

U.S. Securities and Exchange Commission

Washington, D.C. 20549

Form 10-Q

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

For the quarterly period ended September 30, 2000

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

For the transition period from _____ to _____

Commission file number 1-10932

INDIVIDUAL INVESTOR GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware	13-3487784
-----	-----
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

125 Broad Street, 14th Floor, New York, New York 10004

(Address of principal executive offices)

(212) 742-2277

(Registrant's telephone number)

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

State the number of shares outstanding of each of the registrant's classes of common equity, as of the latest practicable date: As of November 13, 2000 registrant had outstanding 10,754,019 shares of Common Stock, \$.01 par value per share.

INDIVIDUAL INVESTOR GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED CONDENSED BALANCE SHEETS

(UNAUDITED)

ASSETS	September 30, 2000 -----	December 31, 1999 -----
<TABLE>	<C>	<C>
<S>	<C>	<C>
Current assets:		
Cash and cash equivalents	\$ 7,074,079	\$ 6,437,542
Accounts receivable(net of allowances of \$496,661 in 2000 and \$419,048 in 1999)	3,034,448	3,019,710
Investment in discontinued operations	49,302	49,302
Prepaid expenses and other current assets	884,610	864,851
	-----	-----
Total current assets	11,042,439	10,371,405
	-----	-----
Investments	5,316,902	2,638,356
Deferred subscription expense	403,639	383,624
Property and equipment - net	1,442,849	1,653,659
Security deposits	377,607	374,527
Other assets	433,184	836,396
	-----	-----

Total assets	\$19,016,620	\$16,257,967
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 3,432,341	\$ 3,024,395
Accrued expenses	576,168	716,670
Deferred advertising revenue	1,543,853	1,467,210
	-----	-----
Total current liabilities	5,552,362	5,208,275
	-----	-----
Deferred advertising revenue	1,281,203	938,164
Deferred subscription revenue	2,601,393	2,448,591
	-----	-----
Total liabilities	9,437,958	8,595,030
	-----	-----
Stockholders' Equity:		
Preferred stock, \$.01 par value, authorized 2,000,000 shares, 7,880 issued and outstanding in 2000 and 10,000 issued and outstanding in 1999	79	100
Common stock, \$.01 par value; authorized 18,000,000 shares; 10,760,019 issued and outstanding in 2000 and 10,353,901 issued and outstanding in 1999	107,600	103,539
Additional paid-in capital	33,729,278	33,421,542
Warrants	999,120	742,079
Deferred compensation	(257,482)	(272,038)
Accumulated deficit	(24,996,933)	(26,332,285)
	-----	-----
Total stockholders' equity	9,581,662	7,662,937
	-----	-----
stockholders' equity	\$19,016,620	\$16,257,967
	=====	=====

See Notes to Consolidated Condensed Financial Statements

</TABLE>

INDIVIDUAL INVESTOR GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(UNAUDITED)

<TABLE>

Ended September 30,	Three Months Ended September 30,		Nine Months
	2000	1999	2000
-----	-----	-----	-----
1999			
-----	-----	-----	-----
<S>	<C>	<C>	<C>
<C>			
Revenues:			
Online Services	\$ 588,160	\$ 657,274	\$ 2,842,813
\$ 1,229,630			
Print Publications	4,635,253	3,838,057	13,825,541
11,044,820			
-----	-----	-----	-----
Total revenues	5,223,413	4,495,331	16,668,354
12,274,450			
-----	-----	-----	-----
Operating expenses:			
Editorial, production and distribution	3,203,827	2,937,584	10,075,042
8,377,406			
Promotion and selling	2,177,863	2,102,355	7,378,014
5,852,023			
General and administrative	1,470,192	1,487,351	4,158,629
4,019,827			
Depreciation and amortization	142,152	143,212	425,341

391,617	-----	-----	-----

Total operating expenses 18,640,873	6,994,034	6,670,502	22,037,026
-----	-----	-----	-----
Gain on sale of assets -	6,702,219	-	6,702,219
Operating income (loss) (6,366,423)	4,931,598	(2,175,171)	1,333,547
Investment and other income 1,394,746	24,640	798,352	151,457
-----	-----	-----	-----
Net Income (loss) (\$4,971,677)	\$4,956,238	(\$1,376,819)	\$ 1,485,004
=====	=====	=====	=====
Basic income (loss) per common share (\$0.55)	\$0.47	(\$0.15)	\$0.13
=====	=====	=====	=====
Average number of common shares used in computing basic and dilutive loss per common share 8,998,833	10,413,519	9,188,724	10,399,225
Dilutive income (loss) per common share (\$0.55)	\$0.44	(\$0.15)	\$0.13
=====	=====	=====	=====
Average number of common shares used in computing basic and dilutive loss per common share 8,998,833	11,182,167	9,188,724	11,167,873

See Notes to Consolidated Condensed Financial Statements

</TABLE>

INDIVIDUAL INVESTOR GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS

(UNAUDITED)

	Nine Months Ended September 30,	
	2000	1999
	-----	-----
Cash flows from operating activities:		
Net Income (loss)	\$1,485,004	\$4,971,677)
Reconciliation of net income (loss) to net cash used in operating activities:		
Gain on sale of assets	(6,702,219)	-
Depreciation and amortization	425,341	391,617
Stock option and warrant transactions	202,904	301,304
Non - cash revenue/ expense	-	(312,545)
Gain on sale of investments	-	(1,277,512)
Changes in operating assets and liabilities:	-	-
Decrease (increase) in:		
Accounts receivable	985,262	(647,650)
Prepaid expenses and other current assets	(133,576)	(216,872)
Deferred subscription expense	(20,015)	214,829
Security deposits	(3,080)	95,100
Other assets	246,400	(50,002)
Increase (decrease) in:		
Accounts payable and accrued expenses	467,980	711,008
Deferred advertising revenue	(1,770,067)	559,500
Deferred subscription revenue	120,990	(55,966)
	-----	-----
Net cash used in operating activities	(4,695,076)	(5,258,866)
	-----	-----

Cash flows from investing activities:

Purchase of property and equipment	(216,170)	(1,513,740)
Net proceeds from sale of assets	5,585,819	-
Net proceeds from sale of investments	-	2,721,236
Increase in investments	-	(753,076)
Net cash provided by discontinued operations	-	139,849
	-----	-----
Net cash provided by investing activities	5,369,649	594,269
	-----	-----

Cash flows from financing activities:

Proceeds from exercise of stock options	111,616	2,263,515
Proceeds from issuance of common stock	-	3,000,000
Preferred stock dividends paid	(149,652)	-
	-----	-----
Net cash provided (used) in financing activities	(38,036)	5,263,515
	-----	-----

Net increase in cash and cash equivalents	636,537	598,918
Cash and cash equivalents, beginning of period	6,437,542	4,752,587
	-----	-----
Cash and cash equivalents, end of period	\$7,074,079	\$5,351,505
	=====	=====

See Notes to Consolidated Condensed Financial Statements

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2000 AND 1999

(UNAUDITED)

1. BASIS OF PRESENTATION

The consolidated condensed financial statements include the accounts of Individual Investor Group, Inc. and its subsidiaries (collectively, the "Company"). Such financial statements have been prepared in accordance with generally accepted accounting principles for interim financial reporting and with the instructions to Form 10-Q. Accordingly, they do not include all of the information and footnotes as required by generally accepted accounting principles for annual financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. Operating results for the nine months ended September 30, 2000 are not necessarily indicative of the results that may be expected for the year ending December 31, 2000. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's Annual Report for the year ended December 31, 1999 on Form 10-K.

The Company, during the third quarter ended September 30, 2000, adopted the accounting treatment of EITF 99-19, Reporting Revenue Gross as a Principal versus Net as an Agent with respect to revenues recognized from list rentals.

This change required a restatement of Online Services revenues for the three and nine months ended September 30, 1999 of \$560 and \$1,400, respectively, with an equal increase to promotion and selling expenses. This change also required a restatement of Print Publications revenues for the three and nine months ended September 30, 1999 of \$39,719 and \$112,545, respectively, with an equal increase to promotion and selling expenses. This change had no impact on reported net loss for the applicable periods. Online Services and Print Publications revenues increased \$7,318 and \$86,274, respectively for the six months ended June 30, 2000 with an equal increase to promotion and selling expenses. This change had no impact on the reported net loss for the six months ended June 30, 2000.

2. INVESTMENTS

On June 2, 1999, the Company, Kirlin Holding Corp. ("Kirlin") and VentureHighway.com Inc. ("VentureHighway") (at the time a wholly-owned subsidiary of Kirlin), entered into an agreement pursuant to which the Company acquired 1,654,344 newly- issued shares (adjusted to reflect a subsequent stock split) of common stock of VentureHighway, representing 19.9% of the then-outstanding shares of common stock (the

other 80.1% of which immediately after the transaction were held by Kirlin). The purchase price was paid in the form of a credit for VentureHighway to use to purchase advertising in the Company's magazines and web sites during the 30 months ending December 31, 2001. The investment and the deferred advertising revenues were recorded at the fair market value at the date of the transaction of \$2,638,356 (or \$1.595 per share of VentureHighway owned by the Company). In December 1999, VentureHighway raised \$7.65 million cash, selling 2,142,000 shares at a price of \$3.57 per share.

VentureHighway owns and operates VentureHighway.com, a branded web site designed to serve as an interactive portal for the matching of companies seeking funding with qualified investors seeking to fund such companies, and the facilitation of private placements and public offerings of securities of companies. There currently is no public market for VentureHighway securities, and there is no assurance that the Company will realize any value (and the Company in fact may realize a loss) with respect to its investment in VentureHighway.

On February 23, 2000, the Company and ReverseAuction.com, Inc. (now named Pricing Dynamics, Inc. ("Pricing Dynamics")) entered into an agreement pursuant to which the Company acquired 1,166,667 newly-issued shares of common stock of Pricing Dynamics, representing a 3.3% stake (on a fully-diluted basis) of Pricing Dynamics (constituting 7.4% of the then-outstanding shares). The purchase price was paid in the form of a credit for Pricing Dynamics to use to purchase advertising in the Company's magazines and web sites during the 21 months ending December 31, 2001. The investment and the deferred advertising revenues were recorded at the fair market value at the date of the transaction of \$1,544,736.

Pricing Dynamics provides e-commerce tools and dynamic pricing software, for the business-to-business, business-to-consumer and consumer-to-consumer markets. There currently is no public market for Pricing Dynamics securities, and there is no assurance that the Company will realize any value (and the Company in fact may realize a loss) with respect to its investment in Pricing Dynamics.

On May 4, 2000, the Company and Tradeworx, Inc. ("Tradeworx") entered into an agreement pursuant to which the Company acquired 1,045,000 newly-issued shares of common stock of Tradeworx, representing a 7% stake (with warrants to acquire up to 10.5%), on a fully-diluted basis, of Tradeworx. The purchase price was paid for in the form of a credit for Tradeworx to use to purchase advertising in the Company's magazines and websites during the 24 months ending August 1, 2002. The investment and the deferred advertising revenue were recorded at the fair market value at the date of the transaction of \$1,133,810.

Tradeworx is in the business of developing proprietary software and other financial analytical tools that provide online investment analysis and investment decision support platforms for retail and institutional investors and brokerage firms. There currently is no public market for Tradeworx securities, and there is no assurance that the Company will realize any value (and the Company in fact may realize a loss) with respect to its investment in Tradeworx.

3. SALE OF ASSETS

In August 2000, the Company agreed to sell two Internet domain names for cash consideration of \$1 million payable in two \$500,000 installments. In connection with the sale, the Company also issued a warrant to purchase 250,000 shares of the Company's Common Stock at an exercise price of \$2.00 per share. The fair market value of the issued warrant was approximately \$257,000. The Company received the first installment of \$500,000 in August 2000 and the second installment of \$500,000 in October 2000 (see Note 10).

In September 2000, the Company sold certain assets related to the business of InsiderTrader.com for cash consideration of \$500,000 and the assumption of certain liabilities.

In September 2000, the Company sold certain assets related to Ticker magazine. for cash consideration of \$6 million, less an adjustment for certain current assets and liabilities, and the assumption of certain liabilities (see Note 10).

Realized gain on the sale of assets for the three months ended September 30, 2000, represented by these three separate transactions was approximately \$6.7 million.

4. DISCONTINUED OPERATIONS

On April 30, 1998 the Company's Board of Directors decided to discontinue the Company's investment management services business.

The investment management services business was principally conducted by a wholly owned subsidiary of the Company, WisdomTree Capital Management, Inc. ("WTCM"). WTCM serves as general partner of (and is an investor in) a domestic private investment fund. The Company is also a limited partner in the fund. As a result of the Board's decision to discontinue the investment management services business, WTCM is continuing to dissolve the domestic investment fund, liquidating its investments and distributing the net assets to all investors as promptly as possible.

In 1998, the Company recorded provisions to accrue for its share of any net operating losses of the domestic fund and related costs that are expected to occur until the fund liquidates its investments. The Company believes that any remaining net operating losses and related costs associated with these discontinued operations have been adequately provided for by the provisions established in 1998.

At September 30, 2000, the domestic investment fund had remaining net assets of approximately \$665,000. The Company's net investment in discontinued operations of \$49,302 at September 30, 2000 represents its share of the net assets of the domestic investment fund, less any costs associated with discontinuing the investment management services.

5. STOCK OPTIONS

During the three and nine months ended September 30, 2000, the Company granted 2,000 and 662,909 options, respectively, to purchase the Company's Common Stock; 41,417 and 87,118 options, respectively, were exercised (providing proceeds of \$51,771 and \$111,616 respectively); and 451,699 and 635,698 options, respectively, were cancelled. Of the total options granted, all were granted under the Company's stock option plans, and expire at various dates through September 2010.

On July 19, 2000, the Stock Option Committee, pursuant to the Company's 2000 Performance Equity Plan, awarded 150,000 shares of authorized but unissued Common Stock in the aggregate to certain employees subject to the terms of a restricted stock agreement. 25,500 of such shares have been issued and earned by various employees and earnings for the period ended September 30, 2000 have been charged approximately \$42,000 with respect to these shares. An additional 93,500 of such shares have been granted and issued to employees at a compensation value of approximately \$157,000, which amount is being amortized ratably over the employment period required to earn such shares. The remaining 31,000 of such shares were forfeited and are available for reissuance.

6. INCOME (LOSS) PER COMMON SHARE

Basic net income (loss) per share for the three and nine months ended September 30, 2000 and 1999, respectively, is computed by dividing the net income (loss), after deducting dividends on cumulative convertible preferred stock, by the weighted average number of shares of Common Stock outstanding during the applicable period. Diluted income (loss) per common share for the three and nine months ended September 30, 2000 and 1999, respectively, is computed by dividing net income (loss) by the weighted average number of shares of Common Stock and common equivalent shares during the applicable period. Common equivalent shares consist of the incremental shares of Common Stock issuable upon the exercise of stock options, warrants and other securities convertible into shares of Common Stock.

The exercise of stock options, warrants and other securities convertible into shares of Common Stock were not assumed in the computation of diluted loss per common share, as the effect would have been antidilutive. The exercise of stock options and warrants were not assumed in the computation of diluted income per common share because the respective exercise prices of such securities were in excess of the value of the Common Stock during the applicable period.

The computation of net income (loss) applicable to common shareholders is as follows:

<TABLE>

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2000	1999	2000	1999
	----	----	----	----
<S>	<C>	<C>	<C>	<C>

	Net income (loss)	\$4,956,238	\$ (1,376,819)	\$1,485,004
\$ (4,971,677)	Preferred stock dividends	(49,652)	-	(149,652)
		-----	-----	-----
----	Net income (loss) applicable to common shareholders	\$4,906,586	\$ (1,376,819)	\$1,335,352
\$ (4,971,677)		=====	=====	=====
=====				

7. COMPREHENSIVE INCOME

Statement of Financial Accounting Standards ("SFAS") No. 130, "Reporting Comprehensive Income," requires the disclosure of comprehensive income (loss), defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. Comprehensive income (loss) is a more inclusive financial reporting methodology that includes disclosure of certain financial information that historically has not been recognized in the calculation of net income (loss).

Comprehensive income (loss) for the three and nine months ended September 30, 2000 and 1999, respectively, is presented in the following table:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2000	1999	2000	1999
	----	----	----	----
<S>	<C>	<C>	<C>	<C>
Net income (loss)	\$4,956,238	\$ (1,376,819)	\$1,485,004	
\$ (4,971,677)				
Other comprehensive income (loss)				
Net unrealized gain (loss) on investments	-	(3,333,814)	-	
3,029,769				

Total comprehensive income (loss)	\$4,956,238	\$ (4,710,633)	\$1,485,004	
\$ (1,941,908)				
=====	=====	=====	=====	

8. SALE OF COMMON STOCK

On September 21, 2000, 2,120 shares of Series A Preferred Stock were converted at the conversion price of \$2.12 per share into 200,000 shares of Common Stock.

On September 29, 1999, the Company entered into a Stock Purchase Agreement with Telescan, Inc. ("Telescan") providing for the sale of 779,130 shares of Common Stock for an aggregate purchase price of \$3,000,000, which was based upon one hundred and twenty-five percent (125%) of the average of the closing prices of the Common Stock, as reported by NASDAQ, for the seven business days prior to the date of the closing. Additionally, the Company and Telescan entered into an agreement pursuant to which the Company obtained a three-year license to use several of Telescan's propriety technology and investment tools on the Company's web sites. The Company paid the \$1,134,500 license fee by issuing 368,301 shares of Common Stock to Telescan, which was based upon the average of the closing prices of the Company's Common Stock, as reported by NASDAQ, for the seven business days prior to the date of the closing.

9. SEGMENT INFORMATION

The Company's business segments are focused on providing research and analysis of investment information to individuals and investment professionals through two operating segments: Online Services and Print Publications. The Company's Online Services operations include individualinvestor.com (www.individualinvestor.com) and InsiderTrader.com (www.insidertrader.com). The Company sold assets related to and the operations of InsiderTrader.com in September 2000.

The Company's Print Publications operations publishes and

markets Individual Investor magazine, a personal finance and investment magazine, Ticker, a magazine for financial advisors, planners and brokers, and Individual Investor's Special Situations Report, a financial investment newsletter. Substantially all of the Company's operations are within the United States. The Company sold assets related to and the operations of Ticker magazine in September 2000.

The table below presents summarized operating data for the Company's two business segments, consistent with the way such data is utilized by Company management in evaluating operating results. During the period ended September 30, 2000, the Company evaluated the methodology used to allocate marketing and promotion expenses, specifically as they relate to expenses incurred for the Individual Investor of the Year(TM) and Magic 25(TM) online trading contests offered by the Company, and modified the allocation methodology. These expenses benefit both the Print Publications and Online Services segments. Whereas the previous methodology allocated substantially all costs associated with such contests to the Online Services segment, the revised allocation process allocates contest expenses primarily based on the estimated incremental revenues generated by the Print Publications and Online Services segments, respectively, in connection with such contests.

Any inter-segment revenues included in segment data are not material. The accounting policies utilized in the table below are the same as those described in Note 1 of the Notes to Condensed Consolidated Financial Statements, as well as the consolidated financial statements and footnotes thereto in the Company's Annual Report on Form 10-K for the year ended December 31, 1999. Operating contribution represents the difference between operating revenues less operating expenses (before general and administrative ("G&A") and depreciation and amortization expenses).

<TABLE>

September 30, -----	Three Months Ended September 30,		Nine Months Ended	
	2000	1999	2000	
	----	----	----	----
<S>	<C>	<C>	<C>	<C>
Revenues:				
Online Services	\$ 588,160	\$ 657,274	\$ 2,842,813	\$
1,229,630				
Print Publications	4,635,253	3,838,057	13,825,541	
11,044,820	-----	-----	-----	---
12,274,450	5,223,413	4,495,331	16,668,354	
-----	-----	-----	-----	---
Operating contribution (before G&A and depreciation and amortization expenses and gain on sale of assets):				
Online Services	(666,429)	(290,481)	(1,261,632)	
(1,484,948)				
Print Publications	508,152	(254,127)	476,930	
(470,031)	-----	-----	-----	---
(1,954,979)	(158,277)	(544,608)	(784,702)	
Gain on sale of assets	6,702,219	-	6,702,219	
-				
G&A and depreciation and amortization expenses	(1,612,344)	(1,630,563)	(4,583,970)	
(4,411,444)				
Investment and other income	24,640	798,352	151,457	
1,394,746	-----	-----	-----	---

Net income (loss)	\$4,956,238	\$(1,376,819)	\$ 1,485,004	
\$(4,971,677)	=====	=====	=====	
=====				

</TABLE>

Investments as of September 30, 2000 increased approximately \$2.7 million as compared to December 31, 1999. This was primarily due to investments in Tradeworx, Inc. and Pricing Dynamics, Inc. (see Note 2). Deferred advertising revenue as of September 30, 2000 increased approximately \$0.4 million as compared to December 31, 1999 primarily due to investments in Tradeworx and Pricing Dynamics (see Note 2), offset by revenue earned during the period and the assumption by the purchaser of the deferred advertising revenue liability attributable to Ticker magazine. Deferred subscription revenue as of September 30, 2000 increased approximately \$0.2 million due to the timing of direct mail and subscription renewal campaigns. There were no other material changes from year-end 1999 in total assets, in the basis of segmentation, or in the basis of measurement of segment profit or loss.

10. ACCOUNTS RECEIVABLE

In August 2000, the Company arranged a line of credit whereby the Company may borrow principal amounts up to \$2.0 million secured by certain of its assets. Availability under the facility is based on a formula of a percentage of eligible accounts receivable and provides for interest on direct borrowings at an annual rate equal to prime plus 1.5% plus fees based on the amount of the invoices financed. The term of the line of credit is for a period of two years, subject to certain termination provisions. Total funding at September 30, 2000 was approximately \$1.1 million.

The Company has accounted for this transaction in accordance with SFAS 125, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities". Accordingly, accounts receivable have been reduced by the proceeds received from the facility and related fees have been recognized as expenses.

One million dollars of the September 30, 2000 receivable balance reflects amounts from the sale of Ticker magazine and the two Internet domain names, which were collected during the first week of October 2000 (see Note 3).

11. SUBSEQUENT EVENTS

In October 2000, the Company announced the resignation of its President and Chief Operating Officer, Brette Popper and of its Chief Financial Officer, David Allen, as part of a streamlining of its management team. The Company also announced that Jonathan Steinberg, who has led the company since its inception as Chief Executive Officer, would assume additional responsibilities as President, and that Gregory Barton, Vice President of Business Development and Legal Affairs, has assumed the additional responsibilities of Chief Financial Officer. The Company does not expect the streamlining of its management team to cause any material adverse effects to operations.

In October 2000, 698,601 options to purchase the Company's Common Stock were cancelled and no options were granted. During the four months ended October 31, 2000, 1,150,300 options were cancelled, 2,000 options were granted and the Company issued a warrant to purchase 250,000 shares of the Company's Common Stock at an exercise price of \$2.00 per share. The net options and warrants outstanding decreased during the four months ended October 31, 2000 by 939,717 shares.

The Company, effective October 4, 2000, began trading on the NASDAQ National Market under the ticker symbol "IIGP." The Company relinquished its right to its prior symbol "INDI" in connection with the agreement to sell the two Internet domain names (see Note 3).

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Important Notice Concerning "Forward-looking Statements" in this Report

1. "Forward-looking Statements." Certain parts of this Report describe historical information (such as operating results for the three and nine months ended September 30, 2000 and September 30, 1999, respectively), and the Company believes the descriptions to be accurate. In contrast to describing the past, various sentences of this Report indicate that the Company believes certain results are likely to occur after September 30, 2000. These sentences typically use words or phrases like "believes," "expects," "anticipates," "estimates," "will continue" and similar expressions. Statements using those words or similar expressions are intended to identify "forward-looking statements" as that term is used in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include, but are not limited to, projections of operating results for periods after September 30, 2000, concerning either a specific segment of the Company's business or the Company as a whole. For example, projections

concerning the following are forward-looking statements: net revenues, operating expenses, net income or loss, contribution to overhead, number of subscribers, subscription revenues, revenues per advertising page, number of advertising pages, production expense per copy, page views, revenues per page view, marketing expenses, sales expenses, and general and administrative expenses. Except to the extent that a statement in this Report is describing a historical fact, each statement in this Report is deemed to be a forward-looking statement.

2. Actual Results May Be Different than Projections. Due to a variety of risks and uncertainties, actual results may be materially different from the results projected in the forward-looking statements. These risks and uncertainties include those set forth in Item 2 (entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations") of Part I hereof, in Exhibit 99 hereof and elsewhere in this Report, and in Item 1 (entitled "Business") of Part I and in Item 7 (entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations") of Part II of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1999, filed with the Securities and Exchange Commission.

3. The Company Has No Duty to Update Projections. The forward-looking statements in this Report are current only on the date this Report is filed. After the filing of this Report, the Company's expectations of likely results may change, and the Company might come to believe that certain forward-looking statements in this Report are no longer accurate. The Company shall not have any obligation, however, to release publicly any corrections or revisions to any forward-looking statements contained in this Report, even if the Company believes the forward-looking statements are no longer accurate.

Three and Nine Months Ended September 30, 2000 as Compared to the Three and Nine Months Ended September 30, 1999

Operating Income (Loss)

The operating income for the three months and nine months ended September 30, 2000 increased to approximately \$4.9 million and \$1.3 million, respectively, as compared to an operating loss of approximately \$2.2 million and \$6.4 million, respectively, in the same periods of 1999. The decrease in the operating loss from the prior year is primarily due to the gain of sale of assets of approximately \$6.7 million and increased advertising revenues, partially offset by increased promotion and selling and editorial, production and distribution expenses. Operating losses excluding the gain on the sale of assets decreased to approximately \$1.8 million and \$5.4 million, respectively, for the three and nine months ended September 30, 2000 - an improvement of approximately 19% and 16%, respectively, as compared to the loss of approximately \$2.2 million and \$6.4 million, respectively, in the same periods of 1999.

Online Services operations provided a negative operating contribution (before deducting G&A and depreciation and amortization expenses and gain on sale of assets) of approximately \$0.7 million and \$1.3 million for the three and nine months ended September 30, 2000, respectively, as compared to a negative operating contribution of approximately \$0.3 million and \$1.5 million, respectively, in the same periods of 1999. The change in the three-month operating contribution from the prior year is primarily due to decreased advertising revenues, and increased editorial and production expenses required to maintain and support the web site. The change in the nine-month operating contribution from the prior year is primarily due to increased advertising revenues, partially offset by increased editorial and production expenses required to maintain and support the web site. The Company has recently reorganized its Online Services operations, significantly reducing ongoing personnel and technology development expenses. The Company expects that editorial and production expenses associated with its Online Services in the near term will be lower than the level of such expenses in the third quarter of 2000.

Print Publications operations provided a positive operating contribution (before deducting G&A and depreciation and amortization expenses and gain on sale of assets) of approximately \$0.5 million and \$0.5 million for the three and nine months ended September 30, 2000, respectively, as compared to negative operating contribution of approximately \$0.3 million and \$0.5 million, respectively, in the same periods of 1999. The improvement in operating contribution is primarily due to increased advertising revenues, partially offset by increased promotion and selling, and production and distribution expenses.

Revenues

Total revenues for the three and nine months ended September 30, 2000 increased approximately 16% and 36%, respectively, to approximately \$5.2 million and \$16.7 million, respectively, as compared to approximately \$4.5 million and \$12.3 million, respectively, in the same periods of 1999. Online Services revenues for the three and nine months ended September 30, 2000 decreased approximately 11% and increased approximately 131%, respectively, to approximately \$0.6 million and \$2.8 million, respectively, as compared to

approximately \$0.7 million and \$1.2 million, respectively, in the same periods of 1999. Print Publications revenues for the three and nine months ended September 30, 2000 increased approximately 21% and 25%, respectively, to approximately \$4.6 million and \$13.8 million, respectively, as compared to approximately \$3.8 million and \$11.0 million, respectively, in the same periods of 1999.

Online Services advertising revenues for the three and nine months ended September 30, 2000 decreased approximately 17% and increased approximately 140%, respectively, to approximately \$0.5 million and \$2.5 million, respectively, as compared to approximately \$0.6 million and \$1.1 million, respectively, in the same periods of 1999. The increase in advertising revenues from the prior year nine-month period is attributable to several factors, including a growth in page views and advertising impressions; for the three-month period, these factors were more than offset by a decline in online advertising by VentureHighway.com, Inc. Excluding the effect of Venture Highway's online advertising, the Company's Online Services would have reported revenues in the three and nine months ended September 30, 2000 that were higher advertising by approximately 54% and 154%, respectively, than in the same periods of 1999. Traffic to the Company's web sites (excluding the sites of the Individual Investor of the Year (TM) and Magic 25 (TM) online trading contests offered by the Company) for the three and nine months ended September 30, 2000 increased approximately 79% and 77%, respectively, to approximately 22 million and 71 million page views, respectively, as compared to approximately 12 million and 40 million page views, respectively, in the same periods of 1999. For the nine months ended September 30, 2000, the Company's Online Services had 42 advertisers, none of which accounted for over 10% of total online advertising revenues.

Print Publications advertising revenues for the three and nine months ended September 30, 2000 increased approximately 28% and 32%, respectively, to approximately \$3.4 million and \$9.9 million, respectively, as compared to approximately \$2.7 million and \$7.5 million, respectively, in the same periods of 1999. Individual Investor magazine's advertising revenues for the three and nine months ended September 30, 2000 increased approximately 16% and 26%, respectively, to approximately \$2.3 million and \$6.7 million, respectively, as compared to approximately \$2.0 million and \$5.3 million, respectively, in the same periods of 1999. This change relates primarily to a 2% and 11% respective increase in advertising pages sold, combined with a 13% and 13% respective increase in the net advertising rate per page, when compared to 1999. Ticker magazine's advertising revenues for the three and nine months ended September 30, 2000 increased approximately 59% and 47%, respectively, to approximately \$1.1 million and \$3.3 million, respectively, as compared to approximately \$0.7 million and \$2.2 million, respectively, in the same periods of 1999. This change relates primarily to a 44% and 39% respective increase in advertising pages sold, combined with a 31% and 4% respective increase in the net advertising rate per page, when compared to 1999.

Print Publications circulation revenues for the three and nine months ended September 30, 2000 increased approximately 12% and 12%, respectively, to approximately \$0.9 million and \$2.8 million, respectively, as compared to approximately \$0.8 million and \$2.5 million, respectively, in the same periods of 1999. Subscription revenues for the three and nine months ended September 30, 2000 increased 13% and 11%, respectively, to approximately \$0.7 million and \$2.1 million, respectively, as compared to approximately \$0.6 million and \$1.9 million, respectively, in the same periods of 1999. The increase in subscription revenues from the prior year is primarily attributable to a change in the subscriber mix for Individual Investor magazine, with more of the subscriber base being obtained from more profitable direct-to-publisher sources. This increase was partially offset by a reduction in the number of subscribers to Individual Investor's Special Situations Report. Newsstand revenues for the three and nine months ended September 30, 2000 increased approximately 9% and 14%, respectively, to approximately \$202,000 and \$690,000, respectively, as compared to \$185,000 and \$605,000, respectively, in the same periods of 1999.

Print Publications list rental and other revenues for the three and nine months ended September 30, 2000 decreased approximately 11% and increased approximately 4%, respectively, to approximately \$327,000 and \$1.1 million, respectively, as compared to approximately \$368,000 and \$1.0 million, respectively, in the same periods of 1999. The increase in the nine-month figure relates primarily to higher list rental revenues attributable to the Individual Investor magazine subscriber lists.

Operating Expenses

Total operating expenses for the three and nine months ended September 30, 2000 increased approximately 5% and 18%, respectively, to approximately \$7.0 million and \$22.0 million, respectively, as compared to approximately \$6.7 million and \$18.6 million, respectively, in the same periods of 1999. The rate of increase in operating expenses was significantly lower than the rate of increase of revenues - which increased approximately 16% and 36%, respectively, for the three and nine months ended September 30, 2000, as compared to the same periods of 1999.

Editorial, production and distribution expenses for the three and nine

months ended September 30, 2000 increased approximately 9% and 20%, respectively, to approximately \$3.2 million and \$10.1 million, respectively, as compared to approximately \$2.9 million and \$8.4 million, respectively, in the same periods of 1999. Online Services production, development and editorial expenses for the three and nine months ended September 30, 2000 increased approximately 17% and 52%, respectively, to approximately \$0.9 million and \$2.8 million, respectively, as compared to approximately \$0.7 million and \$1.9 million, respectively, in the same periods of 1999. The increase in these Online Services expenses from the prior year is primarily related to higher editorial salaries and consulting fees, increased research costs, and costs associated with enhanced analytical and research tools now available on www.individualinvestor.com. As noted above, the Company has recently reorganized its Online Services operations, significantly reducing ongoing personnel and technology development expenses. The Company expects that editorial and production expenses associated with its Online Services in the near term will be lower than the level of such expenses in the third quarter of 2000. Print Publications editorial, production and distribution expenses for the three and nine months ended September 30, 2000 increased approximately 6% and 11%, respectively, to approximately \$2.3 million and \$7.2 million, respectively, as compared to approximately \$2.2 million and \$6.5 million, respectively, in the same periods of 1999. The increase from the prior year relates primarily to an increase in the average number of pages per issue, as well as higher editorial salaries and related costs.

Promotion and selling expenses for the three and nine months ended September 30, 2000 increased approximately 4% and 26%, respectively, to approximately \$2.2 million and \$7.4 million, respectively, as compared to approximately \$2.1 million and \$5.9 million, respectively, in the same periods of 1999. Online Services promotion and selling expenses for the three and nine months ended September 30, 2000 increased approximately 86% and 50%, respectively, to approximately \$0.4 million and \$1.3 million, respectively, as compared to approximately \$0.2 million and \$0.9 million, respectively, in the same periods of 1999. The increase from the prior year is primarily attributable to higher marketing and promotion expenses associated with the Individual Investor of the Year(TM) and Magic 25(TM) online trading contests offered by the Company. Print Publications promotion and selling expenses for the three and nine months ended September 30, 2000 decreased approximately 6% and increased approximately 22%, respectively, to approximately \$1.8 million and \$6.1 million, respectively, as compared to approximately \$1.9 million and \$5.0 million, respectively, in the same periods of 1999. The increase from the prior year nine-month period is primarily due to increased marketing and promotion expenses associated with the Individual Investor of the Year(TM) and Magic 25(TM) online trading contests offered by the Company, direct mail campaign and customer activation expenses, increased sales commissions relating to higher sales, and higher recruiting fees as a result of hiring additional in-house sales personnel. The decrease from the prior year three-month period is primarily due to decreased salaries for advertising and marketing personnel due to a decrease in the number of employees within these departments.

General and Administrative expenses for the three and nine months ended September 30, 2000 were approximately \$1.5 million, and \$4.2 million, respectively, as compared to approximately \$1.5 million and \$4.0 million, respectively, in the same periods of 1999. The increase in the nine-month figure as compared to the same period in 1999 was primarily due to increased salaries and rent expense, partially offset by lower professional and recruiting fees. The Company has recently implemented a significant reduction in its general and administrative expenses through reduction in general and administrative personnel and expects these expenses in the near term to be substantially lower than the level of such expenses in the third quarter of 2000. Moreover, the Company intends to sublet a portion of its headquarters office space and believes it may see a significant reduction in ongoing rent expense beginning in the first quarter of 2001.

Depreciation and amortization expense for the three and nine months ended September 30, 2000 were approximately \$0.1 million and \$0.4 million, respectively, as compared to approximately \$0.1 million and \$0.4 million, respectively, in the same periods of 1999.

Gain on Sale of Assets

Gain on sale of assets for the three and nine months ended September 30, 2000 of approximately \$6.7 million represents the gain on the sale of two Internet domain names and certain assets related to Ticker magazine and InsiderTrader.com and the assumption by the respective purchasers of certain liabilities related thereto. No similar transactions were realized in 1999.

Investment and Other Income

Investment and other income for the three and nine months ended September 30, 2000 were approximately \$0.0 million and \$0.2 million, respectively, as compared to approximately \$0.8 million and \$1.4 million, respectively, in the same periods of 1999. The decreases for both periods are primarily attributable to realized gains from sale of investments of approximately \$0.8 million and \$1.3 million, respectively, during the three months and nine months ended September 30, 1999.

Discontinued Operations

There was no net loss from discontinued operations for the three and nine months ended September 30, 2000 or September 30, 1999. No additional loss amounts were recorded by the Company for discontinued operations because the Company believes that any remaining net operating losses and related costs associated with these discontinued operations have been adequately provided for by provisions established in 1998.

The Company's net investment in discontinued operations of \$49,302 at September 30, 2000 represents its share of the net assets of the domestic investment fund, less any costs associated with discontinuing the investment management services business.

Net Income (Loss)

The Company's net income for the three and nine months ended September 30, 2000 increased to approximately \$5.0 million and \$1.5 million, respectively, as compared to a net loss of approximately \$1.4 million and \$5.0 million, respectively, in the same periods of 1999.

The basic income per weighted average common share for the three and nine months ended September 30, 2000 was \$0.47 and \$0.13, respectively, as compared to a loss of \$0.15 and \$0.55, respectively, in the same periods of 1999. The dilutive income per weighted average common share for the three and nine months ended September 30, 2000 was \$0.44 and \$0.13, respectively, as compared to a loss of \$0.15 and \$0.55, respectively, in the same periods of 1999.

Liquidity and Capital Resources

As of September 30, 2000, the Company had working capital of approximately \$5.5 million, which included cash and cash equivalents totaling approximately \$7.1 million.

The Company's current levels of revenues are not sufficient to cover its expenses. It is the Company's intention to control its operating expenses while continuing to invest in its existing products - and, as noted above, the Company recently has implemented changes intended to substantially reduce certain operating and general and administrative expenses. The Company anticipates quarterly losses to continue through the remainder of 2000 and into 2001. Profitability may be achieved in future periods only if the Company can substantially increase its revenues and/or realize capital gains on investments or the sale of certain assets while controlling increases in expenses. There can be no assurance that revenues will be substantially increased, that additional capital gains will be realized on investments (instead capital losses in fact may be realized) or that certain assets will be sold, or that expenses can be adequately decreased to enable the Company to attain profitability.

Based on the Company's current outlook, the Company believes that its working capital will be sufficient to fund its operations and capital requirements at least through the end of 2001. During the second quarter of 2000, the Company retained The Jordan, Edmiston Group, Inc., the media investment bank, to explore a range of strategic alternatives to enhance shareholder value, including the possible sale of the Company. The Company during the quarter ended September 30, 2000 entered into three separate agreements with unrelated third parties which resulted in net gains on the sale of assets of approximately \$6.7 million and which generated net cash proceeds of approximately \$6.6 million (which amount includes \$1.0 million collected with respect to these sales during the first week of October 2000). In connection with one of these agreements, the Company also issued a warrant to purchase 250,000 shares of the Company's Common Stock at an exercise price of \$2.00 per share.

The Company is continuing its exploration of strategic alternatives, including exploring sources of additional financing and/or sale of assets. There can be no assurance, however, that this process will result in the Company entering into any additional transactions or enhancing shareholder value. In the event that the Company is unable to attain profitability prior to exhausting its existing resources, the Company would need to obtain additional financing or sell certain of its assets in order to sustain operations. No assurance can be given that the Company will be able to obtain additional financing or sell additional assets, or as to the terms upon which the Company could do so. Any additional financing could result in dilution of an investor's equity investment in the Company.

INDIVIDUAL INVESTOR GROUP, INC. AND SUBSIDIARIES

PART II - OTHER INFORMATION

ITEM 1. Legal Proceedings

In July 1997, certain former limited partners of WisdomTree Associates, L.P. ("WTA"), a domestic private investment fund of which WisdomTree Capital

Management, Inc., a wholly-owned subsidiary of the Company, is the general partner, initiated an action in the Supreme Court of the State of New York, County of New York, captioned Richard Tarlow and Sandra Tarlow v. WisdomTree Associates, L.P., Bob Schmidt and Jonathan Steinberg, Index No. 113819/97. Defendants moved to dismiss the action based on plaintiffs' failure to file a complaint, and the action was dismissed without prejudice in October 1997. In October 1998, plaintiffs moved to vacate the default judgment. Defendants opposed the motion. In April 1999, the court denied plaintiffs' motion with respect to Messrs. Schmidt and Steinberg, but granted the motion with respect to WTA and plaintiffs were permitted to and did file and serve a complaint solely against this defendant. WTA moved to dismiss the complaint as to all causes of action other than the breach of contract claim, which motion was denied. WTA subsequently answered the complaint and discovery was commenced. In February 2000, plaintiffs moved to amend their complaint to add Messrs. Schmidt and Steinberg as defendants, and defendants moved for summary judgment. Both motions were denied. Plaintiffs alleged that WTA did not timely process plaintiffs' request for redemption of their interest in WTA and the complaint sought approximately \$470,000 in alleged compensatory damages, plus pre-judgment interest, as well as punitive damages. In August 2000 the parties agreed to settle the litigation on undisclosed terms. The impact of the settlement is not material to the Company's financial position or results of operations.

In addition to the foregoing matters, the Company from time to time is involved in ordinary and routine litigation incidental to its business; the Company currently believes that there is no such pending legal proceeding that would have a material adverse effect on the consolidated financial statements of the Company.

<TABLE>

ITEM 2. Changes in Securities

Sales of Unregistered Securities

<S>	<C>	<C>	<C>	<C>	<C>
warrant or Date of sale security, terms or conversion	Title of security	Number Sold/ Granted	Consideration received and description of underwriting or other discounts to market price afforded to purchasers	Exemption from registration claimed	If option, convertible of exercise
7/1/00 - period of 9/30/00 from date of subject to certain of continued exercisable for a lasting ten years grant at an price of \$1.8125	Options to purchase common stock granted to employees	2,000	Exercise price would be received upon exercise	Section 4(2)	Vesting over a four years grant, conditions service; period from date of exercise per share.
8/10/00 until 8/10/03 at price of \$2.00	Warrant to purchase common stock	250,000	Company received \$1 million in connection with issuance of warrant and sale of two Internet domain names; in addition, Company would receive exercise price upon exercise	Section 4(2)	Exercisable an exercise per share.

</TABLE>

ITEM 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibit No. -----	Description -----	Method of Filing -----
<S>	<C>	<C>
3.1 to the Form 1999	Amended and Restated Certificate of Incorporation of Registrant, as amended through June 22, 1999	Incorporated by reference to Exhibit 3.2 10-Q for the quarter ended June 30,
3.2 3.3 to the Form 1999	By-laws of Registrant amended through April 27, 1999	Incorporated by reference to Exhibit 10-Q for the quarter ended June 30,
4.1 4.1 to the Form S-18	Specimen Certificate for Common Stock of Registrant	Incorporated by reference to Exhibit Registrant's Registration Statement on (File No. 33-43551-NY)
10.1	Factoring Agreement, dated August 1, 2000, between Systran Financial Services Corporation and Registrant, as amended	Filed herewith
10.2	Asset Purchase Agreement, dated September 28, 2000, between 123Jump.con and Registrant	Filed herewith
27 submission of Form requirement	Financial Data Schedule September 30, 2000	Filed only with the electronic 10-Q in accordance with the EDGAR
99	Certain Risk Factors	Filed herewith

(b) Reports on Form 8-K

The Company did not file any reports on Form 8-K during the Quarter Ended September 30, 2000.

SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, the Registrant caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

DATE: November 13, 2000

INDIVIDUAL INVESTOR GROUP, INC. (Registrant)

By: /s/ Jonathan L. Steinberg

Jonathan L. Steinberg, Chief Executive Officer and Director

By: /s/ Gregory Barton

Gregory Barton, Chief Financial Officer
(Principal Financial Officer)

</TABLE>

Exhibit 10.1

SYSTRAN Financial Services Corporation

FACTORING AGREEMENT

This Factoring Agreement (the "Agreement") is between SYSTRAN Financial Services Corporation and its affiliates, including but not limited to Textron Financial Corporation ("SYSTRAN") and Individual Investor Group, Inc. (the "Seller"), whose address is set forth on the last page hereof. In consideration of mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. DEFINITIONS: A "Debtor" means a person or entity obligated to pay a Bill. A "Bill" means any right to payment for services rendered or goods sold by Seller to a Debtor evidenced by a writing which complies with the general requirements of SYSTRAN as those may be set forth in the Seller Information Manual, as described in Paragraph 2.8. A "Chargeback" means a return of a Bill to Seller and a debit of Seller's account. "Recourse" means the right to Chargeback a Bill to Seller.

2. PURCHASE OF BILLS.

2.1. Seller agrees to present for purchase such Bills as it desires SYSTRAN to purchase arising from the services of Seller and goods sold by Seller. SYSTRAN, at its sole discretion, may purchase such Bills as SYSTRAN determines meet the standards set by SYSTRAN from time to time. Seller shall submit to SYSTRAN an original and two (2) copies of each Bill which shall be attached to a schedule form provided by SYSTRAN. Should the Debtor require any additional documentation as a prerequisite to payment, Seller will also provide such documentation with each Bill.

2.2 SYSTRAN will settle with the Seller by mailing or sending via facsimile to the Seller a settlement statement setting forth the Bills purchased, the amount paid, and any deductions made for fees, charges or security deposit and depositing funds as follows:

[] Mail funds due Seller. [] U.P.S. funds due Seller. [X] Wire funds due Seller into bank account specified by Seller on wire authorization form. [] Deposit funds due Seller.

2.3. Any payment to Seller may be reduced by SYSTRAN by any amount due from Seller to SYSTRAN, including but not limited to the security deposit, Chargebacks, fees and costs.

2.4. SYSTRAN will give notice to the Debtors of the assignment of any Bills purchased by placing a legend on the Bills stating the Bills have been sold and assigned to SYSTRAN and are payable to SYSTRAN at an address designated by SYSTRAN. Seller agrees that all Debtors can be notified of an address specified by SYSTRAN, and Seller will not attempt to direct payment other than to that address. Seller agrees to pay all costs and expenses incurred by SYSTRAN in giving such notice or notices as SYSTRAN deems necessary by whatever means SYSTRAN deems necessary. All remittances received by Seller for payment of Bills previously sold to SYSTRAN are the property of SYSTRAN and shall be held in trust by Seller for SYSTRAN and shall be delivered immediately to SYSTRAN in the identical form of payment received by Seller. Should Seller receive a check comprising payment both to Seller and SYSTRAN, Seller will turn over the check to SYSTRAN, and SYSTRAN will refund Seller's portion to Seller, less any amounts outstanding and due from Seller to SYSTRAN. In the event that Seller collects directly from the Debtor a Bill which has been sold to SYSTRAN and Seller does not deliver immediately to SYSTRAN the identical form of payment received by Seller, Seller will be charged an administrative fee. The amount of the fee shall be determined by SYSTRAN at its sole discretion, but shall not exceed three times the normal fee, pursuant to paragraph three below. Seller agrees that any collection by or directly from the Debtor by Seller of a Bill which has been sold to SYSTRAN is a default under the terms of this Agreement.

2.5. Any Bills in a special purchase shall be subject to all provisions of this Agreement. A special purchase is the purchase at the beginning of the factoring relationship of Seller's Bills that are either billed by Seller, previously financed by a lender, or previously sold and assigned to another factor.

2.6. SYSTRAN has provided to Seller a Seller Information Manual, which is a guide to policy and procedures concerning daily submission of Bills, collection efforts, and other matters. The Seller Information Manual is not part of this Agreement. Seller hereby acknowledges receipt of the Seller Information Manual. These procedures are only guidelines to ensure the efficient operation of the factoring process. SYSTRAN may change any procedure at any time, and may choose not to follow procedures at its discretion.

3. SERVICE FEES. SYSTRAN shall charge and Seller shall pay a fee of one point two five (See Exhibit "A") percent (%) of the face amount of all Bills purchased and an additional service fee as follows: \$1.15 per bill. The service fee shall be payable upon the purchase of any Bill by SYSTRAN, and SYSTRAN may choose to collect service fees either from payments due Seller or may bill the Seller periodically. SYSTRAN may, upon prior notice to Seller, change any fee and such change shall be effective upon receipt of the notice; provided, that

SYSTRAN may change the amount of any fee caused by a change in SYSTRAN's cost of funds without prior notice to Seller, but must notify Seller of such change on the next settlement statement sent to the Seller. A fee change due to a change in cost of funds will be effective upon the date of the change which will be indicated on the settlement statement.

3.1. MINIMUM VOLUME AND FEE. Seller agrees to sell to SYSTRAN a minimum of \$15,000.00 in Bills per month. In the event that Seller fails to sell \$15,000.00 in Bills per month for each of two consecutive months, Seller's fee will automatically be increased at the beginning of the third month. The minimum fee after the increase will be 4.5% or the current fee, whichever is higher. SYSTRAN may increase the fee beyond these levels at its discretion. The fee will be automatically lowered to the last fee in effect should Seller's monthly purchase volume exceed \$15,000.000 per month for each of two consecutive months.

4. DEPOSIT. In order (a) to secure Seller's performance of its obligations arising hereunder, (b) to provide security for payment of Seller's liabilities or deficiencies arising hereunder, and (c) to provide security to SYSTRAN's borrowing sources, Seller shall deliver to SYSTRAN the deposit described below. Seller acknowledges that SYSTRAN has given its lender a security interest in all of its customer deposits to secure payment of certain credit lines to finance SYSTRAN's Seller's accounts receivable. Seller hereby transfers and assigns to SYSTRAN all of Seller's rights in and to such deposit on the conditions set forth below and subordinates all of its right, title and interest in and to such deposit to the right, title and interest of SYSTRAN's lender to such deposit. The foregoing transfer and subordination are absolute and unconditional. Subject to the subordination, the terms of the deposit are as follows.

4.1. AMOUNT OF DEPOSIT. Seller's deposit shall be equal to twenty

percent (20%) of Seller's Bills that are ninety (90) days old or less computed
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from date of purchase.

4.2. ADJUSTMENT OF DEPOSIT. The amount of Seller's deposit will be reviewed and, if necessary, adjusted each day. Increases in the amount of Seller's deposit will be withheld by SYSTRAN from payments to Seller to the extent necessary pursuant to this Agreement. If sufficient bills are not purchased to fund the increase, Seller will pay the amount of the increase upon demand. Decreases will be repaid to Seller from Seller's deposit amount.

4.3. REPAYMENT OF DEPOSIT. Effective upon termination of this Agreement, no Deposit will be released to Seller except at SYSTRAN's sole discretion, unless all amounts owing to SYSTRAN have been paid in full by Seller. Effective upon termination, all other sums that may become due to Seller by SYSTRAN will be included in the Deposit. The effective Deposit percentage may be greater than the Deposit percentage set forth in paragraph 4.1 The balance of the Deposit will be repaid to Seller at such time as all Bills are paid in full. In the event that Chargebacks to Seller exceed the amount of Seller's Deposit, none of Seller's Deposit will be repaid and Seller will pay SYSTRAN an amount equal to such excess. Such excess amount shall bear interest at four percent (4%) over prime as announced by SYSTRAN's lender from the date notice of the excess liability is rendered to Seller until payment is received.

5. SECURITY INTEREST. The purchase of the Bills of Seller by SYSTRAN is absolute subject to the right to Chargeback. In addition to the outright ownership of those Bills purchased by SYSTRAN, to secure the payment and performance of indebtedness and obligations of Seller to SYSTRAN now existing and hereafter arising, SYSTRAN shall have and is hereby granted a present continuing security interest in all Bills, accounts and accounts receivable of Seller, whether now existing or hereafter created, together with all guaranties, securities, books and records, accounts, correspondence, and documents with respect to such Bills, and, in addition, Seller hereby grants SYSTRAN a security interest in the deposit provided for in Section 4 above, all of Seller's inventory, contract rights, general intangibles, money, instruments, documents, chattel paper, securities, credits, claims and demands against SYSTRAN or others, and all other goods and personal property of all kinds belonging to the Seller, whether presently existing or hereafter acquired, together with any proceeds, products.

5.1. FINANCING STATEMENTS. Seller shall not execute or file any financing statement, supplements or amendments thereto, or any other instruments or security agreement covering the collateral described above in favor of anyone other than SYSTRAN. Seller shall execute and deliver to SYSTRAN any financing statements, title documents, supplements or amendments thereto and any other instruments which SYSTRAN from time to time may reasonably require to perfect, preserve, protect or enforce the security interest of SYSTRAN hereunder or the priority of such security interest. Seller shall pay all costs of filing such statements or instruments with appropriate governmental authorities together with the costs of all lien searches. Seller agrees that either a carbon, photocopy, or other reproduction of this Agreement is sufficient as a financing statement under this Agreement.

5.2. SYSTRAN may, in its sole discretion, elect to discharge any security interest, lien or other encumbrance upon any bill for service or bill

for goods sold purchased by SYSTRAN. Any such payments and all expenses incurred in connection therewith shall be treated as a Chargeback. SYSTRAN shall have no obligation to discharge any such security interest, lien or encumbrance.

6. RECOURSE, DISPUTES AND CHARGEBACKS.

6.1. All Bills are purchased by SYSTRAN from Seller with full recourse. All Bills may be Chargedback to Seller at any time after ninety (90) days after the purchase date if not collected from Debtor within such period or at any time, if SYSTRAN determines, in its sole discretion, that the Bill is not collectible. SYSTRAN shall not deem a disputed Bill uncollectible without allowing Seller a reasonable time to settle the dispute not to exceed twenty-one (21) days from notice of dispute. It is within SYSTRAN's discretion as to when a Bill over such time periods may be Chargedback to Seller. Regardless of Bill type: 1) All Bills in a special purchase by SYSTRAN, as defined in paragraph 2.5, are subject to Chargeback ninety (90) days from the date of special purchase by SYSTRAN; 2) All Bills owing by Canadian Debtors and logistics companies are subject to Chargeback ninety (90) days from the date of purchase by SYSTRAN.

6.2. In addition, SYSTRAN reserves the right, however, from time to time and at its absolute discretion, to Chargeback to Seller any Bill which does not conform to the representations and warranties set forth in the Agreement or is discovered not to conform with the reasonable standards which SYSTRAN may set for Bills. SYSTRAN shall have a continuing security interest in any Bill which is Chargedback to the Seller, but Seller shall immediately upon receiving notice of a Chargeback pay to SYSTRAN the Chargeback amount and does hereby authorize SYSTRAN to deduct any Chargeback from the daily settlements described in Section 2. Interest on any unsatisfied Chargeback shall bear interest at the rate of four percent (4%) over prime as announced by SYSTRAN's lender. Chargeback of any Bill does not authorize Seller to collect any outstanding sum owing on that Bill from a Debtor. All amounts owing on from the Debtor on a Chargeback Bill remain payable to SYSTRAN.

6.3. COLLECTION OF BILLS. SYSTRAN may, but is not required to, commence any action, including legal action, to collect a Bill. All costs of collection, including attorney fees, court fees, and costs of investigation, will be the responsibility of the Seller. Prior to any act of default, SYSTRAN will commence litigation only with Seller's authorization. Subsequent to an act of default and failure to cure in accordance with paragraph 20, SYSTRAN may file suit as it decides necessary without Seller's authorization. In the event of default, Seller hereby grants authorization to SYSTRAN to settle or compromise any bill dispute, including litigation, with any uncollected amount being subject to Chargeback, together with all other amounts for which Seller is obligated to SYSTRAN.

7. WARRANTIES AND REPRESENTATIONS.

7.1. Seller warrants and represents with respect to all Bills sold to SYSTRAN that (a) the Bill is genuine and in all respects what it purports to be; (b) Seller has good title to the Bill and the Bill is free and clear of all encumbrances, liens and prior claims, and that the Seller has the legal right to sell the Bill; (c) Seller has no knowledge of any fact which may impair the validity of the Bill or make it uncollectible in accordance with its terms and face amount; (d) the Bill made according to lawful and valid contracts which Seller has executed; (e) Seller has no knowledge of any counterclaims or setoffs or defenses existing in favor of the Debtor, whether arising from the services or products which are the subject of the Bill or otherwise and there has been no agreement as to the issuance or granting of any discount on the Bill; (f) the Bill is not a duplicate of and does not cover the same services or charges or purchase price as a Bill previously purchased by SYSTRAN from the Seller or billed directly by the Seller to the Debtor; (g) Seller does not own, control, or exercise dominion over the business of any Debtor whose Bills are factored by Seller to SYSTRAN. Seller is not a subsidiary of any Debtor and no Debtors control or exercise dominion over the business of Seller; (h) Seller will not under any circumstances or in any manner whatsoever interfere with any of SYSTRAN's rights under the Factoring Agreement in connection with SYSTRAN's factoring of Seller's Bills; (i) immediately upon sale of Bills to SYSTRAN, Seller will make proper entries on its books and records, disclosing the absolute sale of such Bills to SYSTRAN; (j) Seller has not and will not pledge the credit of SYSTRAN to any person or business for any purpose whatsoever.

7.2. If the Seller is a corporation, it is duly organized, existing, and in good standing under the laws of Delaware. If Seller represents him or herself to be a sole proprietorship or a partnership, such representation shall be deemed conclusive and binding upon Seller. Seller is duly qualified to do business and is in good standing in every other state in which such qualification is required. If Seller is a corporation, execution, delivery and performance hereof are within its corporate powers, have been duly authorized, and are not in contradiction of law or the terms of its charter, by-laws or other incorporation papers, or any indenture, agreement or undertaking to which it is a party or by which it is bound. In addition, the Seller has all material licenses and certificates necessary for the operation of its business and the issuance of Bills.

8. POWER OF ATTORNEY. In order to carry out the Factoring Agreement, and to avoid unnecessary notification of Debtors, Seller irrevocably appoints SYSTRAN or any person designated by SYSTRAN, its special attorney-in-fact or agent with power to: Bill, receive and collect all amounts which may be due or become due to Seller from Debtors and to use Seller's name for purposes of billing and collection of amounts due; Delete Seller's address on all Bills mailed to Debtor and substitute SYSTRAN's address with regard to all Bills of Seller; Receive, open and dispose of all mail addressed to Seller or Seller's trade name at SYSTRAN's address; Negotiate checks received in payment whether payable to Seller or to SYSTRAN; endorse the name of Seller or Seller's trade name on any checks or other evidences of payment that may come into the possession of SYSTRAN on Bills purchased by SYSTRAN and on any invoices or other document relating to any of the Bills; In Seller's name, or otherwise, demand, sue for, collect and get or give releases for any and all monies due or to become due on Bills; Compromise, prosecute, or defend any action, claim or proceeding as to Bills purchased by SYSTRAN. Nothing herein shall require SYSTRAN to instigate or become a party to any litigation as more fully set forth in Paragraph 6.3; Notify Debtors of assignment of accounts to SYSTRAN; and notify, direct, and instruct Debtors in Seller's name or Seller's trade name of the remit-to address and procedures for making payment on any Bills that are sold to SYSTRAN; Take all steps necessary to ensure payment of such amounts due; and do any and all things in Seller's name necessary and proper to carry out the purpose intended by the Factoring Agreement.

9. ADDITIONAL DOCUMENTS. The Seller shall at all times, do, make, execute and deliver all such additional and further instruments as may be reasonably requested by SYSTRAN in order to more completely vest in and assure to SYSTRAN and make available to it, the property and rights herewith or hereafter granted or assigned and transferred to SYSTRAN as collateral and to evidence the sale of the Bills to SYSTRAN and to carry into effect the provisions and intent of this Agreement.

10. LOCATION OF BOOKS AND RECORDS, PLACE OF BUSINESS. It is understood that Seller's place of business is the one set forth in this Agreement and that all of its books, accounts, correspondence, papers and records pertaining to the services or sales of products are located there, and all such books, accounts, correspondence, papers and records will be opened for SYSTRAN's inspection at all reasonable times.

11. INDEMNIFICATION OF SYSTRAN; SALES AND EXCISE TAXES. Seller will indemnify and hold SYSTRAN harmless against any and all liability, loss or expense, including attorney's fees, caused by or arising out of any alleged claims, defenses, setoffs or counterclaims asserted by any party and relating in any manner to the Bills purchased by SYSTRAN hereunder. In the event any sales or excise taxes are imposed by any state, federal or local authorities with respect to any of the Bills sold and assigned hereunder, where such taxes are required to be withheld or paid by SYSTRAN, Seller shall also indemnify SYSTRAN and hold it harmless with respect to all such taxes and hereby authorizes SYSTRAN to charge to Seller's account any such tax that is paid or withheld by SYSTRAN. SYSTRAN may charge the deposit for any amount due under this paragraph.

12. FINANCIAL INFORMATION. So long as Seller factors or has any absolute or contingent obligation of any kind owing to SYSTRAN, the Seller will provide information regarding the business, affairs and financial condition of the Seller and its subsidiaries as SYSTRAN may reasonably request, including financial statements.

13. REORGANIZATION, ACQUISITIONS, CHANGE OF NAME OR LOCATION. Seller shall notify SYSTRAN in writing not less than thirty (30) days prior to (a) any change of its name or use of any trade names or (b) any change in the address of the chief executive office and/or chief place of business of Seller or the location of any records pertaining to the Bills, and/or (c) any change in company form or status through merger or consolidation with or into any corporation or any sale, lease, transfer or disposal of all or any substantial parts of its assets whether now owned or hereafter acquired.

14. BANKRUPTCY. Seller agrees to notify SYSTRAN of any voluntary or involuntary bankruptcy petition filed by or against it or any guarantor within twenty-four (24) hours of such filing.

15. LITIGATION. Except as disclosed in writing, Seller represents and warrants to SYSTRAN as follows: There are no suits or proceedings pending or to the knowledge of Seller, threatened against or affecting Seller or any of its subsidiaries which, if adversely determined, would have a material adverse effect on the financial condition or business of Seller and its subsidiaries and there are no proceedings by or before any governmental commission, board, bureau, or other administrative agency pending or, to the knowledge of Seller, threatened, against Seller or any of its subsidiaries. Further, Seller represents and warrants there is no claim, loss contingency, or proceeding, whether or not pending, threatened or imminent, against or otherwise affecting Seller that involves the possibility of any judgment or liability not fully covered by insurance or that may result in a material adverse change in the business, properties, or condition, financial or otherwise, of Seller.

16. TRADE NAMES. Seller represents and warrants to SYSTRAN that it

utilizes no trade names in the conduct of its business except Individual

Investor Group, Inc. and Ticker Magazine.

17. TAXES. Seller represents and warrants to SYSTRAN that: Seller has filed all federal, state, and local tax returns and other reports it is required to file and has paid or made adequate provision for payment of all such taxes, assessments, and other governmental charges.

18. NO CONSENT OR APPROVAL NEEDED. Seller represents and warrants to SYSTRAN as follows: No consent or approval of any person, no waiver of any lien or other similar right, and no consent, license, approval, authorization, or declaration of any governmental authority, bureau, or agency is or will be required in connection with the execution, delivery, performance, or enforcement, validity or priority of this Agreement or any other agreement, instrument, or document to be executed or delivered in connection herewith.

19. Term and Termination

This Agreement is for a term of two(2) year from the date that a duly authorized representative of SYSTRAN executes this Agreement. The term of this Agreement shall renew automatically for additional one (1) year terms unless sooner terminated in accordance with the terms hereof. Seller may terminate this Agreement effective at the end of any term by giving thirty(30) days prior written notice to SYSTRAN at the address set forth in this Agreement. Seller may continue to offer any of its Bills to SYSTRAN during such thirty(30) day period. SYSTRAN may terminate this Agreement at any time and for any reason by notifying Seller in writing of such termination.

All of Seller's representations, warranties, and other provisions of this Agreement shall survive such termination until SYSTRAN has been paid in full and Seller has fully performed all of its obligations. In addition, should any transfer of money or property to SYSTRAN hereunder be avoided in a bankruptcy proceeding involving Seller, any Account Debtor of Seller, or otherwise, then Seller's obligations hereunder shall be reinstated and/or supplemented to the extent of the avoided transfer, whether or not this Agreement has otherwise been terminated.

Notwithstanding the foregoing, Seller has the option to terminate this Agreement prior to the end of any term by giving SYSTRAN thirty (30) days prior written notice. Seller may continue to offer any of its Bills to SYSTRAN during such thirty (30) day period. Seller shall be deemed to have terminated this Agreement prior to the end of any term on the date that Seller shall have ceased presenting Bills to SYSTRAN in the normal course for an uninterrupted period of thirty (30) days ("Deemed Termination"). Upon notice of early termination, or the date of a Deemed Termination by Seller, prior to the end of any term, whether or not Seller continues to offer its Bills to SYSTRAN during the thirty (30) day notice period applicable to Seller, Seller shall be obligated to pay to SYSTRAN, and Seller's deposit may be charged, an early termination premium ("Early Termination Premium") in an amount equal to two point one seven percent (2.17%) times the dollar volume of Bills purchased by SYSTRAN during the month in which Seller's dollar volume of Bills purchased by SYSTRAN was the greatest multiplied by the number of months remaining in the then current term, or eleven (11) months, whichever is lower. Any partial month remaining in the current term shall constitute a full month for the purpose of calculating the Early Termination Premium. In addition, if SYSTRAN buys Bills from Seller as part of a special purchase, and should Seller terminate this Agreement within the first four (4) months of the term of this Agreement, Seller's Deposit shall be charged an Early Termination Premium in the amount of the balance of the Deposit on the termination date. The termination date shall be thirty (30) days after SYSTRAN'S receipt of the termination notice or on the Deemed Termination date, unless a termination notice specifies a date that is more than thirty (30) days but less than sixty (60) days after SYSTRAN'S receipt of the termination notice. If SYSTRAN terminates this Agreement prior to the end of any term upon any default in the performance of Seller under this Agreement, in view of the impracticality and extreme difficulty in ascertaining actual damages and by mutual agreement of the parties as to the reasonable calculation of SYSTRAN'S lost profits as a result thereof, Seller shall be obligated to pay SYSTRAN upon the effective date of such termination, and Seller's deposit may be charged, a premium in an amount equal to the Early Termination Premium as set forth above.

20. EVENTS OF DEFAULT. The following shall be events of default under the terms of this Agreement: (a) default by Seller in the performance or payment, when due or payable, of any obligation under this Agreement or any other obligation of the Seller to SYSTRAN or any other financial institution or bank; (b) Seller agrees to the appointment of a receiver for its assets, makes general assignment for the benefit of creditors or declares that it is unable to pay its debts as they mature; (c) Seller files a proceeding under any law for the relief of Debtors, including but not limited to, Title 11 of the United States Code, the so-called Bankruptcy Code or any other similar law which may exist; (d) any involuntary petition under the Bankruptcy Code or similar statute has been filed against the Seller and not dismissed within sixty (60) days after filing without the entry of an order for relief; (e) the issuance of an attachment, execution, tax assessment or similar process against the Seller or its property which is

not released within ten (10) days of its attachment; (f) any of the representations and warranties in Section 7.1 of this Agreement were not true with respect to any Bill at the time the Bill was sold to SYSTRAN or any other representation or warranty in this Agreement was not true when made.

20.1. In addition to all other remedies provided by law, upon the occurrence of an event of default and failure to cure same within ten (10) business days of Seller's receipt of written notice thereof, SYSTRAN may upon notice to the Seller immediately increase the amount of the deposit required under Section 4 of this Agreement to one-hundred percent (100%) of the outstanding amount of Bills purchased from the Seller, and the Seller shall immediately deliver to SYSTRAN funds sufficient to create this one-hundred percent (100%) deposit. If Seller shall fail to make any such payment, SYSTRAN may immediately Chargeback to the Seller any or all of the Bills which SYSTRAN has purchased from Seller, and Seller shall immediately pay to SYSTRAN the amount of such Chargeback. Should Seller fail to make such payment, SYSTRAN may seek payment of the deficiency from Seller and simultaneously collect all Chargeback Bills until the deficiency is satisfied. The deficiency will bear interest at the rate of prime plus four percent (4%) from the date it is incurred. Prime shall be that rate announced by SYSTRAN's lender on the date of the deficiency and may be adjusted with any change in the prime rate.

20.2 In addition to all other remedies provided by law, upon the occurrence of an Event of Default and failure to cure same within ten (10) business days of Seller's receipt of written notice thereof, SYSTRAN, upon application to a court of competent jurisdiction and without the necessity of posting a bond or undertaking, shall be entitled as a matter of strict right, without notice and without regard to the value of any Bills or the solvency of any party bound for payment of the Bills, to injunctive relief to enforce the terms of this Agreement and to the appointment of a Receiver to (a) take possession of, collect and apply the proceeds of Bills, and take any and all actions deemed appropriate by such Receiver to enforce such Bills, and/or (b) enter upon the business premises of, take possession of and operate the Seller and all of its assets including, without limitation, taking any and all actions deemed appropriate, for the protection, possession, control, management and operation of the Seller's business, its assets and the Bills. Seller hereby acknowledges and agrees that if an Event of Default occurs and continues for a period of more than ten (10) business days after the Seller's receipt of written notice of such default, (a) the Bills and the proceeds of the same are then in danger of being lost, removed or materially injured; and (b) the Seller is insolvent, or in imminent danger of insolvency. Seller unconditionally consents to the appointment of a receiver as provided herein. The receiver shall have all of the rights and powers permitted under the laws of any state wherein any asset of the Seller is situated. Seller will pay SYSTRAN upon demand all expenses, including receiver's fees, attorney's fees, costs and agent's compensation, incurred pursuant to this paragraph, and any such amounts paid by SYSTRAN shall be secured by the security interest granted herein. Further, Seller expressly consents that the receiver appointed under this paragraph may be SYSTRAN or one of SYSTRAN's employees, representatives or attorneys. Nothing herein requires SYSTRAN to seek the appointment of a receiver or injunctive relief, nor does this paragraph in any way diminish SYSTRAN's right under paragraph 8 or any other provision of this Agreement or under applicable law.

21. EXPENSES OF ENFORCEMENT. With respect to any default under this Agreement, Seller shall reimburse SYSTRAN for all costs and expenses, including reasonable attorneys', paralegals', accountants', and other experts and professional fees and all other fees and costs reasonably and actually incurred in connection with the default, or in the event that a suit, action, arbitration, or other proceeding of any nature, including, without limitation, any proceeding under the United States Bankruptcy Code, any action seeking a declaration of rights or an action for rescission is instituted to interpret or enforce this Agreement, including, but not limited to such fees and cost associated with trial and appeals.

22. JURISDICTION AND VENUE. This Agreement shall be deemed to be a contract under the laws of the State of Oregon and for all purposes shall be governed by and construed in accordance with the laws of that state. Seller irrevocably agrees that any legal action or proceeding brought by or against Seller with respect to the Agreement will be brought in the courts of the State of Oregon or in the U.S. District Court for the District of Oregon. Seller consents to the jurisdiction of such courts. This provision shall not limit the right of SYSTRAN to bring such actions or proceedings against Seller in the court of such other states or jurisdictions where Seller may be subject to jurisdiction. Seller expressly authorizes service of process in any such suit or action on its behalf upon Registered Agent: , at (address) or upon such other agent as SYSTRAN may approve in writing, as its agent for such purposes.

23. WAIVER, NOTICE. The waiver by SYSTRAN of the breach of any term of this Agreement or of the compliance therewith shall not be construed as a waiver of any other breach or compliance. Notices from either party to the other shall be given in writing and mailed postage prepaid, registered or certified mail, or placed in the hands of a national overnight delivery service, addressed to the addresses set forth opposite each party's name below, or at such other address as either party may hereafter advise the other in writing.

24. ASSIGNMENT. Seller may not assign any of its rights or obligations hereunder. SYSTRAN may assign or grant a security interest in this Agreement or in any Bills purchased by SYSTRAN without Seller's consent. SYSTRAN may assign any of its rights and remedies with respect to such Bills including the right to notify Debtors to make payment to SYSTRAN's assignee.

25. SEVERABILITY. The provisions of this Agreement are severable and if any of these provisions shall be held by any court of competent jurisdiction to be unenforceable such holding shall not affect or impair any other provisions hereof.

26. COMPLETE UNDERSTANDING. This Agreement comprises the complete understanding among the parties and may only be varied by a writing executed by the parties hereto. Paragraph headings are for convenience only.

27. NO OFFER/COMMITMENT. The presentation of this Agreement to Seller does not constitute either an offer or commitment to purchase Bills or to extend to Seller credit of any kind.

Executed this 1st day of August, 2000.

Individual Investor Group, Inc.

By: /s/ Jonathan Steinberg

(Signature)

Title:

Address: 125 Broad Street, 14th Floor
New York, NY 10004

=====
(To be filled in by Notary Public)

State of New York
County of New York

On this 1st day of August, 2000, before me personally appeared Jonathan Steinberg, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) and who by me duly sworn, (or affirmed), did say that he (she) is the CEO (title or office) of the Individual Investor Group, Inc. , and that said document was signed by him (her) in behalf of said corporation by authority of its bylaws or of a Resolution of its Board of Directors, and acknowledged to me that said corporation executed the same.

My Commission Expires: /s/ Oliver Demassis

(Signature of Notary Public)

10/14/2000

Accepted:
SYSTRAN Financial Services Corporation Address: 4949 SW Meadows Rd. Suite 500
Lake Oswego, Oregon 97035
By: /s/ -----
Post Office Box 3289
Portland, Oregon 97208-3289
(Signature)

EXHIBIT "A"

In addition to the fee charged in Paragraph 3, SYSTRAN shall charge and Customer shall pay a fee at an annual rate equal to prime plus one point five (1.5%) of all funds employed to purchase Bills. Prime is defined as the prime rate as announced by Wells Fargo Bank, N.A. Funds employed shall be calculated by SYSTRAN on a daily basis based upon bills unpaid and outstanding, less the deposit. Customer shall pay the factoring fee from payments due Customer or may bill Customer. A change in the factoring fee due to a prime rate change will be effective upon the date of the change, which will be indicated on the settlement statement.

Individual Investor Group, Inc.

By:
Title: /s/ Jonathan Steinberg, CEO

Date: 8-1-00

ADDENDUM TO FACTORING AGREEMENT

This is an Addendum to the Factoring Agreement (the "Agreement"), dated 8-1, 2000 between SYSTRAN Financial Services Corporation ("SYSTRAN") and Individual Investor Group Inc. (the "Customer").

Paragraph 19 Entitled "Term and Termination" is hereby amended in the following particulars only:

In the event of a sale of all or substantially all of a Customer's assets or merger or consolidation with or into any corporation or sales of securities requiring stockholder's approval in accordance with rules and regulations of the NASDAQ stock market at anytime during the initial twenty-four (24) month term of the Factoring Agreement and the Factoring Agreement is terminated as a result, Systran Financial Services Corporation agrees to accept the lesser of (1) Twenty Thousand Dollars (\$20,000.00) or, (2) the actual Early Termination Fee contemplated by the calculation method set forth in Paragraph 19 to the Agreement. This Addendum shall only apply in the event of a sale of the Customer's business for the reasons set forth above and resulting termination of the Factoring Agreement. If termination should occur for any other reason the full Early Termination Fee shall apply.

The parties Acknowledge and Agree to the terms of this Addendum and incorporate the terms of this Addendum into the Factoring Agreement.

COMPANY NAME

By: /s/ Jonathan Steinberg
Title: CEO

Dated: August 1, 2000

SYSTRAN FINANCIAL SERVICES CORPORATION

By: /s/
Title: President

Dated: August 1, 2000

ADDENDUM - MINIMUM PURCHASE

This Addendum modifies the Factoring Agreement dated Aug 1, 2000

between SYSTRAN Financial Services Corporation ("SYSTRAN") and
Individual Investor Group Inc. ("Seller")(the "Factoring Agreement").

Paragraph 19 Entitled "Term and Termination" is hereby amended in the following particulars only:

In the event of a sale of all or substantially all of a Customer's assets or merger or consolidation with or into any corporation or sales of securities requiring stockholder's approval in accordance with rules and regulations of the NASDAQ stock market at anytime during the initial twenty-four (24) month term of the Factoring Agreement and the Factoring Agreement is terminated as a result, Systran Financial Services Corporation agrees to accept the lesser of the (1) Seventy-Five Thousand Dollars (\$75,000.00) or, (2) the actual Early Termination Fee contemplated by the calculation method set forth in Paragraph 19 to the Agreement. This Addendum shall only apply in the event of a sale of the Customer's business for the reasons set forth above and resulting termination of the Factoring Agreement. If termination should occur for any other reason the full Early Termination Fee shall apply.

The parties Acknowledge and Agree to the terms of this Addendum and incorporate the terms of this Addendum into the Factoring Agreement.

Individual Investor Group, Inc.

By: /s/ David H. Allen
Title: VP/CFO

Dated: 8-02, 2000

SYSTRAN FINANCIAL SERVICES CORPORATION

By:
Title:
Dated:

29223.2

ADDENDUM - MINIMUM PURCHASE

This Addendum modifies the Factoring Agreement dated August 1, 2000,

between SYSTRAN Financial Services Corporation ("SYSTRAN") and Individual

Investor Group, Inc. ("Seller") (the "Factoring Agreement").

Paragraph 3.1 of the Factoring Agreement is deleted and replaced by the following:

3.1. MINIMUM VOLUME AND FEE. Seller agrees to sell to SYSTRAN a minimum of \$750,000.00 in Bills per month. In the event that Seller fails to sell to SYSTRAN a minimum of \$750,000.00 in Bills in any month, Seller shall pay to SYSTRAN a minimum fee equal to the difference between \$16,275.00 (\$750,000.00 X 2.17%) and the actual fee paid for the Bills purchased by SYSTRAN during the month. Any fee owing by Seller pursuant to this paragraph may be deducted from Seller's funding. In the event that Seller fails to sell \$750,000.00 in Bills per month for each of two consecutive months, Seller's fee will automatically be increased at the beginning of the third month. The minimum fee after the increase will be 2% over the current service fee. The fee will be automatically lowered to the last fee in effect should Seller's monthly purchase volume exceed \$750,000.00 per month for each of two consecutive months.

The parties Acknowledge and Agree to the terms of this Addendum and incorporate the terms of this Addendum into the Factoring Agreement.

Individual Investor Group, Inc.

By: /s/ Jonathan Steinberg
Title: CEO
Dated: August 1, 2000

SYSTRAN FINANCIAL SERVICES CORPORATION

By: /s/

Title: President
Dated: August 1, 2000

AMENDMENT

TO

FACTORING AGREEMENT

This Amendment to the Factoring Agreement dated as of August 1, 2000 ("Factoring Agreement") between SYSTRAN Financial Services Corporation ("SYSTRAN") and Individual Investor Group, Inc. ("Seller") is executed as of October 6, 2000. Terms not otherwise defined herein shall have the meanings provided in the Factoring Agreement.

1. Section 5 is amended as follows: The entire section is deleted and in its place is inserted:

5. SECURITY INTEREST. The purchase of the Bills of Seller by SYSTRAN is absolute subject to the right to Chargeback. In addition to the outright ownership of those Bills purchased by SYSTRAN, to secure the payment and performance of indebtedness and obligations of Seller to SYSTRAN now existing and hereafter arising, SYSTRAN shall have and is hereby granted a present continuing security interest in all Bills, accounts and accounts receivable of Seller, whether now existing or hereafter created, together with all guaranties, securities, books and records, accounts, correspondence, and documents with respect to such Bills, and, in addition, Seller hereby grants SYSTRAN a security interest in the deposit provided for in Section 4 above, all of Seller's inventory, contract rights, general intangibles, money, instruments, documents, chattel paper, securities, credits, claims and demands against SYSTRAN or others, and all other goods and personal property of all kinds belonging to the Seller, whether presently existing or hereafter acquired, together with any proceeds, products, excluding therefrom the specific items set forth in Schedule A.

2 All other terms of the Factoring Agreement shall remain in full force and effect without modification.

SYSTRAN FINANCIAL SERVICES CORPORATION

By: /s/

INDIVIDUAL INVESTOR GROUP, INC.

By: /s/ Gregory Barton

Gregory Barton
VP

Schedule A

Securities of other companies owned by Individual Investor Group, Inc. ("Seller")

Seller's Internet websites, including without limitation, Individualinvestor.com and Insidertrader.com

Seller's intellectual property, including without limitation, trademarks, servicemarks, licenses, copyrights and internet domain names

Seller's publications, including without limitation Individual Investor magazine, Ticker magazine and Special Situations Report newsletter

Seller's INDI SmallCap 500(TM) Index

Seller's Nasdaq trading symbol, INDI

Seller's office furniture and equipment

All proceeds of the foregoing

EXHIBIT 10.2

ASSET PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT (the "Agreement"), dated as of September 28, 2000 (the "Effective Date") between INDIVIDUAL INVESTOR GROUP, INC., a Delaware corporation with executive offices at 125 Broad Street, New York, New York 10004 ("Seller"), and 123JUMP.COM, INC., a Florida corporation with executive offices at 407 Lincoln Road, Suite 12D, Miami Beach, Florida 33139 ("Purchaser").

W I T N E S S E T H:

WHEREAS, Seller wishes to sell to Purchaser, and Purchaser wishes to purchase, substantially all of the assets and business of Ticker magazine ("Ticker"), subject to the exceptions specified herein, on and subject to the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Purchase and Sale of Assets.

1.1 Transferred Assets. Purchaser hereby agrees to purchase, and Seller hereby agrees to sell, convey, assign, transfer and deliver to Purchaser, all of Seller's right, title and interest in and to all of the assets of Ticker, including without limitation, the following assets (the "Transferred Assets"), subject to the exclusions set forth in Section 1.2 and Section 1.3:

(a) copies of all past issues of Ticker, in print and, where available, in electronic format, and all work-in-process related to the next issue of Ticker to be published (including without limitation electronic files of text and graphics, and any pages of such issue that may have been printed);

(b) the rights of Seller under all open purchase and sale orders, subscriptions, contracts, agreements, understandings, leases and licenses to the extent related specifically to Ticker, including without limitation those listed or described on Schedule 1.1 (collectively, the "Assigned Agreements");

(c) Intellectual Property (as such term is defined in Section 3.11) owned by Seller relating specifically to Ticker, including without limitation the internet domain names listed on Schedule 3.11(a), and any rights or licenses held thereby with respect to such Intellectual Property owned by others;

(d) all prepaid expenses and deposits to the extent related specifically to Ticker;

(e) all existing past and current advertiser, customer, circulation, subscription, promotional and mailing lists, materials and records, manuscripts, editorial, art work and photographic material, marketing studies and reports, media kits, telephone numbers, and copies of all books and records to the extent specifically related to Ticker, the Transferred Assets and the obligations and liabilities of Seller assumed by Purchaser hereunder (including all customer files, supplier records and records relating to accounts payable), but in any event excluding the tax and accounting books of Seller;

(f) the goodwill associated with Ticker; and

(g) the computer hardware and related equipment specifically related to Ticker;

all as the same exist on the Closing Date (as defined below).

1.2 Excluded Assets. Notwithstanding anything to the contrary herein, the Transferred Assets to be sold, conveyed, assigned, transferred and delivered hereunder shall not include:

(a) any cash, cash equivalents or accounts receivable of Seller;

(b) any assets or rights of Seller to the extent not exclusively related to Ticker; and

(c) any other excluded assets listed on Schedule 1.2 attached

hereto.

1.3 Notwithstanding anything to the contrary herein, no contract or agreement which is by law not assignable without the consent of any party thereto shall be deemed assigned pursuant to this Agreement unless and until such consent is given.

1.4 The excluded items referred to in Section 1.2 and Section 1.3 are sometimes collectively referred to herein as the "Excluded Assets."

2. Consideration.

2.1 Purchase Price; Adjustments.

(a) As consideration for the sale, conveyance, assignment, transfer and delivery of the Transferred Assets, contemplated by Section 1, Purchaser agrees to pay to Seller SIX MILLION U.S. DOLLARS (\$6,000,000) (the "Purchase Price").

(b) At the Closing (as defined below), Purchaser shall pay to Seller (i) the Purchase Price plus (or minus) (ii) the Current Asset Adjustment (as defined below). For purposes of this Agreement, the "Current Asset Adjustment" shall mean the difference between (x) the prepaid expenses and deposits to the extent specifically related to Ticker (for avoidance of doubt, this amount excludes cash, cash equivalents and account receivables), minus (y) the current liabilities of Ticker (excluding any deferred subscription liability and deferred advertising revenues and liabilities for taxes), all as determined in accordance with generally accepted accounting principles consistently applied

("GAAP"). The Current Asset Adjustment shall be reasonably estimated by Seller and reasonably approved by Purchaser approximately three days prior to the Closing and set forth on a schedule (the "Closing Current Asset Schedule"). The estimated Current Asset Adjustment shall be subject to adjustment in accordance with Section 2.3.3.

2.2 Liabilities Assumed. As additional consideration for the sale, conveyance, assignment, transfer and delivery of the Transferred Assets, Purchaser hereby assumes and agrees to pay, perform and discharge the following liabilities of Seller (the "Assumed Liabilities"), as and when due, and shall hold Seller harmless therefrom:

(a) current liabilities (other than Excluded Liabilities) reflected on the Interim Balance Sheet (as defined in Section 3.7(b)) or incurred by Seller, in the ordinary course of business, following the date thereof through the Closing Date, to the extent specifically related to Ticker;

(b) payroll liabilities to employees of Seller and consulting fees for services rendered on or after the Effective Date and prior to the Closing Date, to the extent specifically related to Ticker; and

(c) Seller's obligations to be performed after the Closing Date under the Assigned Agreements and Prepaid Advertising Agreements (as defined on Schedule 1.1) and under all subscriptions for Ticker.

In no event shall Purchaser assume or be deemed to have assumed any other debts, obligations, liabilities or commitments of Seller ("Excluded Liabilities"), including, without limitation, any:

(i) liability for any federal, state or local taxes of Seller;

(ii) liability which constitutes a breach of, or is inconsistent with, the representations, warranties and agreements of Seller set forth in this Agreement;

(iii) liability of Seller for any expenses incurred in negotiating, preparing or consummating the transactions contemplated by this Agreement; or

(iv) other liability of Seller not expressly assumed by Purchaser pursuant to this Section 2.2.

2.3 Closing; Deliveries. The consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Graubard Mollen & Miller, counsel for Seller, at 10:00 am New York City time on September 28, 2000 or such other date as may be mutually agreed upon in writing by the parties hereto (the "Closing Date"). The following instruments, agreements and other documents shall be executed and delivered at the Closing and all such documents shall be deemed delivered simultaneously and all transactions contemplated thereby shall be deemed to take place simultaneously, and no such document shall be deemed delivered until all such transactions are completed and all such documents are delivered except for the execution and delivery of this Agreement:

2.3.1 The following deliveries will be made by Purchaser to Seller at the Closing:

(a) by wire transfer of good funds of, the Purchase Price, together with (or net of, as the case may be) the Current Asset Adjustment, to the following account: FLEET NATIONAL BANK, ABA ROUTING NO. 011500010, CREDIT TO: FLEET INVESTMENT MANAGEMENT # 0501 246 729, FURTHER CREDIT: INDIVIDUAL INVESTOR GROUP, INC., ACCOUNT NO. 0000356755;

(b) an instrument of assignment and assumption dated the Closing Date substantially in the form of Exhibit A hereto (the "Assumption Agreement"), duly executed by Purchaser;

(c) the certificate of an officer of Purchaser referred to in Sections 6.2(a) and 6.2(b).

(d) (i) a recently dated Certificate of the Secretary of State of the State of Florida attaching and certifying as true and correct a copy of the Certificate of Incorporation, as amended, of Purchaser; (ii) a recently dated Certificate of the Secretary of State of the State of Florida evidencing the good standing of Purchaser under the laws of such jurisdiction; and (iii) a recently dated Certificate of the Secretary of Purchaser attaching and certifying as true and correct copies of (A) Purchaser's By-laws, as amended and (B) resolutions adopted by Purchaser's Board of Directors authorizing the execution and delivery of, and performance of Purchaser's obligations under, this Agreement and the other agreements and instruments to be executed and delivered in accordance with this Agreement (the "Additional Agreements");

(e) an opinion of Kilpatrick Stockton LLP, counsel for Purchaser, dated the Closing Date substantially to the effect set forth in Exhibit B hereto; and -----

(f) such other certificates and documents as may be reasonably requested by Seller or its counsel.

2.3.2 The following deliveries will be made by Seller to Purchaser at the Closing:

(a) the estimated Closing Current Asset Schedule;

(b) the Assumption Agreement and a bill of sale and power of attorney dated the Closing Date substantially in the form of Exhibit C hereto (the "Bill of Sale"), duly executed by Seller;

(c) the certificate of an officer of Seller referred to in Sections 6.1(a) and 6.1(b);

(d) (i) a recently dated Certificate of the Secretary of State of the State of Delaware attaching and certifying as true and correct a copy of the Restated Certificate of Incorporation, as amended, of Seller; (ii) a recently dated Certificate of the Secretary of State of the State of Delaware evidencing the good standing of Seller under the laws of such jurisdiction; and (iii) a recently dated Certificate of the Secretary of Seller attaching and certifying as true and correct copies of (A) Seller's By-laws and (B) resolutions adopted by Seller's Board of Directors authorizing the execution and delivery of, and performance of Seller's obligations under, this Agreement and the Additional Agreements; and

(e) an opinion of Graubard Mollen & Miller, counsel for Seller, dated the Closing Date substantially to the effect set forth in Exhibit D hereto.

2.3.3 Post-Closing Adjustment to Current Asset Adjustment.

(a) Not more than one hundred and twenty (120) calendar days after the Closing Date, Purchaser shall furnish to Seller a draft of the final Current Asset Schedule, with appropriate back-up, prepared in accordance with GAAP. Seller shall, within thirty (30) calendar days thereafter, give Purchaser written notice (the "Current Asset Schedule Notice") setting forth any issues that Seller may have relating to such schedule and the calculation of the Current Asset Adjustment as reflected thereon, and the parties shall resolve any outstanding issues not later than fifteen (15) calendar days after Seller gives the Current Asset Schedule Notice. If Purchaser and Seller fail to reach agreement as to the final Current Asset Adjustment within such fifteen (15) calendar day period, either Seller or Purchaser or both of them jointly may submit the dispute to a partner in the New York office of PriceWaterhouse Coopers LLP (the "Auditor") for resolution. The Auditor shall provide Purchaser and Seller with the opportunity to present their respective positions with respect to the dispute and the Auditor shall notify Purchaser and Seller in writing of its determination within sixty (60) calendar days after Seller gave the Current Asset Schedule Notice. The determination of the Auditor shall be conclusive and binding on Purchaser and Seller, and shall be made on the basis of GAAP consistently applied. In making such determination, the Auditor shall be deemed to act as an expert and not as an arbitrator. The charges for the Auditor's services hereunder - which shall not exceed five thousand dollars (\$5,000) - shall be borne by Purchaser and Seller in the proportions determined by the Auditor on the basis that each party shall bear the cost of the Auditor's services which relate to the amount of the disputed items that are resolved against it, which determination by the Auditor shall be binding on all parties hereto.

(b) Within ten (10) calendar days after the Auditor gives written notice of its determination, Seller or Purchaser, as applicable, shall make such payment to the other as may be necessary to adjust the amount delivered at Closing to equal the amount so determined.

2.3.4 Allocation of Purchase Price. Promptly following the Closing Date, the parties shall, in consultation with each other, prepare an Allocation Schedule allocating the consideration paid by Purchaser to Seller for the Transferred Assets and each party shall timely file Internal Revenue Service Form 8594 consistent with such Allocation Schedule.

3. Representations and Warranties of Seller.

Seller represents and warrants to Purchaser, as of the date hereof and as of the Closing Date, as follows:

3.1 Due Incorporation and Qualification of Seller; Investments.

(a) Seller is a corporation duly incorporated, validly existing and in good standing under the laws of Delaware. Seller is duly qualified and in good standing as a foreign corporation in each jurisdiction in which ownership or leasing of its properties or the character of its operations requires such qualification, except where the failure to qualify would not have a material adverse effect on the business, financial condition or results of

operations of Ticker or on the Transferred Assets considered as a whole (such a material adverse effect with respect to Ticker or the Transferred Assets being hereinafter referred to as a "Material Adverse Effect"). Seller has full corporate power and authority to own, lease and operate its properties and to carry on its business in the places and in the manner currently conducted.

(b) None of the Transferred Assets includes any capital stock or other equity or ownership or proprietary interest in any corporation, association, trust, partnership, joint venture or other person.

3.2 Authority; Due Authorization; Valid Obligation.

(a) Seller has all requisite corporate power and authority to execute and deliver this Agreement and the Additional Agreements and to consummate the transactions contemplated hereby and thereby. Seller has taken all corporate action necessary for the execution and delivery by it of this Agreement and the Additional Agreements and for the consummation of the transactions contemplated hereby and thereby.

(b) This Agreement and the Additional Agreements constitute the valid and binding obligations of Seller and are enforceable against Seller in accordance with their respective terms, except as may be limited by principles of equity or by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally.

3.3 No Conflicts or Defaults. The execution and delivery by Seller of this Agreement and the Additional Agreements and the consummation of the transactions contemplated hereby and thereby do not (a) contravene Seller's Certificate of Incorporation or By-laws or (b) with or without the giving of notice or the passage of time, or both, violate or conflict with, or result in a breach of, or a default or loss of rights under, any material agreement, mortgage, indenture, lease, instrument, permit or license to which Seller is a party or by which Seller or any of the Transferred Assets are bound, or any judgment, order, decree, law, rule or regulation to which Seller or any of the Transferred Assets are subject, except any such violation, conflict, breach, default or loss of rights as would not have a Material Adverse Effect.

3.4 Authorizations. Except as set forth in Schedule 3.4, no authorization, approval, order, license, permit or consent of, or filing or registration with, any court or governmental authority, or consent of any other party, is required in connection with the execution, delivery and performance by Seller of this Agreement or the Additional Agreements.

3.5 Transferred Assets. Seller has, and will deliver to Purchaser at the Closing, good and marketable title to the Transferred Assets, free and clear of all encumbrances, liens, charges or other restrictions of any kind or character (collectively, "Liens"), except for (a) Liens for current taxes, assessments or governmental charges or levies on property not yet due and delinquent or if Seller shall currently be contesting the validity thereof in good faith; (b) Liens consisting of (i) pledges or deposits to secure obligations of Seller under workmen's compensation or other similar laws; (ii) pledges or deposits to secure performance in connection with bids, tenders, contracts or leases entered into in the ordinary course of business to which Seller is a party; (iii) deposits to secure public or statutory obligations of Seller; (iv) property acquired in the ordinary course of business subject to leases or purchase money security interests; or (v) mechanics', carriers', workmen's, repairmen's or other like Liens arising or incurred in the ordinary course of business or deposits to obtain the release of such Liens; (c) Liens arising pursuant to any Assigned Agreements; (d) such Liens, easements and imperfections of title, if any, as will not materially interfere with the operation of Ticker by Purchaser; and (e) as of the Closing Date, any liens incurred by Purchaser. The equipment, furniture, fixtures and leasehold improvements included in the Transferred Assets are generally in good operating condition and a good state of maintenance and repair, reasonable wear and tear excepted, and are suitable for use in the operation of Ticker as currently conducted.

3.6 Litigation. Except as set forth on Schedule 3.6, there is no claim, action, suit, proceeding, investigation or criminal proceeding, at law or in equity, before any national, state or provincial, local or other governmental authority, court, arbitration tribunal or other forum (collectively, "Proceedings") relating specifically to Ticker or the Transferred Assets or to the transactions contemplated by this Agreement or the Additional Agreements pending against Seller, nor has Seller received notice of any threatened such Proceedings.

3.7 Financials.

(a) The unaudited pro forma income statements of Ticker as of and for the years ended December 31, 1996 through 1999, and for the period January 1 through July 31, 2000 (the "Financial Statements"), previously delivered to Purchaser were prepared in accordance with GAAP applied on a consistent basis by Seller, are reconcilable to the books and records of Seller and present fairly the results of operations of Ticker for the periods then ended, except for the omission of (i) general and administrative expenses, (ii)

depreciation and amortization expenses, (iii) footnote information and (iv) year-end audit adjustments which are not, singly or in the aggregate, expected by Seller to be material.

(b) As of August 31, 2000 (the "Interim Balance Sheet Date"), with respect to Ticker, Seller had no material liabilities or obligations of a nature required by GAAP to be reflected on a balance sheet ("Liabilities"), except as set forth or reflected on the unaudited pro forma balance sheet of Seller as of the Interim Balance Sheet Date, included in the Financial Statements (the "Interim Balance Sheet"), or as disclosed in this Agreement or a Schedule to this Agreement. Since the Interim Balance Sheet Date, with respect to Ticker, Seller has not incurred any Liabilities other than in the ordinary course of business, or any Liabilities which, individually or in the aggregate, have had or are likely to have a Material Adverse Effect. All such Liabilities incurred since the Interim Balance Sheet Date are fully reflected or reserved on the books and records of Seller.

(c) Except as reflected on Schedule 3.7(c), Seller has not billed in advance, nor has it been paid in advance by, any advertiser with respect to advertising contemplated for inclusion in any issue of Ticker.

3.8 Locations; Leases. Set forth on Schedule 3.8 is an accurate and complete list of all locations maintained by Seller in connection with Ticker including, without limitation, office, warehouse and home office locations (each, a "Location") and the leases for each of the Locations other than 125 Broad Street, 14th Floor, New York, New York 10004 (the "Location Leases"). The Transferred Assets do not include any fee interest in any real property, in whole or in part.

3.9 Agreements.

3.9.1 Schedule 3.9.1 contains an accurate and complete list (broken down by category) as of the dates set forth thereon of all of the following types of agreements, contracts or commitments (collectively, the "Material Agreements") which directly relate to the Transferred Assets or the operation of Ticker and under which Seller has material unperformed obligations or rights as of the date hereof, including without limitation, any:

(a) material agreement or contract not made in the ordinary course of business;

(b) employment agreement, employment contract, consulting agreement or independent sales representative agreement that is not terminable at will by Seller;

(c) covenant not to compete;

(d) agreement or contract between Seller and any officer, director or employee (other than employment agreements covered by clause (b) above);

(e) (i) lease or similar agreement under which (A) Seller is lessee of, or holds or uses, any machinery, equipment, vehicle or other tangible personal property owned by a third party or (B) Seller is a lessor or sublessor of, or makes available for use by any third party, any tangible personal property owned or leased by Seller, or (ii) continuing contract for the future purchase of materials, printing or other services, supplies or equipment in any such case which has an aggregate future liability in excess of ten thousand dollars (\$10,000) and which is not terminable by Seller for a cost of less than ten thousand dollars (\$10,000);

(f) material license or other agreement relating in whole or in part to trademarks, trade names, service marks or copyrights used in Ticker (including, without limitation, any license or other agreement under which Seller has the right to use any of the same owned or held by a third party);

(g) agreement or contract under which Seller has borrowed or loaned any money or issued any note, bond, indenture or other evidence of indebtedness or directly or indirectly guaranteed indebtedness, liabilities or obligations of others for the benefit of Seller (other than endorsements for the purpose of collection in the ordinary course of business);

(h) mortgage, pledge, security agreement, deed of trust or other document granting a Lien (including liens upon properties acquired under conditional sales, capital leases or other title retention or security devices) on any of the Transferred Assets; and

(i) other agreement, contract, lease, license, commitment or instrument to which Seller is a party or by or to which it or any of its assets or business is bound or subject which has an aggregate future liability in excess of ten thousand dollars (\$10,000) and is not terminable by Seller for a cost of less than ten thousand dollars (\$10,000).

3.9.2 Each of the Assigned Agreements is legal, valid, binding and enforceable against the parties thereto in accordance with its terms in all

material aspects, except as may be limited by principles of equity or by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and is in full force and effect on the date hereof, and except that enforceability of non-competition agreements and indemnification are subject to the discretion of a court of competent jurisdiction and principles of public policy. Seller has performed in all material respects all obligations required to be performed by it to date under, and is not in default in any material respect in respect of, the Assigned Agreements, and no event has occurred which, with due notice or lapse of time or both, would constitute a default in any material respect of the Assigned Agreements. Except as set forth on Schedule 3.9.2, to Seller's knowledge, no other party to any Assigned Agreement is in default in respect thereof in any material respect, and no event has occurred which, with due notice or lapse of time or both, would constitute a default in any material respect of the Assigned Agreements. Seller has made available to Purchaser or its representatives true and complete originals or copies of all written Assigned Agreements, other than purchase orders and the like.

3.9.3 Seller is not a party to any union or collective bargaining contracts with respect to any employees of Seller and there has not been, nor has Seller received written notice threatening, any representational or organizational activity, strike, slowdown, picketing or work stoppage by any union or other group of employees against Seller.

3.10 Permits; Compliance with Law. Set forth on Schedule 3.10 hereto is a list of permits, certificates, licenses, approvals and other authorizations of governmental and tribal authorities (collectively, "Permits") obtained by Seller and/or its employees relating to Ticker. To Seller's knowledge, Seller is in compliance in all material respects with the terms of each of such Permits. Seller has not received notice of any claim arising out of the failure to obtain any Permit. To Seller's knowledge, Ticker has not been, and is not being, conducted in violation of any law, ordinance, rule or regulation, except for violations that, individually or in the aggregate, do not, and are not likely to, have a Material Adverse Effect.

3.11 Intellectual Property; Computer Software. (a) Set forth in Schedule 3.11(a) is a list of all patents, trademark and trade name registrations and copyright registrations, including any applications therefor or continuations or reissues thereof, owned or used by Seller exclusively in Ticker (collectively, "Intellectual Property"). Except as set forth in Schedule 3.11(a), none of the products or services sold or otherwise furnished by Seller related to Ticker infringes any patent, trademark, trade name, trade secret or other proprietary right of any third party. Seller owns or has the unrestricted right to use all Intellectual Property required by or used in Ticker. Seller has not received notice of any claims that it or its Intellectual Property has infringed the rights of others, and Seller is not aware of any infringement of Seller's Intellectual Property by others.

(b) Set forth in Schedule 3.11(b) is a list of the principal

software packages utilized by Seller in connection with Ticker.

3.12 Insurance. Set forth on Schedule 3.12 hereto is a complete list of insurance policies which Seller maintains relating to the Transferred Assets or to Ticker. Such policies are in full force and effect and Seller has received no notice of cancellation relating to any such policies.

3.13 Environmental. Seller has obtained all Permits it is required by applicable law relating to pollution or protection of the environment to obtain in connection with Ticker. Seller is in compliance with all terms and conditions of such Permits and has complied with all other provisions of such laws except such failures of compliance as would not, singly or in the aggregate, have a Material Adverse Effect. To the knowledge of Seller, there are no conditions, circumstances, activities, practices, incidents, actions or plans which would be reasonably likely to interfere with or prevent compliance or continued compliance with any such laws, or which may give rise to common law or other legal liability on the part of Seller in connection with Ticker for pollution or abatement thereof, including, without limitation, liability under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") or similar territorial or local laws except such failures of compliance as would not, singly or in the aggregate, have a Material Adverse Effect.

3.14 Ordinary Course; No Material Adverse Effect. Since the Interim Balance Sheet Date, Seller has operated Ticker and maintained the assets of Ticker substantially in the same manner as previously operated or maintained and solely in the ordinary course and, since such date, (a) there has not been any material adverse change in the business, financial condition or results of operations of Ticker or the Transferred Assets, considered as a whole, and (b) Seller has not sold, encumbered or committed to sell or encumber any of the material assets or properties of Ticker, other than the sale of inventory in the ordinary course of business and the pledge of its accounts receivable. Since the Interim Balance Sheet Date, Seller has:

(i) carried on Ticker in the regular course and substantially

in the same manner as heretofore carried on by it;

(ii) satisfied in all material respects, obligations under all material agreements and commitments related to Ticker; and

(iii) maintained its books of account and records for Ticker in the usual, regular and ordinary manner in accordance with GAAP applied on a consistent basis.

3.15 Disclosure. This Agreement and the Additional Agreements, together with any Schedule or certificate required to be delivered under this Agreement which has been supplied by or on behalf of Seller in connection with the transactions contemplated hereby and thereby, as of their respective dates, as supplemented by information more recently furnished by Seller in writing and taken as a whole, do not contain an untrue statement of a material fact, or omit any statement of a material fact required to be stated or necessary in order to make the statements contained herein or therein not misleading. Seller makes no representation or warranty with respect to any information contained in the Confidential Memorandum, dated June 2000, prepared by the Jordan Edmiston Group, Inc. regarding Ticker, except the Seller represents that the financial projections and estimates included in such document represent estimates prepared in good faith by management of Seller in consultation with its financial advisors, based upon and subject to the assumptions and qualifications accompanying such projections and/or estimates.

3.16 Employee Relations. Seller is not a party to any collective bargaining agreement or other contract or agreement with any labor organization or other representative of any of the employees of Seller. To the knowledge of Seller, there have been no labor organization activities involving any of the employees of Seller during the last five years. All persons who perform services exclusively for Ticker are terminable at will. Seller has no knowledge of any pending or threatened material claims by any of Seller's employees in connection with any such employee's employment by Seller and Seller has no reason to believe there will be any material adverse change in its relations with the Transferred Employees (as that term is defined in Section 5.5 of this Agreement) as a result of any announcement or the consummation of the transactions contemplated by this Agreement.

3.17 Taxes. The Seller has filed or caused to be filed, within the times and manners prescribed by law, all federal, state, local and foreign tax returns, elections and tax reports which are required to be filed by, or with respect to, the Seller. True and complete copies of all such returns, including for 1999, have been made available to Purchaser. Such returns and reports reflect accurately all liability for taxes of the Seller for the periods covered thereby. All federal, state, local and foreign income, profits, franchise, sales, use, occupancy, excise and other taxes and assessments (including interest and penalties) payable by or due from the Seller have been fully paid or adequately disclosed and fully provided for in the books and financial statements of the Seller. No examination of any tax return of the Seller is currently in progress and no basis for any assessment exists. There are not outstanding agreements or waivers extending the statutory period of limitation applicable to any tax return of the Seller.

3.18 Employee Benefit Plans. (a) Set forth in Schedule 3.18 is an accurate and complete list of all employee benefit plans of any variety whatsoever (the "Employee Benefit Plans"), including without limitation any within the meaning of Section 3(3) of ERISA (whether or not any such Employee Benefit Plans are otherwise exempt from the provisions of ERISA), established, maintained or contributed to by or with respect to the Seller at any time.

(b) To the knowledge of Seller, each Employee Benefit Plan has been administered in all material respects in accordance with its terms. All of the Employee Benefit Plans that are intended to be qualified under Section 401(a) of the Code have received determination letters from the Internal Revenue Service to the effect that such Employee Benefit Plans are qualified; the Employee Benefit Plans and the trusts related thereto are exempt from federal income taxes; no such determination letter has been revoked and revocation has not been threatened; and no such Employee Benefit Plan has been amended since the date of its most recent determination letter or application therefore in any respect that would adversely affect its qualification or increase its cost. No Employee Benefit Plans have been terminated; there have not been any "reportable events" (as defined in Section 4043 of ERISA and the regulations thereunder) with respect thereto; and no Employee Benefit Plan has an "accumulated funding deficiency" within the meaning of Section 412(a) of the Code or any unfunded liability of any kind.

4. Representations and Warranties of Purchaser. Purchaser represents and warrants to Seller, as of the date hereof and as of the Closing Date, as follows:

4.1 Due Organization and Qualification. Purchaser is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Florida, with full corporate power and authority to own, lease and operate its properties and to carry on its business in the places and in the manner currently conducted.

4.2 Authority; Due Authorization; Valid Obligation.

(a) Purchaser has all requisite corporate power and authority to execute and deliver this Agreement and the Additional Agreements and to consummate the transactions contemplated hereby and thereby. Purchaser has taken all corporate action necessary for the execution and delivery by it of this Agreement and the Additional Agreements and for the consummation of the transactions contemplated hereby and thereby.

(b) This Agreement and the Additional Agreements constitute the valid and binding obligations of Purchaser and are enforceable against Purchaser in accordance with their respective terms, except as may be limited by principles of equity or by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally.

4.3 No Conflicts or Defaults. The execution and delivery by Purchaser of this Agreement and the Additional Agreements and the consummation of the transactions contemplated hereby and thereby do not (a) contravene Purchaser's Certificate of Incorporation or By-Laws or (b) with or without the giving of notice or the passage of time, or both, violate or conflict with, or result in a breach of, or a default or loss of rights under, any material agreement, mortgage, indenture, lease, instrument, permit or license to which Purchaser is a party or by which it or any material portion of its assets is bound, or any judgment, order, decree, law, rule or regulation to which it or any material portion of its assets is subject.

4.4 Authorizations. Except as set forth in Schedule 4.4, no authorization, approval, order, license, permit or consent of, or filing or registration with, any court or governmental authority, or consent of any other party, is required in connection with the execution, delivery and performance by Purchaser of this Agreement or the Additional Agreements.

4.5 Litigation. There are no Proceedings pending against Purchaser, and Purchaser has not received notice of any threatened Proceedings, which, if adversely determined, would, singly or in the aggregate, materially adversely affect the business, financial condition or results of operations of Purchaser or the consummation of the transactions contemplated by this Agreement or the Additional Agreements, or which challenge the validity or propriety of the transactions contemplated by this Agreement or the Additional Agreements.

4.6 Disclosure. To the knowledge of Purchaser, this Agreement and the Additional Agreements, together with any Schedule, certificate, document or statement in writing which has been supplied by or on behalf of Purchaser in connection with the transactions contemplated hereby and thereby, as of their respective dates, and taken as a whole, do not contain an untrue statement of a material fact, or omit any statement of a material fact required to be stated or necessary in order to make the statements contained herein or therein not misleading.

5. Other Agreements.

5.1 Operation of Ticker Prior to the Closing.

(a) Following the execution of this Agreement and prior to the Closing Date, Seller shall operate Ticker according to its ordinary and usual course of business as presently conducted and will use its reasonable efforts to preserve Ticker and the goodwill of its employees, suppliers and customers generally and to retain its relationships with such parties generally. During such period, unless otherwise consented to in writing by Purchaser, Seller shall maintain the Transferred Assets in good repair, order and condition, reasonable wear and use and damage by casualty and force majeure excepted. Seller shall maintain such casualty, liability, fidelity and business interruption insurance and such performance and surety bonds as are currently in effect in respect of the Transferred Assets and Ticker until the Closing Date.

5.2 Further Information. Following the execution of this Agreement and prior to the Closing Date, Seller shall cause its officers, employees and representatives to furnish such financial, operating and other data and information relevant to the transactions contemplated hereby as Purchaser shall from time to time reasonably request. Any information obtained in the course of such investigation shall be subject to the confidentiality agreements entered into or to be entered into between Seller and Purchaser.

5.3 Consents, Waivers and Filings. Upon the terms and subject to the conditions set forth in this Agreement, Purchaser and Seller shall use their respective reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things, reasonably necessary or desirable to consummate in an expeditious manner the transactions contemplated by this Agreement. Without limiting the foregoing, the parties shall cooperate to obtain from all relevant third parties and governmental authorities, all consents and waivers to, and permits, authorizations and licenses for, the transactions contemplated by this Agreement that may be required under any agreement, lease, financing arrangement, license, Permit or other instrument or under any

applicable law, rule or regulation, and to attempt to remove or vacate any legal prohibition or impediment to the consummation of the transactions contemplated hereby.

5.4 Transition. Purchaser has obtained or will obtain its own insurance coverage with respect to Ticker and the Transferred Assets, effective as of the Closing Date, and Seller may terminate its insurance effective as of the close of business on such date.

5.5 Employees.

(a) Purchaser intends to offer or confirm (as the case may be) employment or consulting arrangements, as of the Closing Date, to those employees and consultants of Seller providing services to the Business and identified on Schedule 5.5(a) hereto (such of the employees of Seller who accept employment with Purchaser following the Closing Date being referred to as the "Transferred Employees"). Commencing as of such date, and subject to Section 5.5(b), Purchaser shall offer such Transferred Employees such medical and other benefits as are offered to similarly situated employees under Purchaser's benefit plans, with credit given for past service with Seller. Nothing in this Section 5.5 shall be construed as requiring Purchaser to employ the Transferred Employees for any specified period of time after the Closing Date. Moreover, nothing in this Agreement shall establish any of the terms or conditions of any Transferred Employee's subsequent employment by Purchaser (without limiting the foregoing, nothing in this Agreement shall be deemed to constitute any Transferred Employee's subsequent employment by Purchaser as being on any other basis than "at will").

(b) Seller shall pay the Transferred Employees for accrued vacation and (if applicable) sick days as of the Closing Date. The Transferred Employees will be fully vested under Seller's 401(k) plan at the time of the termination of their employment with Seller. Seller will provide Purchaser with such reasonable assistance as Purchaser may request in connection with the transfer of any Transferred Employee's benefits under Seller's 401(k) plan to any similar plan that may be maintained by Purchaser.

6. Closing Conditions.

6.1 Conditions to the Obligations of Purchaser. All obligations of Purchaser with respect to the Closing and consummation of the transactions contemplated hereby are subject to the receipt by it of the items set forth in Section 2.3.2, and to the satisfaction, on or prior to the Closing Date, of each of the following conditions, any one or more of which may be waived by Purchaser:

(a) All representations and warranties of Seller set forth herein shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date, with the same effect as if made at and as of the Closing Date, and Purchaser shall have received a certificate signed by an authorized officer of Seller to such effect;

(b) Seller shall have complied in all material respects with its covenants and agreements set forth in this Agreement, except as to those covenants and agreements to be performed or observed after the Closing Date, and Purchaser shall have received a certificate signed by an authorized officer of Seller to such effect;

(c) The third-party consents listed on Schedule 6.1 shall have

been obtained; and

(d) No order, injunction or decree shall have been issued and be continuing before a court and no action, suit or proceeding by any governmental authority shall have been instituted or threatened which questions or attacks the validity or legality of the transactions contemplated hereby in any material fashion or seeks to restrain or prevent the consummation of the acquisition of the Transferred Assets pursuant to this Agreement or the other transactions contemplated hereby.

6.2 Conditions to the Obligations of Seller. All obligations of Seller with respect to the Closing and consummation of the transactions contemplated hereby are subject to receipt by it of the items set forth in Section 2.3.1 and to the satisfaction, on or prior to the Closing Date, of each of the following conditions, any one or more of which may be waived by Seller:

(a) All representations and warranties of Purchaser set forth herein shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date, with the same effect as if made at and as of the Closing Date, and Seller shall have received a certificate signed by an authorized officer of Purchaser, to such effect;

(c) Purchaser shall have complied in all material respects with its covenants and agreements set forth in this Agreement, except as to those covenants and agreements to be performed or observed after the Closing Date, and Seller shall have received a certificate signed by an authorized officer of Purchaser to such

effect;

(c) The third-party consents listed on Schedule 6.2 shall have

been obtained;

and

(d) No order, injunction or decree shall have been issued and be continuing before a court and no action, suit, or proceeding by any governmental authority shall have been instituted or threatened which questions or attacks the validity or legality of the transactions contemplated hereby in any material fashion or seeks to restrain or prevent the consummation of the acquisition of the Transferred Assets pursuant to this Agreement or the other transactions contemplated hereby.

7. Confidentiality

7.1 Confidentiality. (a) Seller acknowledges that, as a result of the past involvement of Seller and its principals, employees and agents ("Related Persons") with Ticker, Seller and its Related Persons have become informed of, and have had access to, confidential information of Ticker including, without limitation, subscriber, advertiser, marketing and financial information (collectively, "Ticker Information"). Seller shall not, and shall take reasonable measures to cause the Related Persons employed by Seller following the Closing Date not to, at any time use or reveal, report, publish, transfer or otherwise disclose to any person, corporation or other entity any of the Ticker Information, without the prior written consent of Purchaser, except that following the Closing, Seller and its Related Persons shall be entitled to use and disclose Ticker Information which legally and legitimately is or becomes of general public or industry knowledge from authorized sources other than Seller or any of its Related Persons or which Seller is required to include in any periodic or other report filed with the Securities and Exchange Commission (provided that Seller will make reasonable efforts to coordinate with Purchaser the filing of requests for confidential treatment of portions of any such report) or which is independently developed by Seller (as evidenced by contemporaneous written documents) without reference to the Ticker Information.

(b) Purchaser acknowledges that, as a result of the past involvement of Seller's Related Persons with Seller's businesses other than Ticker, such Related Persons have become informed of, and have had access to, confidential information of Seller other than Ticker including, without limitation, subscriber, advertiser, marketing and financial information (collectively, "Non-Ticker Information"). Purchaser shall not, and shall take reasonable measures to cause the Related Persons employed by Purchaser following the Closing Date not to, at any time use or reveal, report, publish, transfer or otherwise disclose to any person, corporation or other entity any of the Non-Ticker Information, without the prior written consent of Seller, except that following the Closing, Purchaser and the Related Persons employed by Purchaser following the Closing Date shall be entitled to use and disclose Non-Ticker Information which legally and legitimately is or becomes of general public or industry knowledge from authorized sources other than Purchaser or any of the Related Persons employed by Purchaser following the Closing Date or which Purchaser is required to include in any periodic or other report filed with the Securities and Exchange Commission (provided that Purchaser will make reasonable efforts to coordinate with Seller the filing of requests for confidential treatment of portions of any such report) or which is independently developed by Purchaser (as evidenced by contemporaneous written documents) without reference to the Non-Ticker Information.

(c) Nothing contained in this Section 7.1 or otherwise shall limit or prohibit any party from making disclosure of Ticker Information or Non-Ticker Information to the extent required by law, rule or regulation, provided, however that the disclosing party shall provide notice to the other party as to the nature of the required disclosure such as to provide the other party the opportunity to challenge the need for such disclosure and shall cooperate with the other party in connection with such a challenge, as the other party reasonably may request, at the other party's expense.

7.2 Equitable Relief. Because Purchaser with respect to the Ticker Information and Seller with respect to the Non-Ticker Information (the respective party in such capacity the "Disclosing Party") may not have an adequate remedy at law to protect its businesses from the breach of any of the restrictions set forth in Section 7.1 or to protect its respective interests in its trade secrets, privileged, proprietary or confidential information and similar commercial assets, the Disclosing Party shall be entitled to injunctive relief, in addition to such other remedies and relief that would, in the event of a breach of the provisions of Section 7.1, be available to it, the other party hereby waives any requirement that the Disclosing Party prove the inadequacy of any remedy at law, or to post any bond or other form of security, in connection with any action, suit or proceeding to the extent related to any breach or alleged breach of the restrictions set forth in Section 7.1.

8. Acts and Instruments of Transfer; Correspondence.

8.1 Acts and Instruments. Whenever reasonably requested to do so by either party, on or after the Closing Date, the other party and its officers shall do, execute, acknowledge and deliver all such acts, bills of sale, assignments, confirmations, consents, other instruments of assignment, transfer and conveyance, and any and all such further instruments and documents, in form reasonably satisfactory to the requesting party and its counsel, as shall be reasonably necessary or advisable to carry out the intent of this Agreement and to vest in Purchaser all the right, title and interest of Seller in and to the Transferred Assets and the assumption by Purchaser of the Assumed Liabilities.

8.2 Correspondence. (a) Seller hereby authorizes Purchaser, on and after the Closing Date, to receive and open correspondence addressed to Seller but delivered to Purchaser's address and to deal with the contents thereof in a responsible manner, to the extent that such correspondence relates to the Transferred Assets or Ticker, but Purchaser shall promptly deliver to Seller all correspondence related to Seller's business (measured as of the Effective Date) other than Ticker which is delivered to and received by Purchaser (which correspondence shall be deemed Non-Ticker Information).

(b) On and after the Closing Date, Seller shall promptly deliver to Purchaser all other correspondence addressed to and received by Seller to the extent it relates to Ticker (which correspondence shall be deemed Ticker Information).

(c) The addresses specified under Section 12.3 shall be the addresses to which mail shall be sent under this Section 8.2.

8.3 Records. Seller shall deliver to Purchaser its records directly relating to the Transferred Assets and Ticker (but may retain copies thereof), except that with respect to any records the originals of which Seller is required to keep for tax purposes, Seller may retain such originals and shall provide Purchaser with copies thereof. Seller shall have the right to examine, use and make excerpts from any books of account and other records and documents which are transferred to Purchaser pursuant to this Agreement for any purpose connected with or relating to any event occurring prior to the Closing Date.

9. Indemnification.

9.1 Seller's Indemnification. Seller hereby agrees to indemnify, defend and hold harmless Purchaser, its officers, directors, shareholders and each other person who controls Purchaser (without duplication), from and after the Closing Date, against and in respect of any loss, cost, damage, deficiency or expense (including any related loss, cost, damage, deficiency or expense arising pursuant to Section 9.3) (collectively, "Damages") arising from or related to: (i) Seller's breach or non-performance of any agreement, representation, warranty or undertaking contained in this Agreement or (ii) except to the extent that any such Damages are reflected on the Interim Balance Sheet and/or the Current Asset Adjustment, any lawsuit or any court, administrative or other proceeding now pending against Seller or hereafter initiated against Seller by third parties arising out of or relating to the operation of Ticker by Seller prior to and through the Closing Date.

9.2 Purchaser's Indemnification. Purchaser hereby agrees to indemnify, defend and hold harmless Seller, its officers, directors, shareholders and each other person who controls Seller (without duplication), from and after the Closing Date, against and in respect of any Damages arising from or related to: (i) Purchaser's breach or non-performance of any agreement, representation, warranty or undertaking contained in this Agreement, including, without limitation, the performance or non-performance of any Assigned Agreements following the Closing Date, or (ii) any lawsuit or any court, administrative or other proceeding initiated against Seller by third parties arising out of or relating to the operation of Ticker following the Closing Date.

9.3 Related Costs and Expenses. Each indemnifying party hereto shall, in addition to such indemnifying party's obligations under Section 9.1 or 9.2, as applicable, indemnify and hold harmless the indemnified party hereto from, against and in respect of any and all actions, suits, proceedings, demands, assessments, judgments, settlements, costs (including reasonable attorneys' fees and disbursements) and legal and other expenses of the indemnified party incident to any matter as to which the indemnified party is entitled to indemnification under such Sections, or incident to any allegations or claims which, if true, would give rise to Damages subject to indemnification thereunder, or incident to the enforcement by the indemnified party of this Section 9.

9.4 Third Party Claims. If a claim by a third party is made against an indemnified party, and if the indemnified party intends to seek indemnity with respect thereto under this Section 9, such indemnified party shall promptly notify the indemnifying party of such claim in writing. The indemnifying party shall have thirty (30) calendar days after receipt of such notice to undertake, conduct and control, through counsel of its own choosing (subject to the consent of the indemnified party, such consent not to be unreasonably withheld or delayed) and at its expense, the settlement or defense

therefor, and the indemnified party shall co-operate with the indemnifying party at the indemnifying party's expense as the indemnifying party reasonably may request in connection therewith; provided that: (i) the indemnifying party shall not thereby permit to exist any Lien upon any assets of any indemnified party; (ii) the indemnifying party shall permit the indemnified party to participate in such settlement or defense through counsel chosen by the indemnified party, provided that the fees and expenses of such counsel shall be borne by the indemnified party unless both the indemnifying party and the indemnified party are named parties to the action and the defense of both parties by the same counsel would be inappropriate due to actual or potential conflict of interest, and provided further that such participation shall not affect the control of the matter by the indemnifying party; and (iii) the indemnifying party shall promptly reimburse the indemnified party for the full amount of any loss resulting from such claim and all related expense incurred by the indemnified party within the limits of this Section 9. If the indemnifying party does not notify the indemnified party within thirty (30) calendar days after receipt of the indemnified party's notice of a claim of indemnity hereunder that it elects to undertake the defense thereof, the indemnified party shall have the right to contest, settle or compromise the claim in the exercise of its exclusive discretion at the expense of the indemnifying party. So long as the indemnifying party is reasonably contesting any such claim in good faith, the indemnified party shall not pay or settle any such claim. Notwithstanding the foregoing, the indemnified party shall have the right to pay or settle any such claim if, in the reasonable judgment of the indemnifying party (consent to such payment or settlement not to be unreasonably denied or delayed) the payment or settlement of such claim will not adversely affect the indemnifying party, provided that in the event of such payment or settlement the indemnified party shall waive any right to indemnity therefor by the indemnifying party. The indemnified party shall join in a settlement of a third party claim proposed by the indemnifying party, provided that such settlement shall be at the expense of the indemnifying party, that such settlement shall achieve the release and discharge of the indemnified party by such third party and that such settlement shall not prejudice in any material respect the indemnified party's rights against such third party claimant or any other third party with respect to matters unrelated to the third party claim in issue.

9.5 Survival of Representations and Warranties, Limitations of Claims.

(a) The representations and warranties and indemnities set forth in this Agreement shall survive the Closing Date; provided, that the provisions of this Section 9 shall constitute the sole remedy of any party for breach of any representations or warranties in connection with the transactions contemplated by this Agreement.

(b) Any claim between the parties hereto (other than a claim for indemnification in respect of third party claims for unpaid taxes) predicated on a breach of warranty or representation contained in this Agreement shall survive the Closing Date but shall be barred after the second (2nd) anniversary of the Closing Date.

(c) Claims for indemnification in respect of third party claims, including third party claims for taxes, shall survive the Closing Date but shall be barred: (A) after the applicable statute of limitations, with respect to claims for unpaid taxes of any type and (B) after the second (2nd) anniversary of the Closing Date, with respect to any other third party claim.

(d) No payment shall be required to be made by Seller pursuant to Section 9.1 or by Purchaser pursuant to Section 9.2, except to the extent that the amount of Damages suffered by the indemnified parties under such respective Section in connection with such claim, together with all claims asserted therewith or previously asserted under this Section 9 by any of such indemnified parties, exceeds one hundred thousand dollars (\$100,000) in the aggregate. For avoidance of doubt, to the extent such indemnifiable claims exceed one hundred thousand dollars (\$100,000) in the aggregate, the indemnifying party's obligations shall apply with respect to the initial one hundred thousand dollars (\$100,000) of such claims as well as to indemnifiable damages beyond such amount.

(e) THE WARRANTIES EXPRESSLY STATED IN THIS AGREEMENT ARE THE ONLY WARRANTIES THAT APPLY TO TICKER OR THE TRANSFERRED ASSETS AND THESE WARRANTIES ARE IN LIEU OF, AND SELLER EXPRESSLY DISCLAIMS, ANY AND ALL OTHER WARRANTIES EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

(f) NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, SELLER'S MAXIMUM LIABILITY TO ANY PERSON, CORPORATION OR OTHER ENTITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER SUCH LIABILITY ARISES FROM A CLAIM BASED IN TORT, CONTRACT (EXPRESS OR IMPLIED), WARRANTY, STATUTE OR OTHERWISE, SHALL IN NO EVENT EXCEED THE AMOUNTS ACTUALLY RECEIVED BY SELLER PURSUANT TO SECTION 2.1(b).

(g) EXCEPT AS MAY BE SET FORTH IN SECTION 9, NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, AND REGARDLESS OF WHETHER ANY REMEDY FAILS OF ITS ESSENTIAL PURPOSE, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE

OTHER PARTY OR TO ANY OTHER PERSON, CORPORATION OR OTHER ENTITY FOR ANY LOST PROFITS, LOSS OF USE, COST OF OBTAINING SUBSTITUTE GOODS OR SERVICES, OR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, INDIRECT OR EXEMPLARY DAMAGES ARISING UNDER OR IN ANY WAY RELATING TO THIS AGREEMENT, EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE.

10. Miscellaneous.

10.1 Termination Prior to the Closing. This Agreement may be terminated prior to the Closing Date only by mutual written consent of Seller and Purchaser.

10.2 Entire Agreement. This Agreement, together with the Additional Agreements and the other documents and instruments delivered pursuant to this Agreement, sets forth the entire understanding of the parties with respect to its subject matter, and merges and supersedes all prior and contemporaneous understandings of the parties hereto with respect to its subject matter, provided, that the parties' rights under Section 7 and under any other agreement between Seller, Purchaser and/or any of their Related Persons relating to confidentiality and/or the ownership of or rights in intellectual property shall be cumulative. This Agreement may not be modified, in whole or in part, except by a writing signed by each of the parties hereto, and may not be waived, in whole or in part, except by a writing signed by the party granting such waiver. No waiver of any provision of this Agreement of this Agreement in any instance shall be deemed to be a waiver of the same or any other provision of this Agreement in any other instance. Failure of any party to enforce any provision of this Agreement shall not be construed as a waiver of its rights under such provision or any other provision.

10.3 Communications. All notices, consents and other communications given under this Agreement shall be in writing and shall be deemed to have been duly given (a) when delivered by hand or by Federal Express or a similar overnight courier to, or (b) five (5) calendar days after being deposited in any United States post office enclosed in a postage prepaid registered or certified envelope addressed to the party for whom intended, at the address for such party set forth below, or to such other address and/or contact person as may be furnished by such party by notice in the manner provided herein; provided, however, that any notice of change shall be effective only upon receipt.

If to Purchaser:

123Jump.com, Inc.
407 Lincoln Road, Suite 12D
Miami Beach, Florida 33139
Attention: President

with a copy to:

Kilpatrick Stockton LLP
3737 Glenwood Avenue
Suite 400
Raleigh, North Carolina 27612
Attention: W. Christopher Matton, Esq.

If to Seller:

Individual Investor Group, Inc.
125 Broad Street
14th Floor
New York, NY 10004
Attention: General Counsel

with a copy to:

Graubard Mollen & Miller
600 Third Avenue
New York, NY 10016
Attention: Peter M. Ziembra, Esq.

10.4 Successors and Assigns. This Agreement shall be binding on, enforceable against and inure to the benefit of the parties hereto and their respective successors and permitted assigns, and nothing herein is intended to confer any right, remedy or benefit upon any other person. Either party hereto may assign some or all of its rights under this Agreement to any wholly-owned subsidiary, or to the successor of all or substantially all of that part of such party's business to which the subject matter of this Agreement relates, provided in each case that the assignee agrees in writing to be bound by the assignor's obligations hereunder and, in the case of an assignment to a wholly-owned subsidiary, the assignor shall remain responsible for its obligations hereunder. Except as set forth in the previous sentence, no party hereto may assign its rights or delegate its obligations under this Agreement without the express

written consent of Purchaser or Seller, as applicable, and any attempt to do so shall be null and void.

10.5 Public Announcements. Promptly following the execution of this Agreement, either party may make public disclosure of the terms of this Agreement, except that neither party shall publicly disclose the Purchase Price. Notwithstanding the foregoing, either party may make public disclosure of any term of this Agreement to the extent required by applicable securities laws or otherwise required by law.

10.6 Expenses. Each of the parties hereto shall bear and pay, without any right of reimbursement from any other party, and indemnify, defend and hold harmless the other party against, all costs, expenses and fees incurred by it or on its or his behalf incident to the preparation, execution and delivery of this Agreement and the performance of such party's obligations hereunder, whether or not the transactions contemplated by this Agreement are consummated, including, without limitation, the fees and disbursements of attorneys, accountants and consultants employed by such party, and all brokers, investment bankers, finders and financial advisors retained or utilized by it, or otherwise acting on its behalf, or otherwise making any claim in the nature of a broker's or finder's fee arising out of or resulting from any action or agreement of the indemnifying party or its affiliated parties, in connection with the transactions contemplated by this Agreement, and shall indemnify and hold harmless the other parties from and against all such fees, costs and expenses. Seller represents that except for fees, commissions and expenses which shall be paid to the Jordan, Edmiston Group, Inc. by Seller, no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Seller.

10.7 Knowledge of a Party. Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of a party, such knowledge shall be deemed to refer only to the actual knowledge of the officers of Purchaser or Seller, as the case may be.

10.8 Governing Law. This Agreement shall in all respects be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and fully to be performed in such state, without giving effect to conflicts of law principles.

10.9 Savings Clause. If any provision of this Agreement is held to be invalid or unenforceable by any court or tribunal of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, and such provision (and the remainder of this Agreement) shall be carried out as nearly as possible according to its original terms and intent to eliminate such invalidity or unenforceability.

10.10 Counterparts/Facsimile Signatures. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures delivered via facsimile shall be deemed originals for all purposes.

10.11 Construction. Headings contained in this Agreement are for convenience only and shall not be used in the interpretation of this Agreement. References herein to the Agreement shall be deemed to include all Schedules hereto, and references herein to Sections and Schedules are to the sections, schedules and exhibits of this Agreement. As used herein, the singular includes the plural, and the masculine, feminine and neuter gender each includes the others where the context so indicates. The language in all parts of this Agreement shall be interpreted according to its fair meaning, and specifically shall not be interpreted strictly for or against any of the parties to this Agreement on the basis of such party's being (or being deemed to be) the drafter of this Agreement.

11. Notification Procedures Re: Availability and Utilization of Prepaid Advertising Credits and Status of Certain Personnel.

11.1 With respect to satisfying Purchaser's obligations under the Prepaid Advertising Agreements to the counterparty of Seller under each such agreement (each a "Prepaid Advertiser"):

- (a) Seller shall notify Purchaser in writing, within thirty (30) calendar days hereof, of the remaining advertising credit available to each Prepaid Advertiser;
- (b) Purchaser shall notify Seller in writing, within thirty (30) calendar days after the end of each calendar quarter, of the amount of pages of advertising in Ticker that Purchaser has published for each Prepaid Advertiser during such calendar quarter (each such notice from Purchaser shall be referred to as a "Usage Notice");
- (c) Seller shall notify Purchaser in writing, within thirty (30) calendar days after receipt of a Usage Notice, of the remaining advertising credit available to each Prepaid

Advertiser as of the date of the Usage Notice; and

- (d) With respect to each Prepaid Advertiser, at such time as the remaining advertising credit available to such Prepaid Advertiser is expected to be fully utilized within three (3) calendar months, Seller and Purchaser shall work together in good faith to devise notification procedures that are more rapid than those set forth above, in order that Purchaser may be informed without undue delay of the date that the advertising credit available to such Prepaid Advertiser becomes fully utilized.

11.2 Purchaser shall notify Seller in writing with respect to each person listed on Schedule 5.5(a) with respect to whom either Purchaser has declined to offer employment or who has declined to accept an offer of employment from Purchaser. With respect to any such person identified in such notice, Purchaser shall indicate (i) the salary (and commission structure, if applicable) offered to such person by Purchaser, (ii) whether such person was requested by Purchaser to relocate to an office more than thirty-five (35) miles from 125 Broad Street, New York, New York and (iii) the title of the job position that Purchaser offered such person. Purchaser shall give Seller the written notice pursuant to this Section 11.2 promptly (and in any event within five (5) business days) after Purchaser's decision not to offer employment to such person or such person's rejection of Purchaser's offer of employment, as the case may be.

11.3 Purchaser shall notify Seller in writing with respect to each person listed on Schedule 5.5(a) who resigns his or her employment with Purchaser or whose employment is terminated by Purchaser. Purchaser shall give Seller the written notice pursuant to this Section 11.3 promptly (and in any event within five (5) business days) after the date of the resignation or termination of such person's employment with Purchaser. Purchaser also shall notify Seller in writing promptly upon learning that grounds exist to terminate for cause the employment of any person listed on Schedule 5.5(a). Purchaser's notice to Seller pursuant to this Section 11.3 shall indicate whether (a) in the case of a person's resignation, whether such resignation was voluntary and (b) in the case of termination, whether such termination was without cause or for cause. Purchaser agrees to cooperate with Seller in good faith and provide material reasonably requested by Seller in the event that Seller seeks to demonstrate that any such person resigned his or her employment with Purchaser or that Purchaser terminated or had grounds to terminate his or employment for cause.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

Seller:
INDIVIDUAL INVESTOR GROUP, INC.

By: /s/ Jonathan Steinberg
Chief Executive Officer and Director

Purchaser:
123JUMP.COM, INC.

By: /s/ Manish Shah
President & Chief Executiver Officer

[Schedules and Exhibits omitted]

EXHIBIT 99

CERTAIN RISK FACTORS

Dated: November 13, 2000

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, the word "web," refers to the portion of the Internet commonly referred to as the "world wide web."

We will need to raise additional capital in the future.

The Company's current levels of revenues are not sufficient to cover its expenses. It is the Company's intention to control its operating expenses while continuing to invest in its existing products - and, as noted above in the Form 10-Q, the Company recently has implemented changes intended to substantially reduce certain operating and general and administrative expenses. The Company anticipates quarterly losses to continue through the remainder of 2000 and into 2001. Profitability may be achieved in future periods only if the Company can substantially increase its revenues and/or realize capital gains on investments or the sale of certain assets while controlling increases in expenses. There can be no assurance that revenues will be substantially increased, that additional capital gains will be realized on investments (instead capital losses in fact may be realized) or that certain assets will be sold, or that expenses can be adequately decreased to enable the Company to attain profitability.

Based on the Company's current outlook, the Company believes that its working capital will be sufficient to fund its operations and capital requirements at least through the end of 2001. During the second quarter of 2000, the Company retained The Jordan, Edmiston Group, Inc., the media investment bank, to explore a range of strategic alternatives to enhance shareholder value, including the possible sale of the Company. The Company is continuing its exploration of strategic alternatives, including exploring sources of additional financing and/or sale of assets. There can be no assurance, however, that this process will result in the Company entering into any additional transactions or enhancing shareholder value. In the event that the Company is unable to attain profitability prior to exhausting its existing resources, the Company would need to obtain additional financing or sell certain of its assets in order to sustain operations. No assurance can be given that the Company will be able to obtain additional financing or sell additional assets, or as to the terms upon which the Company could do so. Any additional financing could result in dilution of an investor's equity investment in the Company.

We have a history of losses and we anticipate that our losses will continue in the future. As of September 30, 2000, we had an accumulated deficit of approximately \$25 million. Since inception, the only calendar year during which we were profitable was 1995. We expect to continue to incur operating losses in the remainder of 2000 and into 2001. Even if we do achieve profitability, we may be unable to sustain or increase profitability on a quarterly or annual basis in the future.

Our online services business has a limited operating history. Because we commenced our online services operations in May 1997, 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 an early stage business in this new and rapidly evolving market of web-based financial news and information companies.

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. These competitors include:

- o online services or web sites focused on business, finance and investing, such as CBS MarketWatch.com; The Wall Street Journal Interactive Edition; CNBC.com; CNNfn.com; TheStreet.com; Briefing.com; The Motley Fool; Yahoo! Finance; Silicon Investor; Microsoft Investor; SmartMoney.com; Money.com; and Multex.com;
- o 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; and Worth;
- o publishers and distributors of radio and television programs focused on business, finance and investing, such as Bloomberg Business Radio and CNBC;
- o web "portal" companies, such as Yahoo!; Excite; Lycos; Snap!; Go Network; and America Online; and
- o 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 and that of our competitors.

Many of our 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, as well as adapting to rapid technological changes with regard to the Internet. In particular, future changes may evolve (for example, a rapid move to broadband or wireless technologies) which we may not be able to cope with in a timely manner. These competitors may also engage in more extensive research and development, undertake far-reaching marketing campaigns, adopt more aggressive pricing policies to attract Internet users, print readers and 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 our content or that achieves greater market acceptance than our content. 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, Internet users, print readers, staff, outside contributors or strategic partners. Increased competition could result in price reductions, reduced margins or loss of our market share. Any of these could materially adversely affect our business.

We 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 personnel interested in online-related jobs that pure Internet companies offer a more attractive work environment for a youthful workforce. 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 over the last several years. Since we are also in the print publication business, people may perceive us 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 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 publish only one magazine and one newsletter. There is a general perception in the employment market that larger publishers are more prestigious or offer more varied career opportunities. We may be perceived by 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.

We may not be able to grow our online business. We intend to introduce new and/or enhanced products, content and services to retain the current users of our online services and to attract new users. If we introduce a new or enhanced product, content, or service that is not favorably received or fail to introduce certain new or enhanced products, content, or services, our current users may choose a competitive service over our service. Our business could be materially adversely affected if we experience difficulties and/or delays in introducing new products, content or services or if these new products, content or services are not favorably received by our users.

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 sites. 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 sites must accommodate a high volume of traffic, often at unexpected times. Our web sites have 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 users to perceive our web sites as not functioning properly and, therefore, cause them to use other methods to obtain the financial information they desire. In such a case, our business, results of operations, and financial condition could be materially adversely affected.

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, Magic 25(TM) and the America's Fastest Growing Companies(R)) is an important aspect of our efforts to continue to attract print subscribers, magazine readers and Internet users. 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 Internet users and print readers, which could materially adversely affect our business, results of operations and financial condition.

For us to enhance our web brand awareness, it is important for us to continue 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 may be required to pay fees in order to establish or maintain relationships with these sites. 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.

We depend on certain advertisers to generate revenue. In 1998 and 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 first nine months of 2000, approximately 39% of the online services advertising revenue came from a combination of VentureHighway.com (a company in which we have acquired an approximately 15.8% equity interest through an equity-for-advertising barter transaction) and one brokerage firm offering online trading. We expect that the majority of advertising revenues derived from our online services operations will come from online brokerage firms and companies in which we obtain equity stakes in exchange for advertising. 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) or we do not enter into additional equity-for-advertising transactions, our online services business could be materially adversely affected.

We need to manage our growth. Our online services, which commenced in May 1997, have experienced rapid growth and our print publications business recently has grown at rates above the industry norm. 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 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 sites 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 sites 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 depend on the continued growth in use and efficient operation of the web. Our business will 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:

- o inadequate network infrastructure;
- o security concerns;
- o inconsistent quality of service; and
- o 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 sites. 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 Internet users to perceive the web in general or our web sites in particular as an unreliable medium and, therefore, cause them to use other media or other online content providers 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 sites 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.

We may not realize the value of our investments in VentureHighway.com, Inc., Pricing Dynamics, Inc. and Tradeworx, Inc. We record on our balance sheet

investments in non-readily marketable securities at their fair market value at the date of acquisition, unless and until we become aware of any permanent impairment in such securities or unless and until such securities become readily marketable. VentureHighway.com, Inc. is recorded at approximately \$2.6 million, Pricing Dynamics, Inc. at approximately \$1.5 million and Tradeworx, Inc. at approximately \$1.1 million. There currently is no public market for VentureHighway.com, Inc., Pricing Dynamics, Inc. or Tradeworx, Inc. securities, and there is no assurance that we will realize any value with respect to these investments.

Our quarterly financial results are subject to significant fluctuations. Our quarterly operating results may fluctuate significantly as a result of a variety of factors, many of which are outside our control. For example, revenues in our print publications business tend to reflect seasonal patterns. 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 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.

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. If this occurs, fewer people might be interested in subscribing to our print publications and 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 materially adversely affect our business.

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. If our opinions prove to be wrong, our customers may be less interested in subscribing to our print publications and in using our online services and our business could suffer materially.

We depend on our outside contributors. To some extent we depend upon the efforts of our outside contributors to produce original, timely, comprehensive and trustworthy content. Our outside contributors 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 contributors in the future. If we lose the services of our outside contributors or are unable to attract additional outside contributors 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. We currently are relying upon the services of Jonathan Steinberg, our Chief Executive Officer and President, and Gregory Barton, our Vice President of Business Development, Finance and Legal Affairs, Chief Financial Officer and General Counsel, neither of whom is under any employment contract with us. The loss of either of our key management personnel could materially adversely affect its business. Moreover, the costs that may arise in connection with executive departures and replacements can be significant, as they were during 1998 and 1999.

We rely on several third party sole providers to conduct many of our operations. Our strategy is to enter into relationships with various third party sole providers in order to obtain their technological expertise and capabilities as well as to achieve economies of scale. If the business of these providers is disrupted for any reason, our operating results could suffer materially. Some of these providers are listed as follows:

1. We depend on Quebecor to print Individual Investor magazine. We depend upon an independent party, Quebecor, to print Individual Investor magazine. If Quebecor'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 Individual Investor magazine in a timely manner and may lose subscribers and newsstand sales.
2. 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 direct the distribution of Individual Investor magazine to newsstands. If the business of our distributors is disrupted for any reason, such as labor strife or natural disaster, we may not be able to distribute Individual Investor magazine to newsstands in a timely manner and may lose newsstand sales.

3. We depend on an independent party to manage our subscriber files. We depend upon an independent party to manage our subscriber files. This party receives subscription orders and payments for Individual Investor magazine and Special Situations Report newsletter, 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 business could suffer materially.
4. 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 NewSub Services, Special Data Processing and EBSCO. These agencies obtain subscribers primarily through use of subscription offers in credit card statements and direct mail campaigns. If the positive response to the promotion of Individual Investor magazine by these agencies is not great enough, 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 revenues. 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.
5. We depend on WinStar Interactive Media Sales, Inc. to sell advertising, sponsorships and e-commerce partnerships on our web sites. We depend on an independent party, WinStar Interactive Media Sales, Inc. ("WinStar"), to sell advertising, sponsorships and e-commerce partnerships on our web sites, to complement our internal efforts. If WinStar's business is disrupted or its sales force is ineffective, the revenues generated from our web sites could be materially adversely affected.

Control of the Company by Principal Stockholders. At the present time, Jonathan Steinberg, Wise Partners, L.P. (a partnership controlled by Jonathan Steinberg) and Saul Steinberg (who is Jonathan Steinberg's father), beneficially own approximately 34.9% of the outstanding shares of common stock of the Company. As a result of their ownership of common stock, they will be able to significantly influence all matters requiring approval by the Company's stockholders, including the election of its directors. Because it would be very difficult for another company to acquire us without the approval of the Steinbergs, other companies might not view us as an attractive takeover candidate. Our stockholders, therefore, may have less of a chance to benefit from any possible takeover of the 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, copyright and patent 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 have pending U.S. applications for other trademarks. Effective trademark, copyright, trade secret and patent 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, Magic25(TM) and the America's Fastest Growing Companies(R). 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, The Individual Investor, 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.

Claims of our infringement of the intellectual property rights of others could be costly and disruptive to our business operations. Other parties may assert claims against us that we have infringed a copyright, trademark or other proprietary right belonging to them. Defending against any such claim could be costly and divert the attention of management from the operation of our business. In addition, the inability to obtain or maintain the use of copyrights or trademarks could adversely affect our business operations, as could the award of damages against us. Our insurance may not adequately protect us against such claims

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, invasion of privacy 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 sites through links to other web sites. Defending against any such claim could be costly and divert the attention of management from the operation of our business, and the award of damages against us could adversely affect our financial condition. Our insurance may not adequately protect us against such claims.

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