Buyer, Buyer shall have the rights and duties given to the Company, and the Company and each other person so indemnified shall have the rights and duties given to Buyer by the provisions of paragraph 8.4.2 above.

8.5 Contribution.

(a) In order to provide for just and equitable contribution under the Securities Act in any case in which (i) any person entitled to indemnification under Section 8.4 makes claim for indemnification pursuant hereto but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case notwithstanding the fact that Section 8.4 provides for indemnification in such case, or (ii) contribution under the Securities Act, the Exchange Act, or

otherwise may be required on the part of any such person in circumstances for which indemnification is provided under Section 8.4, then, and in each such case, the Company and Buyer shall contribute, in proportion to their relative fault, to the aggregate losses, liabilities, claims, damages and expenses of the nature contemplated by said indemnity agreement incurred by the Company and Buyer, as incurred; provided, that, no person guilty of a fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(b) Within fifteen days after receipt by any party to this Agreement (or its representative) of notice of the commencement of any action, suit or proceeding, such party will, if a claim for contribution in respect thereof is to be made against another party (the "contributing party"), notify the contributing party of the commencement thereof, but the omission to so notify the contributing party will not relieve it from any liability which it may have to any other party other than for contribution hereunder. In case any such action, suit or proceeding is brought against any party, and such party notifies a contributing party or its representative of the commencement thereof within the aforesaid fifteen days, the contributing party will be entitled to participate therein with the notifying party and any other contributing party similarly notified. Any such contributing party shall not be liable to any party seeking contribution on account of any settlement of any claim, action or proceeding effected by such party seeking contribution on account of any settlement of any claim, action or proceeding effected by such party seeking contribution without the written consent of such contributing party. The contribution provisions contained in this Section 8 are intended to supersede, to the extent permitted by law, any right to contribution under the Securities Act, the Exchange Act or otherwise available.

9. MISCELLANEOUS.

9.1 Expenses. Each party shall be liable for its own expenses in connection with the transactions contemplated by this Agreement.

9.2 Successors and Assigns. All covenants and agreements in this Agreement contained by or on behalf of either of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the Company and of Buyer, whether so expressed or not.

9.3 Notices, Etc. All notices, requests, demands and other communications hereunder shall be in writing and shall be delivered in person, by overnight courier or mailed by certified or registered mail first-class, postage prepaid:

If to the Company:	with a copy to:
Individual Investor Group, Inc.	Graubard Mollen & Miller
125 Broad Street, 14th Floor	600 Third Avenue
New York, New York 10004	New York, New York 10016
Attention: General Counsel	Attn: Peter M. Ziemba, Esq.
fax: 212-742-0742	fax: 212-818-8881

If to Buyer:	with a copy to:
Telescan, Inc.	Telescan, Inc.
5959 Corporate Drive, Suite 2000	5959 Corporate Drive, Suite 2000
Houston, Texas 77036	Houston, Texas 77036
Attention: Roger C. Wadsworth	Attn: General Counsel
fax: 281-588-9843	fax: 281-588-9843

Any such notice, request, demand or other communication hereunder shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand or overnight courier, at the time of receipt thereof and (ii) if sent by registered or certified first-class mail, postage prepaid, five business days thereafter. Any party may, by written notice to the other, change the address to which notices to such party are to be delivered or mailed.

9.4 Governing Law. This Agreement is being delivered and is intended to be performed in the State of New York and shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of such State, without reference to principles of choice of law.

9.5 Entire Agreement. This Agreement, together with any exhibits hereto (which exhibits are an integral part hereof), constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior agreements, understandings, negotiations, representations and proposals, written or oral, with respect to such subject matter. Each party represents that it is not relying on any representations, whether written or oral, not set forth in this Agreement, in determining to execute this Agreement.

9.6 Amendments. This Agreement may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement is sought.

9.7 Severability. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect (an "Impaired Provision"), (a) such Impaired Provision shall be interpreted in such a manner as to preserve, to the maximum extent possible, the intent of the parties, (b) the validity, legality

and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and (c) such decision shall not affect the validity, legality or enforceability of such Impaired Provision under other circumstances. The parties agree to negotiate in good faith and agree upon a provision to substitute for the Impaired Provision in the circumstances in which the Impaired Provision is invalid, illegal or unenforceable.

9.8 Negotiation. The parties acknowledge that they are entering into this Agreement after consulting with counsel and based upon equal bargaining power, with all parties participating in its preparation. The parties acknowledge and agree that the attorneys for each party have had an equal opportunity to participate in the negotiation and preparation of this Agreement. The terms of this Agreement shall not be interpreted in favor of or against any party on account of the draftsperson, but shall be interpreted solely for the purpose of fairly effectuating the intent of the parties hereto.

9.9 Counterparts and Facsimile/Photocopy Signatures; Authority of Signatories. This Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Agreement, which shall be binding upon and effective as to all parties. A signature received via facsimile or photocopy shall be deemed an original for all purposes. Each party represents that the person signing this Agreement on the party's behalf has been duly authorized to execute this Agreement on behalf of such party, and all of the signatories hereto signing in a representative capacity warrant and represent that they have been duly authorized by and on behalf of their respective principals to execute this Agreement.

9.10 Headings. The Article and Section headings used herein are for convenience only and do not define, limit or construe the content of such sections. All references in this Agreement to Article and Section numbers refer to Articles and Sections of this Agreement, unless otherwise indicated.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Agreement as of the date first above written.

INDIVIDUAL INVESTOR GROUP, INC.

By:_____
Name: _____
Title: _____

TELESCAN, INC.

By:_____
Name: _____
Title: _____

Exhibit 23.2

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Registration Statement of Individual Investor Group, Inc. on Form S-3 of our report dated March 12, 1999, appearing in the Annual Report on Form 10-K of Individual Investor Group, Inc. for the year ended December 31, 1998 and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

DELOITTE & TOUCHE LLP
New York, New York
October 29, 1999

Exhibit 23.3

Independent Auditors' Consent

WisdomTree Associates, L.P.

We consent to the incorporation by reference therein of our report dated February 27, 1998, with respect to the financial statements of WisdomTree Associates, L.P. incorporated by reference in the Annual Report (Form 10-K) of Individual Investor Group, Inc. for the year ended December 31, 1998, in the Registration Statement (Form S-3) of Individual Investor Group, Inc. filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Ernst & Young LLP

New York, New York
October 29, 1999

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DEC-31-1999
JAN-1-1999
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