

SCHEDULE 13D/A
Under the Securities Exchange Act of 1934
(Amendment Number 1)

Individual Investor Group, Inc.

(Name of Issuer)

Common Stock, \$.01 par value

(Title Class of Securities)

455907105

(CUSIP Number)

Wise Partners, L.P.
c/o Peter M. Ziemba
Graubard Mollen & Miller
600 Third Avenue, 31st Floor
New York, New York 10016

(Name, Address and Telephone Number of Person Authorized to Receive Notices
and Communications)

December 31, 1997

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b) (3) or (4), check the following box .

Note: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Page 1 of 7 Pages

SCHEDULE 13D

CUSIP No. 455907105

Page 2 of 7 Pages

1 NAME OF REPORTING PERSONS
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (entities only)

Wise Partners, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)*

(a)

(b)

4 SOURCE OF FUNDS*(See Instructions)

BK - Bank Funds

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

State of Delaware

	7	SOLE VOTING POWER
		1,781,133
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER
	9	SOLE DISPOSITIVE POWER
		1,781,133
	10	SHARED DISPOSITIVE POWER

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,781,133

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

20.97%

14 TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

INCLUDE BOTH SIDES OF THE COVER PAGE, RESPONSES TO ITEMS 1-7
(INCLUDING EXHIBITS) OF THE SCHEDULE, AND THE SIGNATURE ATTESTATION.

Page 2 of 7 Pages

Item 1. Securities and Issuer

The class of equity securities to which this statement relates is the Common Stock, \$.01 par value, of Individual Investor Group, Inc. ("Company"), a Delaware corporation, whose principal executive offices are located at 1633 Broadway, 38th Floor, New York, New York 10019.

Item 2. Identity and Background

This Amendment No. 1 is filed on behalf of Wise Partners, L.P., a limited partnership organized and existing under the laws of the State of Delaware ("Partnership"). The Partnership's business address is c/o Mr. Jonathan L. Steinberg, 1633 Broadway, 38th Floor, New York, New York 10019. The Partnership is in the business of making investments in privately and publicly held companies for investment purposes.

Mr. Jonathan L. Steinberg is the general partner of the Partnership. Mr. Jonathan L. Steinberg's business address is 1633 Broadway, 38th Floor, New York, New York 10019. Mr. Jonathan L. Steinberg's principal occupation is that of the Chief Executive Officer and Chairman of the Board of the Company. The Company is a Delaware corporation engaged in the financial information business, including the publication of Individual Investor, Special Situations Report and Ticker, and providing information through www.iionline.com. Mr. Jonathan L. Steinberg is a citizen of the United States.

Neither the Partnership nor Mr. Jonathan L. Steinberg have been convicted in any criminal proceeding (excluding traffic violations or similar

misdemeanors) during the last five years.

Neither the Partnership nor Mr. Jonathan L. Steinberg have been a party to any civil proceeding of a judicial or administrative body of competent jurisdiction resulting in any judgment, decree or final order enjoining it from engaging in future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws during the last five years.

Item 3. Source and Amount of Funds or Other Consideration

The Partnership acquired 31,496 shares of Common Stock on June 30, 1997, 489,795 shares of Common Stock on December 31, 1997 and 1,259,842 shares of Common Stock on June 26, 1998, directly from the Company, in transactions exempt from the registration requirements of the Securities Act of 1933, as amended, pursuant to Section 4(2). The price per share paid on June 30, 1997, was \$7.93, on December 31, 1997, was \$6.125, and June 26, 1998, was \$3.97, the closing ask price of the Common Stock as reported by the Nasdaq Stock Market on the day preceding such dates. The funds used to acquire the Common Stock was the bank funding described in Item 6.

Page 3 of 7 Pages

Item 4. Purpose of Transactions

The Partnership acquired record ownership of the 1,781,133 shares of Common Stock as an investment. Mr. Jonathan L. Steinberg, the General Partner of the Partnership, is also the Chief Executive Officer and a Director of the Company. Although Mr. Jonathan L. Steinberg in his capacity as the Chief Executive Officer of and a Director of the Company, may be involved in the consideration of various proposals considered by the Board of Directors of the Company, the Partnership has no present plans which relate to or would result in: an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Company or any of its subsidiaries; a sale or transfer of a material amount of assets of the Company or any of its subsidiaries; any change in the current board of directors or management of the Company, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board of directors of the Company; any material change in the present capitalization or dividend policy of the Company; any other material change in the Company's business or corporate structure; changes in the Company's charter, by-laws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Company by any person; causing a class of securities of the Company to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association; causing a class of equity securities of the Company becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Securities and Exchange Act of 1934; or any action similar to the above.

Except to the extent that Mr. Jonathan L. Steinberg, the Chief Executive Officer and a Director of the Company, may be involved in the consideration of various proposals considered by the Board of Directors of the Company, he has no present plans which relate to or would result in: an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Company or any of its subsidiaries; a sale or transfer of a material amount of assets of the Company or any of its subsidiaries; any change in the current board of directors or management of the Company, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board of directors of the Company; any material change in the present capitalization or dividend policy of the Company; any other material change in the Company's business or corporate structure; changes in the Company's charter, by-laws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Company by any person; causing a class of securities of the Company to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association; causing a class of equity securities of the Company becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Securities and Exchange Act of 1934; or any action similar to the above.

Page 4 of 7 Pages

Item 5. Interest in Securities of the Issuer

The Partnership is the record owner of 1,781,133 shares of Common Stock. This represents a beneficial ownership equal to 20.97% of the outstanding Common Stock of the Company. Mr. Jonathan L. Steinberg, as the general partner of the Partnership, has sole power to vote and dispose of the above shares of Common Stock. Mr. Saul P. Steinberg, the father of Mr. Jonathan L. Steinberg, is a limited partner of the Partnership, and because of his equity interest in the Partnership as a limited partner, he is the only other person known to have the right to receive dividends or proceeds from the sale of the 1,781,133 shares of Common Stock owned of record by the Partnership.

Mr. Jonathan L. Steinberg, the General Partner of the Partnership, beneficially owns 3,169,476 shares of Common Stock which represents 24.8% of the outstanding Common Stock of the Company. Of the 3,169,476 shares of Common Stock, 900,010 shares of Common Stock are owned of record by Mr. Jonathan L. Steinberg, 1,781,133 shares of Common Stock are owned of record by the Partnership and are beneficially owned by Mr. Jonathan L. Steinberg and 488,333 shares of Common Stock are subject to options currently exercisable by Mr. Jonathan L. Steinberg.

Item 6. Contracts, Agreements, Understandings or Relationship with Respect to Securities of Issuer

Item 6 is amended to add the following:

On June 26, 1998, the Partnership entered into a Loan Agreement ("1998 Loan") and Promissory Note ("1998 Note") with NationsBank, N.A. ("NationsBank"). The 1998 Loan permits the Partnership to borrow, from time to time, up to an aggregate of \$17,500,000. Interest is payable on the unpaid principal of the 1998 Note, monthly, in arrears at rate based on LIBOR, and the principal is payable at maturity on June 26, 1999. As partial security for the 1998 Note, Mr. Saul P. Steinberg pledged an aggregate of 500,000 shares of Common Stock of the Company and 1,650,000 shares of common stock, par value \$0.01 per share, of Reliance Group Holdings, Inc. owned of record by him pursuant to a Pledge Agreement with NationsBank dated June 26, 1998 ("1998 Pledge Agreement"). In the event of a default under the 1998 Note and 1998 Loan, pursuant to the 1998 Pledge Agreement, NationsBank may exercise all the voting rights and foreclose upon and publicly or privately sell the shares of Common Stock of the Company pledged by Mr. Saul P. Steinberg. None of the shares of Common Stock of the Company owned of record by the Partnership are pledged to NationsBank. In addition to the pledge by Mr. Saul P. Steinberg, Mr. Jonathan L. Steinberg and Mr. Saul P. Steinberg each entered into Guaranty Agreements dated June 26, 1998 with NationsBank in respect of the 1998 Loan and the 1998 Note.

Item 7. Materials to be Filed as Exhibits

- (10.1) Stock Purchase Agreement, dated June 30, 1997, between the Company and Wise Partners, L.P. (Incorporated by reference from Exhibit 10.3

Page 5 of 7 Pages

of the Quarterly Report on Form 10-QSB for the period ended June 30, 1997 of the Company.)*

- (10.2) Stock Purchase Agreement, dated December 30, 1997, between the Company and Wise Partners, L.P. (Incorporated by reference from Exhibit 10.6 of Amendment No.6 to the Schedule 13D filed by Jonathan L. Steinberg on January 13, 1998).*
- (10.3) Stock Purchase Agreement, dated June 26, 1998, between the Company and Wise Partners, L.P.+
- (10.4) Loan Agreement dated June 26, 1998, between Wise Partners, L.P. and NationsBank, N.A.+
- (10.5) Promissory Note dated June 26, 1998, between Wise Partners, L.P. and NationsBank, N.A.+
- (10.6) Pledge Agreement dated June 26, 1998, between Mr. Saul P. Steinberg and NationsBank, N.A.+
- (10.7) Guaranty Agreement dated June 26, 1998, between Mr. Jonathan L. Steinberg and NationsBank, N.A.+
- (10.8) Guaranty Agreement dated June 26, 1998 between Mr. Saul P. Steinberg and NationsBank, N.A.+

* Previously filed.
+ Filed herewith.

Page 6 of 7 Pages

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: July 6, 1998

WISE PARTNERS, L.P.

BY: /S/ Jonathan L. Steinberg

Jonathan L. Steinberg, General Partner

Page 7 of 7 Pages

This STOCK PURCHASE AGREEMENT, dated as of June 26, 1998 (the "Agreement"), is between INDIVIDUAL INVESTOR GROUP, INC., a Delaware corporation (the "Company"), and WISE PARTNERS, L.P., a Limited Partnership organized and existing under the laws of the State of Delaware (the "Buyer").

1. PURCHASE AND SALE. Subject to the terms and conditions herein set forth, the Company hereby sells and delivers to Buyer and Buyer hereby purchases from the Company, for an aggregate purchase price of Five Million Dollars (\$5,000,000), an aggregate of one million two hundred fifty nine thousand eight hundred forty two (1,259,842) shares (the "Shares") of the Company's common stock, \$.01 par value per share (the "Common Stock"). The Company will deliver to Buyer, within Thirty (30) days of the effective date of this Agreement, stock certificates representing the Shares indicating the Buyer as the sole owner of the Shares. The Buyer hereby makes payment to the Company, by delivery of a bank check or certified check payable to the order of the Company or by wire transfer to an account designated by the Company, in the amount of Five Million Dollars (\$5,000,000).

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

2.1 Organization. The Company is duly organized, validly existing and in good standing in the State of Delaware.

2.2 Authority; Execution and Delivery, Etc. The execution, delivery, and performance of this Agreement has been duly authorized by the Company's Board of Directors and no other corporate proceedings on the part of the Company or its stockholders are required. This Agreement has been duly executed and delivered by the Company and constitutes the legal, valid, and binding obligation of the Company enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights in general or general principles of equity. The Shares have been duly authorized and are legally and validly issued, fully paid and non-assessable. The Company hereby conveys marketable title to the Shares to the Buyer, free and clear of all liens and encumbrances.

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

(a) Buyer is a Limited Partnership organized and existing in good standing under the laws of the State of Delaware and Jonathan Steinberg, an individual residing in the State of New York, is the sole General Partner of Buyer.

(b) Buyer is aware that its investment involves a substantial degree of risk, including, but not limited to the following: (i) the Company has had substantial operating losses for the fiscal years ended December 31, 1996 and December 31, 1997, and expects to continue to incur losses in the future; (ii) the Company has experienced and will continue to experience substantial fluctuations in its operating income (loss) from quarter to quarter and year to year; (iii) the Company may need additional financing in the future to fund operating losses; (iv) management and the existing principal stockholders of the Company beneficially own a substantial

1

amount of the outstanding voting stock of the Company and accordingly are in a position to substantially influence the election of all directors of the Company and the vote on matters requiring stockholder approval; (v) the Company's success will to a significant extent rely upon the continued services and abilities of Jonathan Steinberg, who is the Chairman and Chief Executive Officer of the Company. Buyer acknowledges and is aware that there is no assurance as to the future performance of the Company.

(c) Buyer is purchasing the Shares for his own account for investment and not with a view to or in connection with a distribution of the Shares, nor with any present intention of selling or otherwise disposing of all or any part of the Shares, except as contemplated in Section 5.1 below. Subject to Section 5.1 below, Buyer agrees that Buyer must bear the economic risk of its investment because, among other reasons, the Shares have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of any state and, therefore, cannot be resold, pledged, assigned, or otherwise disposed of until they are registered under the Securities Act and under applicable securities laws of certain states or an exemption from such registration is available. Promptly upon Buyer's request, after the expiration of the two-year holding period provided for in the SEC's Rule 144(k), provided that Buyer is not then and for three months prior thereto has not been, an affiliate of the Company within the meaning of the SEC's Rule 144(a), the

Company will exchange the Buyer's stock certificate (legended as aforesaid) for a new certificate with no restrictive legends thereon, suitable for transfer in the public securities markets, subject to the Buyer's providing the Company with such usual and customary representations in connection therewith as the Company may reasonably request.

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

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

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

(g) This Agreement has been duly executed and delivered by Buyer and constitutes the legal, valid, and binding obligation of the Buyer enforceable against the Buyer in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights in general or general principles of equity.

2

4. RESTRICTIONS ON TRANSFER.

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

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

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

5. REGISTRATION RIGHTS.

5.1 Piggyback Registration. From the date of this agreement until the second anniversary thereof, if the Company proposes to file a registration statement under the Securities Act with respect to an offering for its own account of any class of security (other than a registration statement on Form S-4 or S-8 or successor forms thereto or filed in connection with an exchange offer or business combination or an offering of securities solely to the Company's existing stockholders), then the Company shall in each case give written notice of such proposed filing to the Buyer at least thirty days before the anticipated filing date, and such notice shall offer the Buyer the opportunity to register such number of shares of Common Stock of the Company as the Buyer may request. Upon the written request of the Buyer made within twenty days of receipt of such notice, the Company shall use its best efforts to cause the managing underwriter or underwriters of a proposed underwritten offering to permit the Buyer to include such shares in such offering on the same terms and conditions as any shares of Common Stock of the Company included therein. Notwithstanding the foregoing, if the managing underwriter or underwriters of such offering delivers a written opinion to the Buyer that the total number of shares which it, the Company and any other persons or entities intend to include in such offering may adversely affect the success or offering price of such offering, then the number of shares to be offered for the account of the Buyer shall be reduced pro rata to the extent necessary to reduce the total amount of securities to be included in such offering to the amount recommended by such

managing underwriter (or, if applicable, excluding such shares entirely), provided that if shares are being offered for the account of other persons or entities as well as the Company, such reduction shall not represent a greater fraction of the number of shares intended to be offered by the Buyer than the fraction of similar reductions imposed on such other persons or entities other than the Company over the amount of securities they intended to offer. In the event that the registration proposed by the Company is an underwritten primary offering of its securities and the Buyer does not sell its securities to the underwriter of the Company's securities in connection with such offering, the Buyer shall, to the extent permitted by applicable law or regulation, refrain from selling any of its securities during the period of distribution of the Company's securities by such underwriter in the primary offering and the period in which the underwriter participates in the aftermarket and for such additional period requested by the underwriter, provided, however, that the Buyer shall, in

3

any event, be entitled to sell its securities in connection with such registration statement commencing on the 90th day after the effective date of such registration statement.

5.2 Blue Sky. In connection with the registration of its securities pursuant to Section 5.1, the Company shall use all reasonable efforts to register and qualify its securities covered by such registration statement under such securities or Blue Sky laws of such jurisdictions within the United States as the Buyer shall reasonably request and do any and all such other acts and things as may be reasonably necessary or advisable to enable the Buyer to consummate the disposition in such jurisdictions of the securities held by the Buyer; provided that the Company shall not be required to consent to general service of process, to qualify, to do business or subject itself to tax liability in any jurisdiction in which it has not, as of the effective date of such registration, qualified to do business.

5.3 Expenses. All expenses in connection with registrations of the Shares shall be borne by the Company except for underwriting discounts and commissions, applicable transfer taxes, expenses associated with blue sky registrations requested by Buyer pursuant to Section 5.2, and expenses of counsel to the Buyer, which shall be borne by the Buyer.

5.4 Indemnification.

(a) Subject to the conditions set forth below, the Company agrees to indemnify and hold harmless the Buyer, its General Partner, limited partners, and its affiliates and each of their officers, directors, trustees, agents and employees and each person, if any, who controls the Buyer ("Controlling Person") within the meaning of Section 15 of the Securities Act or Section 20(a) of the Exchange Act against any and all loss, liability, claim, damage and expense whatsoever (including but not limited to any and all legal or other expenses reasonably incurred in investigating, preparing or defending against any litigation, commenced or threatened, or any claim whatsoever) to which it may become subject under the Securities Act, the Securities Exchange Act of 1934, as amended ("Exchange Act") or any other statute or at common law or otherwise, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any registration statement (a "Registration Statement") in which the Buyer's securities shall be included or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, unless such statement or omission was made in reliance upon and in conformity with written information furnished to the Company with respect to the Buyer by the Buyer expressly for use in the Registration Statement. The Company agrees promptly to notify the Buyer of the commencement of any litigation or proceedings against the Company or any of its officers, directors or controlling persons in connection with the issue and sale of the Shares in connection with the Registration Statement.

(b) If any action is brought against the Buyer in respect of which indemnity may be sought against the Company pursuant to Section 5, Buyer shall promptly notify the Company in writing of the institution of such action and the Company shall assume the defense of such action, including the employment and fees of counsel (subject to the approval of Buyer) and payment of actual expenses. Buyer shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of Buyer unless (i) the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such action, or (ii) the Company shall not have employed counsel to have charge of the defense of such action, or (iii) the Buyer shall have reasonably concluded that there may be defenses available to it which are

4

different from or additional to those available to the Company (in which case the Company shall not have the right to direct the defense of such action on behalf of the Buyer), in any of which events the fees and expenses of not more than one additional firm of attorneys selected by Buyer and/or controlling person shall be borne by the Company. Notwithstanding anything to the contrary contained herein, if Buyer shall assume the defense of such action as provided above, the Company shall have the right to approve the terms of any settlement of such action which approval shall not be unreasonably withheld.

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

5.5 Contribution.

(a) In order to provide for just and equitable contribution under the Securities Act in any case in which (i) any person entitled to indemnification under this Section 5 makes claim for indemnification pursuant hereto but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case notwithstanding the fact that this Section 5 provides for indemnification in such case, or (ii) contribution under the Securities Act, the Exchange Act, or otherwise may be required on the part of any such person in circumstances for which indemnification is provided under this Section 5, then, and in each such case, the Company and Buyer shall contribute, in proportion to their relative fault, to the aggregate losses, liabilities, claims, damages and expenses of the nature contemplated by said indemnity agreement incurred by the Company and Buyer, as incurred; provided, that, no person guilty of a fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

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

in this Section 5 are intended to supersede, to the extent permitted by law, any right to contribution under the Securities Act, the Exchange Act or otherwise available.

6. MISCELLANEOUS.

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

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

6.3 Successors and Assigns. All covenants and agreements in this Agreement contained by or on behalf of either of the parties hereto shall bind and inure

to the benefit of the respective successors and assigns of the Company and of Buyer, whether so expressed or not.

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

If to the Company:	with a copy to:
Individual Investor Group, Inc. 1633 Broadway, 38th Floor New York, New York 10019 Attention: Mr. Jonathan L. Steinberg	Individual Investor Group, Inc. 1633 Broadway, 38th Floor New York, New York 10019 Attn: Hank Clark

If to the Buyer:

Wise Partners, L.P.
c/o Jonathan Steinberg
Individual Investor Group, Inc.
1633 Broadway, 38th Floor
New York, New York 10019

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

Any party may, by written notice to the other, change the address to which notices to such party are to be delivered or mailed.

6.5 Governing Law. This Agreement is being delivered and is intended to be performed in the State of New York and shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of such State.

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

COMPANY:	BUYER:
INDIVIDUAL INVESTOR GROUP, INC.	WISE PARTNERS, L.P.

By: _____ Hank Clark Vice President -- Finance	BY: _____ Jonathan Steinberg General Partner
--	--

NATIONSBANK, N.A.
LOAN AGREEMENT

This Loan Agreement (the "Agreement"), dated as of June 26, 1998, by and between NationsBank, N.A., a national banking association (the "Bank"), and the Borrower described below.

In consideration of the Loans described below and the mutual covenants and agreements contained herein, and intending to be legally bound hereby, the Bank and the Borrower agree as follows:

I. DEFINITIONS AND REFERENCE TERMS. In addition to any other terms defined herein, the following terms shall have the meaning set forth with respect thereto:

A. Adjusted LIBOR. Adjusted LIBOR means, with respect to any Interest Period, (i) the rate of interest per annum (rounded upward, if necessary, to the next higher 1/16th of one percent) determined by the Bank, in accordance with its customary general practice from time to time, to be the rate equal to the London Interbank Offered Rate (expressed as a percentage) for dollar deposits as would be quoted by the Bank for 11:00 a.m. London time, or as soon thereafter as practicable, on the second Business Day immediately preceding the first day of such Interest Period, for a term comparable to such Interest Period and (ii) as adjusted from time to time in the Bank's sole discretion for then applicable reserve requirements, deposit insurance assessment rates and other regulatory costs.

B. Advance Rate. Advance Rate means, at any date, (i) in the case of the Reliance Collateral, sixty percent (60%), (ii) in the case of the INI Collateral during such times, if any, that the Price Requirement is satisfied, thirty-five percent (35%) and (iii) in the case of the INI Collateral during such times, if any, that the Price Requirement is not satisfied, zero percent (0%).

C. Affiliate. Affiliate means, as to any entity, any other entity that, directly or indirectly, controls, is controlled by or is under common control with such entity, or is an officer or director of such entity. The term "control" (including the terms "controlled by" or "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such entity, whether through ownership of voting securities, by contract or otherwise.

D. Applicable Margin. Applicable Margin means 2.00%.

E. Borrower. Borrower means Wise Partners, L.P., a Delaware limited partnership.

2

F. Borrower's Address. Borrower's Address means c/o Jonathan L. Steinberg, 1633 Broadway, 38th Floor, New York, New York 10019.

G. Business Day. Business Day means any day other than a Saturday, Sunday or other day on which commercial banks in New York City, New York, or in Charlotte, North Carolina, are authorized or required by law to close; provided that in the case of Loans to be made and/or maintained at a rate of interest based upon the Adjusted LIBOR Rate, such day is also a day on which dealings between banks are carried on in U.S. dollar deposits in the London interbank market.

H. Closing Date. Closing Date means the date on which the initial Loan is made hereunder after all of the conditions precedent set forth in Article III have been satisfied.

I. Collateral. Collateral means, collectively, (i) the Reliance Collateral, (ii) the INI Collateral and (iii) all other property described as collateral security for the Obligations in the Pledge Agreement.

J. Commitment. Commitment means the commitment of the Bank to make Loans pursuant to Section II A. (but subject to the limitation contained in the second sentence thereof) in an aggregate principal amount not to exceed

\$17,500,000, as such commitment may be reduced or terminated in accordance with the provisions of this Agreement.

K. Event of Default. Event of Default has the meaning specified in the Note.

L. Governmental Authority. Governmental Authority means any nation or government, any federal, state, city, town, municipality, county, local or other political subdivision thereof or thereto and any department, commission, board, bureau, instrumentality, agency or other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

M. Guarantors. Guarantors mean Jonathan L. Steinberg and Saul P. Steinberg.

N. Guaranties. Guaranties mean the Guaranties of the Guarantors in the form of Exhibit B-1 and Exhibit B-2 hereto, as such Guaranties may be modified or amended from time to time.

O. Indebtedness. Indebtedness means, with respect to any person, (i) all indebtedness or other obligations of such person for borrowed money or for the deferred purchase price of property or services, (ii) all

3

obligations of such person under direct or indirect guaranties in respect of, and contingent or other obligations of such person to purchase or otherwise acquire or otherwise assure a creditor against loss in respect of, indebtedness or other obligations of any other person for borrowed money or for the deferred purchase price of property or services, (iii) all indebtedness or other obligations of any other person for borrowed money or for the deferred purchase price of property or services secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any lien, security interest or other charge or encumbrance upon or in property owned by such person, (iv) all obligations of such person to make reimbursement or payment in respect of letters of credit and bankers' acceptances, and (v) the net liabilities of such person under all interest rate swap, interest rate collar, interest rate cap, interest rate floor, forward rate agreements, commodity swaps or other agreements or arrangements designed to protect against fluctuations in interest rates or currency, commodity or equity values, each calculated in the sole discretion of the Bank.

P. INI. INI means Individual Investor Group, Inc., a Delaware corporation.

Q. INI Collateral. INI Collateral means the shares of common stock of INI described in Section 2 of the Pledge Agreement.

R. Interest Period. Interest Period means each thirty (30), sixty (60) or ninety (90) day period during which interest on each Loan shall be calculated by reference to Adjusted LIBOR, determined as of the second Business Day before the commencement of that Interest Period; provided, however, that:

(i) each Interest Period shall commence on the first day of a month and end on the first day in the relevant calendar month thereafter;

(ii) each subsequent Interest Period for a Loan shall commence on the last day of the immediately preceding Interest Period and end on the first day in the relevant calendar month thereafter; and

(iii) any Interest Period which would otherwise extend beyond the Termination Date shall end on the Termination Date.

S. Loan Document. Loan Document means any of this Agreement, the Note, the Guaranties, the Pledge Agreement and all other instruments, agreements and other documents executed and delivered pursuant hereto or thereto.

T. Loans. Loans mean the loans made by the Bank to the Borrower pursuant to Section II A.

U. Margin Maintenance Limit. The Margin Maintenance Limit means, at any date, the sum of (i) the product of (A) the Trading Collateral Value of all the Reliance Collateral and (B) the applicable Margin Rate of the Reliance Collateral and (ii) the product of (A) the Trading Collateral Value of all the INI Collateral and (B) the applicable Margin Rate of the INI Collateral.

V. Margin Rate. Margin Rate means, at any date, (i) in the case of the Reliance Collateral, seventy percent (70%), (ii) in the case of the INI Collateral during such times, if any, that the Price Requirement is satisfied, forty-five percent (45%) and (iii) in the case of the INI Collateral during such times, if any, that the Price Requirement is not satisfied, zero percent (0%).

W. Note. Note means the promissory note of the Borrower, in the form of Exhibit A hereto, as such promissory note may be modified or extended from time to time in accordance with the terms of the Loan Documents, and any promissory note or notes issued in exchange or replacement thereof.

X. Obligations. Obligations means (i) the obligations of the Borrower to pay, as and when due and payable (by mandatory prepayment, by scheduled maturity or otherwise), all amounts from time to time owing by it pursuant to any Loan Document, whether for principal, interest, fees or otherwise and (ii) the obligations of the Borrower to perform or observe all of Borrower's other obligations from time to time existing under any Loan Document.

Y. Original Advance Limit. Original Advance Limit means, at any date, the sum of (i) the product of (A) the Trading Collateral Value of all the Reliance Collateral and (B) the applicable Advance Rate of the Reliance Collateral and (ii) the product of (but in no event exceeding \$2,000,000) (A) the Trading Collateral Value of all the INI Collateral and (B) the then applicable Advance Rate of the INI Collateral.

Z. Pledge Agreement. Pledge Agreement means the Pledge Agreement of Saul P. Steinberg in the form of Exhibit C hereto, as such Pledge Agreement may be modified or amended from time to time.

AA. Price Requirement. Price Requirement means, at any date, that the last reported bid price or sale price for shares of INI Collateral on the immediately preceding Business Day on the trading exchange or stock market on which the INI Collateral is then traded, as reported by The Wall Street Journal, is not less than \$3.00 per share.

BB. Prime Rate. Prime Rate means the fluctuating rate of interest established by the Bank from time to time, at its discretion, as its prime rate of interest whether or not such rate shall be otherwise published. The Prime Rate is established by the Bank as an index and may not at any time be the best or lowest rate charged by the Bank on any loan. With respect to any Loan bearing interest at the Prime Rate, the floating interest rate shall be adjusted automatically with respect to each such Loan as and when the Prime Rate shall change.

CC. Reliance. Reliance means Reliance Group Holdings, Inc., a Delaware corporation.

DD. Reliance Collateral. Reliance Collateral means the shares of common stock of Reliance described in Section 2 of the Pledge Agreement.

EE. Trading Collateral Value. Trading Collateral Value means, at any date, with respect to the Reliance Collateral, the product of (i) the per share price of the Reliance Collateral at the close of trading on the immediately preceding Business Day on the trading exchange or stock market for the Reliance Collateral, as reported by The Wall Street Journal, and (ii) the number of shares of Reliance Collateral and, with respect to the

INI Collateral, the product of (x) the per share price of the INI Collateral at the close of trading on the immediately preceding Business Day on the trading exchange or stock market for the INI Collateral, as reported by The Wall Street Journal, and (y) the number of shares of INI Collateral.

FF. Signing Date. Signing Date means the date that this Agreement is executed and delivered by the Borrower, which date may be the same as the Closing Date.

GG. Termination Date. Termination Date means the earlier of (i) the first anniversary of the Closing Date and (ii) the date on which the Bank terminates the Commitment following an Event of Default.

All accounting terms not specifically defined or specified herein shall have the meanings attributed to such terms under U.S. generally accepted accounting principles ("GAAP"), as in effect from time to time, consistently applied.

II. LOANS.

A. Making the Loans. The Bank hereby agrees, on the terms and conditions hereinafter set forth, to make Loans to the Borrower from the Closing Date until the Termination Date in an aggregate principal amount at any one time outstanding not to exceed the amount of the Commitment at that time. The Bank shall have no obligation to make a Loan to the extent that the sum of the aggregate principal amount of the outstanding Loans plus the principal amount of such requested Loan would exceed an amount equal to the

6

Original Advance Limit. Except as provided in Section II.C., each Loan shall be in an amount equal to \$100,000 or an integral multiple of \$100,000 in excess thereof, and shall be made on at least two (2) Business Days' prior written notice. Except as provided in Section II.C., each request for a Loan (a "Notice of Borrowing") shall be made by telephonic or written communication by the Borrower. The Notice of Borrowing shall specify the proposed amount of such Loan, the Interest Period applicable thereto and the Business Day on which such Loan shall be made. On the Business Day specified in the Notice of Borrowing and upon fulfillment of the applicable terms and conditions set forth in Article III hereof, the Bank will make the proceeds of such Loan available to the Borrower by crediting a demand deposit account maintained at the Bank in the name of the Borrower, not later than 1:00 P.M. (Eastern time) on such date. Within the limits of the Commitment and subject to the second sentence of this Section II A., the Borrower may borrow, prepay and reborrow pursuant to this Article II until the Termination Date. Notwithstanding any other provision of this Agreement, the Commitment shall expire on, and the Bank shall have no obligation to extend credit to the Borrower or make any Loan on or after, the Termination Date.

B. Interest Rate. The outstanding principal balance of each Loan will bear interest at a rate per annum equal at all times during each Interest Period to the sum of (i) Adjusted LIBOR for such Interest Period, plus (ii) the Applicable Margin. Notwithstanding the foregoing, after the occurrence and during the continuance of an Event of Default, the principal of and interest on each Loan and any other amounts owing hereunder or under the other Loan Documents shall bear interest at a rate per annum equal to the Prime Rate plus 4%.

C. Repayment. The Borrower will pay all accrued interest on the Loans on the last Business Day of each Interest Period. In the event any interest is not so paid, the Borrower authorizes the Bank, without notice to the Borrower, to make a Loan (subject to the second sentence of Section II.A. and upon fulfillment of the applicable terms and conditions set forth in Article III hereof) on the last Business Day of each Interest Period and apply the proceeds thereof to the payment of all interest accrued on the Loans during such Interest Period. The Interest Period for each such Loan shall be thirty (30) days. It is understood and agreed that, notwithstanding anything to the contrary contained in any Loan Document, no Event of Default shall be deemed to have occurred or to exist solely as a result of the failure of any interest payment to be paid in full when due, if at any time during such failure the Bank could have made a Loan pursuant to this Section II.C. but did not do so. The Borrower will repay all unpaid principal amounts of the Loans and all accrued and unpaid interest thereon in full on the Termination Date.

D. Optional Prepayment. Subject to the provisions of Section II L.,

the Borrower may prepay any Loan in whole at any time or in part from time to time, without penalty or premium, each such prepayment to be accompanied by the payment of accrued interest to the date of such prepayment on the amount prepaid; provided, however, that (i) each partial prepayment shall

7

be in a principal amount equal to \$100,000 or an integral multiple thereof and (ii) the Borrower shall give the Bank written notice at least one (1) Business Day prior to the date of the prepayment of a Loan. Each notice of prepayment shall specify the date and the amount of the prepayment. Any amount of principal of a Loan prepaid may be reborrowed in accordance with Section II A.

E. Mandatory Prepayment.

1. If at any time the Bank, upon the advice of legal counsel, determines that the transactions contemplated by this Agreement or any of the other Loan Documents violate any provision of Regulations T, U or X of the Federal Reserve Board, the Borrower will, upon five (5) Business Days' written notice from the Bank, prepay the Loans by an amount sufficient such that, after such prepayment, the transactions contemplated by the Loan Documents will not violate any provision of Regulations T, U or X of the Federal Reserve Board.

2. If at any time the Bank determines that the aggregate principal amount of the outstanding Loans equals or exceeds an amount equal to the Margin Maintenance Limit, the Borrower will, upon five (5) Business Days' written notice from the Bank, prepay the Loans by an amount such that, after such prepayment, the aggregate principal amount of the outstanding Loans does not exceed an amount equal to the Original Advance Limit.

F. Evidence of Credit Extensions. The Loans shall be evidenced by the Note. The Bank shall record advances and principal payments thereof on the grid attached thereto or, at its option, in its records, and the Bank's record thereof shall be conclusive absent demonstrable error. Notwithstanding the foregoing, the failure to make or an error in making a notation with respect to any Loan or any payment shall not limit or otherwise affect the Obligations of the Borrower hereunder or under the Note.

G. Payment. Payment of principal, interest and any other sums due under this Agreement or under the Note shall be made without set-off or counterclaim in United States dollars and in immediately available funds on the day such payment is due not later than 12:00 noon New York time. All sums received after such time shall be deemed received on the next Business Day, and principal payments or sums (other than interest) due hereunder shall bear interest for an additional day or days, as applicable. All payments shall be made to the Bank in accordance with the Bank's written instructions.

H. Computations of Interest; Business Day.

1. All computations of interest under this Agreement and the Note shall be made on the basis of a year of three hundred and sixty (360) days and actual days elapsed. Interest shall accrue on each Loan

8

outstanding from and including the date such Loan is made by the Bank to but excluding the date on which such Loan is repaid.

2. Payment of all amounts due hereunder shall be made on a Business Day. Any payment due on a day that is not a Business Day shall be made on the next Business Day unless the next Business Day would fall in the next calendar month, in which case such payment shall be made on the Business Day immediately preceding the due date.

I. Increased Costs, Etc.

1. If, after the date of this Agreement, due to either (i) the introduction of or any change in or in the interpretation of any law or regulation or (ii) the compliance with any guideline or request from any central bank or other Governmental Authority (whether or not having the force of law), there shall be any (x) change in the basis of taxation of payments to the Bank of the principal of or interest on any Loan (excluding changes in the rate of tax payable on the Bank's overall income and bank franchise taxes) or (y) imposition or change in any reserve or similar requirement, and the result of any of the foregoing is an increase in the cost to the Bank of agreeing to make or making, funding or maintaining any Loan, then the Borrower shall from time to time, upon demand by the Bank, pay to the Bank an additional amount sufficient to compensate the Bank for such increased cost. A certificate as to the amount of such increased cost, submitted to the Borrower by the Bank, shall be conclusive and binding for all purposes, absent demonstrable error.

2. If the Bank determines that compliance with any law or regulation or any guideline or request from any central bank or other Governmental Authority (whether or not having the force of law) affects or would affect the amount of capital required or expected to be maintained by the Bank or any corporation controlling the Bank and that the amount of such capital is increased by or based upon the existence of any Loan or the Commitment, then the Borrower shall, upon demand by the Bank, pay to the Bank an additional amount sufficient to compensate the Bank or such corporation in the light of such circumstances, to the extent that the Bank reasonably determines such increase in capital to be allocable to the existence of such Loans or the Commitment. A certificate as to such amounts, submitted to the Borrower by the Bank, shall be conclusive and binding for all purposes, absent demonstrable error.

3. Prior to making any demand for compensation under this Section I, (i) the Bank will use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to file any certificate or document requested by the Borrower or to change the jurisdiction of its lending office if the making of such a filing or change would avoid the need for, or reduce the amount of, any such additional amounts that may thereafter accrue and would not, in the judgment of the Bank, be otherwise disadvantageous to the Bank, and

9

(ii) the Bank will permit the Borrower to prepay all or any part of the affected Loans, together with interest to the date of payment, provided that the Borrower shall not be obligated to compensate the Bank for increased costs or reduced return incurred prior to the Borrower receiving notice thereof.

J. Illegality. If, after the date of this Agreement, the adoption of any applicable law, rule or regulation, or any change in an existing law, rule or regulation, or any change in the interpretation or administration thereof by any Governmental Authority charged with the interpretation or administration thereof, or compliance by the Bank with any request or directive (whether or not having the force of law) of any such Governmental Authority, makes it unlawful or impossible for the Bank to make, maintain or fund any Loan at an interest rate based on Adjusted LIBOR, the Bank shall forthwith give notice thereof to the Borrower, whereupon the obligation of the Bank to make Loans at a rate based on Adjusted LIBOR shall be suspended until the Bank notifies the Borrower that the circumstances giving rise to such suspension no longer exist. The Bank will use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to file any certificate or document requested by the Borrower if the making of such a filing would avoid the need for, or reduce the amount of, any such additional amounts that may thereafter accrue and would not, in the judgment of the Bank, be otherwise disadvantageous to the Bank. If the Bank makes a reasoned determination that it may not lawfully continue to maintain and fund any Loan at a rate based on Adjusted LIBOR and so specifies in such notice, then effective on the date specified in such notice, each affected Loan shall bear interest at the Prime Rate.

K. Unavailability. If the Bank determines that for any reason adequate and reasonable means do not exist for ascertaining Adjusted LIBOR for any Interest Period, the Bank will forthwith give notice of such determination

to the Borrower. Commencing at the end of each Interest Period then in effect, the respective Loans shall bear interest at the Prime Rate (rather than at a rate based on Adjusted LIBOR) until the Bank revokes such notice in writing.

L. Funding Losses. The Borrower agrees to reimburse the Bank and to hold the Bank harmless from any loss or expense which the Bank may sustain or incur as a consequence of:

(a) the failure of the Borrower to make any payment or required prepayment of principal of any Loan with an Interest Period in excess of 30 days (including payments made after any acceleration thereof);

(b) the failure of the Borrower to make any prepayment permitted hereunder after giving notice thereof with respect to a Loan with an Interest Period in excess of thirty (30) days;

10

(c) the repayment of a Loan bearing interest at a rate based on Adjusted LIBOR on a day which is not the last day of an Interest Period in excess of thirty (30) days (whether at maturity, due to acceleration or otherwise); or

(d) the failure for any reason (other than a wrongful default by the Bank) of a Borrower to borrow any Loan with an Interest Period in excess of thirty (30) days after notice has been given to the Bank in accordance with Section II A. hereof (whether or not such notice is withdrawn);

including any such loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain the Loans hereunder at a rate based on Adjusted LIBOR for an Interest Period in excess of thirty (30) days or from fees payable to terminate the deposits from which such funds were obtained. Solely for purposes of calculating amounts payable by the Borrower to the Bank under this section, each Loan bearing interest at a rate based on Adjusted LIBOR for an Interest Period in excess of thirty (30) days (and each related reserve, special deposit or similar requirement) shall be conclusively deemed to have been funded by a matching deposit in dollars in the interbank eurodollar market for a comparable amount and for the respective Interest Period, whether or not such Loan was in fact so funded.

III. CONDITIONS PRECEDENT.

A. Conditions to Initial Loan. The obligation of the Bank to make the initial Loan is subject to the condition precedent that the Bank shall have received on or prior to the Closing Date the following, each duly executed and in form and substance satisfactory to the Bank and its counsel and, unless indicated otherwise, dated the Closing Date:

1. Agreement. This Agreement, duly executed by the Borrower and dated as of the Closing Date.

2. Note. The Note, duly executed by the Borrower and dated as of the Closing Date.

3. Pledge Agreement. The Pledge Agreement, duly executed by Saul P. Steinberg and dated as of the Closing Date.

4. Stock Certificates, Etc. (i) Original certificates representing the Reliance Collateral and the INI Collateral together with an undated stock power for each such certificate, duly executed in blank by the relevant Guarantor, with signature medallion guaranteed (or, if the Reliance Collateral or the INI Collateral is uncertificated, confirmation and evidence that appropriate book entries have been made in the relevant books and records of a

securities intermediary under applicable law) and (ii) a copy of any registration statement, registration rights agreement, shareholders' agreement or other agreement, instrument or document affecting the Reliance Collateral or the INI Collateral.

5. Fees Payable at Closing. The Borrower shall have paid to Paul, Weiss, Rifkind, Wharton & Garrison, counsel to the Bank, its reasonable fees, disbursements and other charges in connection with the preparation, negotiation, execution and delivery of the Loan Documents.

6. Opinion of Counsel. An opinion, dated the Closing Date, of counsel to the Borrower and the Guarantors, in the form of Exhibit D hereto.

7. Form FR U-1. A Federal Reserve Form FR U-1 the statements made in which shall be such, in the opinion of the Bank, to permit the transactions contemplated hereby to be performed in accordance with Regulation U of the Federal Reserve Board, dated the Closing Date and executed by the Borrower.

8. Partnership Agreement. A copy of the partnership agreement of the Borrower, certified as true and complete by the Borrower.

9. Guaranties. The Guaranties, duly executed by the Guarantors and dated as of the Closing Date.

10. Other Documents. All other promissory notes, loan agreements, security agreements, financing statements, assignments, guaranties, corporate resolutions and other documents and instruments that are, in the reasonable opinion of the Bank, necessary in connection with the Loans.

11. Other Information. Such other financial or other information as the Bank may reasonably require.

B. Conditions to All Loans. The obligation of the Bank to make any Loan is subject to the conditions precedent that:

1. The following statements shall be true, and the acceptance of the proceeds of such Loan by the Borrower shall be deemed to be a representation and warranty of the Borrower on the date of such Loan that, (i) the representations and warranties contained in Article IV of this Agreement and in each other Loan Document and certificate or other writing delivered by or on behalf of the Borrower or either Guarantor to the Bank pursuant hereto or thereto on or prior to the date of such Loan are true and correct in all material respects on and as of such date as though made on and as of such date; (ii) no Event of Default has occurred and is continuing or would result from the making of such Loan to be made on such date;

12

and (iii) no material adverse change in the financial condition, properties or prospects of the Borrower or either Guarantor shall have occurred and be continuing on the date of each request for a Loan; and

2. The Bank shall have received a Notice of Borrowing in accordance with Section II A. with respect to such Loan.

IV. REPRESENTATIONS AND WARRANTIES. The Borrower hereby represents and warrants to the Bank as follows:

A. Authority and Compliance. The Borrower is a limited partnership duly organized and validly existing under the laws of the State of Delaware. The sole general partner of the Borrower is Jonathan L. Steinberg. The Borrower has full power and authority to execute and deliver the Loan Documents to which it is a party and to incur and perform the obligations provided for herein and therein. No consent or approval of any Governmental Authority or other third party is or will be required as a condition to the enforceability of any Loan Document, and the Borrower is and will be in compliance in all material respects with all laws and regulatory requirements to which the Borrower is subject.

B. Binding Agreement. This Agreement and the other Loan Documents executed and delivered by the Borrower and to be executed and delivered by the Borrower to the Bank are or shall be (on the date of their execution and thereafter) duly executed and delivered by the Borrower and are and shall be (on the date of their execution and thereafter) enforceable against the Borrower in accordance with their terms except as

enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally or by general equitable principles (whether in a suit, at law or in equity).

C. Litigation. There is no litigation or proceeding involving the Borrower pending or, to the knowledge of the Borrower, threatened before any court, tribunal or Governmental Authority, which may in any way materially adversely affect the financial condition, operations or prospects of the Borrower, except as disclosed to the Bank in writing and acknowledged by the Bank prior to the date of this Agreement.

D. No Conflicting Laws or Agreements. There is no law, rule, regulation (including, without limitation, Regulations T, U or X of the Federal Reserve Board) or order pertaining to the Borrower and no provision of any agreement, mortgage or contract binding on the Borrower or affecting the Borrower's property, which would conflict with, be breached by, be in default or in any way prevent, the execution, delivery or carrying out of the terms of this Agreement and the other Loan Documents.

13

E. Ownership of Assets. The Borrower has good and marketable title to all its assets, free and clear of all liens and encumbrances, except liens granted to the Bank.

F. Taxes. All material taxes and assessments due and payable by the Borrower have been paid or are being contested in good faith by appropriate proceedings and the Borrower has filed all tax returns which it is required to file.

G. Financial Statements. The financial statements of the Borrower, dated March 12, 1998, which have been delivered to the Bank fairly present the Borrower's financial condition as of the date thereof. The Borrower has not failed to disclose to the Bank any information that could materially affect its properties, prospects or business or financial condition. There has occurred no material adverse change in the financial condition of the Borrower since the date of such financial statements.

H. Accuracy of Information. All information furnished by the Borrower to the Bank in connection with this Agreement and the other Loan Documents is and will be accurate and complete in all material respects on the date as of which such information is delivered to the Bank and is not and will not be incomplete by the omission of any material fact necessary to make such information not misleading.

I. Event of Default. No Event of Default has occurred and is continuing.

J. Use of Proceeds. The proceeds of the Loans will not be used in any manner that would violate any law, rule, regulation or order of any Governmental Authority, including without limitation, Regulations T, U and X of the Federal Reserve Board.

K. Continuation of Representations and Warranties. All representations and warranties made under this Agreement shall be deemed to be made at and as of the date hereof and at and as of the date of the making of any Loan.

V. AFFIRMATIVE COVENANTS. Until full payment and performance of all Obligations of the Borrower under the Loan Documents and the termination of the Commitment, the Borrower will (and without limiting any requirement contained in any other Loan Document):

A. Financial Statements and Other Information. Maintain a system of accounting reasonably satisfactory to the Bank and in accordance with GAAP consistently applied throughout the periods involved, permit the Bank's

officers or authorized representatives to visit and inspect the Borrower's books of account and other records upon reasonable notice and at such reasonable times during normal business hours and as often as the Bank may reasonably desire. Unless written notice of another location is given to the Bank, the Borrower's books and records will be located at the Borrower's Address. All financial statements called for below shall be prepared in form and content reasonably acceptable to the Bank. The Borrower will:

1. Annually, within ninety (90) days following the end of the Borrower's fiscal year, submit to the Bank financial statements for such fiscal year prepared in accordance with GAAP consistently applied, including a balance sheet, statement of cash flow, statement of contingent liabilities, partners' capital and financial notes as appropriate, certified by a firm of certified public accountants; and

2. Furnish to the Bank promptly such additional information, reports and statements respecting the financial condition of the Borrower, from time to time, as the Bank may reasonably request.

B. Adverse Conditions or Events. Promptly advise the Bank in writing of (i) any condition, event or act which comes to the attention of the Borrower that might materially adversely affect the Borrower's financial condition, prospects or operations or the Bank's rights under the Loan Documents, (ii) any litigation filed by or against the Borrower with respect to an amount in excess of \$100,000 and (iii) any event that has occurred that would constitute an Event of Default.

C. Taxes and Other Obligations. Pay all taxes, assessments and other obligations, including, but not limited to taxes, costs or other expenses arising out of the transactions contemplated by the Loan Documents, as the same become due and payable, except to the extent the same are being contested in good faith by appropriate proceedings in a diligent manner.

VI. NEGATIVE COVENANTS. Until full payment and performance of all Obligations of the Borrower under the Loan Documents and the termination of the Commitment, the Borrower will not (and without limiting any requirement contained in any other Loan Document):

A. Borrowings. Create, incur, assume or become liable in any manner for any Indebtedness in an amount exceeding \$500,000 at any time, other than Indebtedness to the Bank or Indebtedness outstanding on the Signing Date and disclosed in writing to the Bank prior to the Signing Date.

VII. REMEDIES UPON DEFAULT. If an Event of Default shall occur, the Bank may exercise all rights, powers and remedies available to it under each of the

15

Loan Documents, as well as all rights and remedies available at law or in equity.

VIII. NOTICES. All notices, requests or demands which any party is required or may desire to give to any other party under any provision of any Loan Document must be in writing delivered to the other party at the following address:

Borrower:
Borrower's Address
Attention: Jonathan Steinberg

with a copy to:

Graubard Mollen & Miller
600 Third Avenue
New York, New York 10016-2097
Attention: Peter M. Ziemba, Esq.
Fax No.: (212) 818-8881

and

Reliance Group Holdings, Inc.
Park Avenue Plaza
55 East 52nd Street
New York, New York 10055
Attention: Saul P. Steinberg

and
Attention: General Counsel
Fax No.: (212) 909-1864

Bank:
NationsBank, N.A.
Credit Services Center, 6th Floor
101 South Tryon Street
Charlotte, North Carolina 28255
Attention: Tom Fruge
Fax No.: (704) 388-0040

16

with a copy to:

NationsBank, N.A.
Private Client Group
767 Fifth Avenue, 6th Floor
New York, New York 10153
Attention: Mary A. Pan
Fax No.: (212) 407-5461

and

Paul, Weiss, Rifkind, Wharton & Garrison
1285 Avenue of the Americas
New York, New York 10019-6064
Attention: Neale M. Albert, Esq.
Fax No.: (212) 757-3990

or to such other address as any party may designate by written notice to the other party. Each such notice, request and demand shall be deemed given or made as follows:

A. If sent by mail, upon the earlier of (x) the date of receipt or (y) five (5) days after deposit in the mail, certified and postage prepaid.

B. If sent by any other means, upon delivery.

IX. COSTS, EXPENSES AND ATTORNEYS' FEES. The Borrower shall pay to the Bank, within 15 days of presentation by the Bank to the Borrower of an itemized statement, the full amount of (a) all reasonable costs and expenses, including, without limitation, reasonable attorneys' fees (to include outside counsel fees and all allocated costs of the Bank's in-house counsel if permitted by applicable law), incurred by the Bank in connection with negotiation and preparation of this Agreement and each of the Loan Documents and that may be necessary to obtain, create, preserve, perfect defend, enforce and foreclose upon the security interest of the Bank in the Collateral, whether or not any Loan actually closes, and (b) all other reasonable costs and attorneys' fees incurred by the Bank for which the Borrower is obligated to reimburse the Bank in accordance with the terms of the Loan Documents.

X. MISCELLANEOUS. The Borrower and the Bank further covenant and agree as follows, without limiting any requirement of any other Loan Document:

A. Cumulative Rights and No Waiver. Each and every right granted to the Bank under any Loan Document, or allowed it by law or equity shall

17

be cumulative of each other right and may be exercised in addition to any and all other rights of the Bank, and no delay in exercising any right shall operate as a waiver thereof, nor shall any single or partial exercise by the Bank of any right preclude any other future exercise thereof or the exercise of any other right. No notice to or demand on the Borrower in any case shall, of itself, entitle the Borrower to any other or future notice

or demand in similar or other circumstances.

B. Applicable Law. This Agreement and the rights and obligations of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of New York and applicable United States federal law.

C. Amendment. No modification, consent, amendment or waiver of any provision of this Agreement or the Note, nor consent to any departure by the Borrower therefrom, shall be effective unless (i) five (5) days prior notice thereof has been provided to Saul P. Steinberg and the General Counsel of Reliance Group Holdings, Inc. at the address of Reliance Group Holdings, Inc. specified in Article VIII and (ii) the same shall be in writing and signed by an officer that is at least a vice president of the Bank, and then shall be effective only in the specified instance and for the purpose for which given. This Agreement is binding upon the Borrower and the Bank, their respective successors and assigns, and inures to the benefit of the Bank, its successors and assigns; however, no assignment or other transfer (except, in the case of the Bank, any assignment or other transfer occurring by operation of law or upon any merger, consolidation or reorganization of the Bank) of either party's rights or obligations hereunder shall be made or be effective without the prior written consent of the other party, nor shall it relieve either party of any of their respective obligations hereunder. There is no third party beneficiary of this Loan Agreement.

D. Documents. All documents, certificates and other items required under this Agreement to be executed and/or delivered to the Bank shall be in form and content reasonably satisfactory to the Bank and its counsel.

E. Partial Invalidity. The unenforceability or invalidity of any provision of this Agreement shall not affect the enforceability or validity of any other provision herein and the invalidity or unenforceability of any provision of any Loan Document to any person or circumstance shall not affect the enforceability or validity of such provision as it may apply to other persons or circumstances.

F. Indemnification. The Borrower shall indemnify, defend and hold the Bank, its Affiliates and their respective successors and assigns harmless from and against any and all claims, demands, suits, losses, damages, assessments, fines, penalties, reasonable costs or other expenses (including reasonable attorneys' fees and court costs) arising from or in any way related to any of the transactions contemplated hereby and the Loan Documents, except for those arising from the Bank's gross negligence or

18

willful misconduct. The Borrower's obligations under this paragraph shall survive the repayment of the Loans and any foreclosure upon any Collateral under the Pledge Agreement.

G. Survivability. All covenants, agreements, representations and warranties made herein or in the other Loan Documents shall survive the making of the Loans and shall continue in full force and effect so long as any Obligation is outstanding.

XI. ARBITRATION. ANY CONTROVERSY OR CLAIM BETWEEN OR AMONG THE PARTIES HERETO ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY RELATED INSTRUMENTS, AGREEMENTS OR DOCUMENTS, INCLUDING ANY CLAIM BASED ON OR ARISING FROM AN ALLEGED TORT, SHALL BE DETERMINED BY BINDING ARBITRATION IN ACCORDANCE WITH THE FEDERAL ARBITRATION ACT (OR IF NOT APPLICABLE, THE APPLICABLE STATE LAW), THE RULES OF PRACTICE AND PROCEDURE FOR THE ARBITRATION OF COMMERCIAL DISPUTES OF J.A.M.S./ENDISPUTE OR ANY SUCCESSOR THEREOF ("J.A.M.S."), AND THE "SPECIAL RULES" SET FORTH BELOW. IN THE EVENT OF ANY INCONSISTENCY, THE SPECIAL RULES SHALL CONTROL. JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. ANY PARTY TO THIS AGREEMENT MAY BRING AN ACTION, INCLUDING A SUMMARY OR EXPEDITED PROCEEDING, TO COMPEL ARBITRATION OF ANY CONTROVERSY OR CLAIM TO WHICH THIS AGREEMENT APPLIES IN ANY COURT HAVING JURISDICTION OVER SUCH ACTION.

A. SPECIAL RULES. THE ARBITRATION SHALL BE CONDUCTED IN NEW YORK COUNTY AND ADMINISTERED BY J.A.M.S. WHO WILL APPOINT AN ARBITRATOR; IF J.A.M.S. IS UNABLE OR LEGALLY PRECLUDED FROM ADMINISTERING THE ARBITRATION, THEN THE AMERICAN ARBITRATION ASSOCIATION WILL SERVE. ALL ARBITRATION HEARINGS WILL BE COMMENCED WITHIN 90 DAYS OF THE DEMAND FOR ARBITRATION; FURTHER, THE ARBITRATOR SHALL ONLY, UPON A SHOWING OF CAUSE, BE PERMITTED TO EXTEND THE COMMENCEMENT OF SUCH HEARING FOR UP TO AN ADDITIONAL 60 DAYS.

B. RESERVATION OF RIGHTS. NOTHING IN THIS ARBITRATION PROVISION SHALL BE DEEMED TO (I) LIMIT THE APPLICABILITY OF ANY OTHERWISE APPLICABLE STATUTES OF LIMITATION OR REPOSE AND ANY WAIVERS CONTAINED IN THIS AGREEMENT; OR (II) BE A WAIVER BY THE BANK OF THE PROTECTION AFFORDED TO IT BY 12 U.S.C. ss. 91 OR ANY SUBSTANTIALLY EQUIVALENT STATE LAW; OR (III)

LIMIT THE RIGHT OF THE BANK (A) TO FORECLOSE AGAINST ANY REAL OR PERSONAL PROPERTY COLLATERAL, OR (B) TO OBTAIN FROM A COURT PROVISIONAL OR ANCILLARY REMEDIES SUCH AS (BUT NOT LIMITED TO) INJUNCTIVE RELIEF, WRIT OF POSSESSION OR THE APPOINTMENT OF A RECEIVER. THE BANK MAY EXERCISE FORECLOSURE UPON SUCH PROPERTY, OR OBTAIN SUCH PROVISIONAL OR ANCILLARY REMEDIES BEFORE, DURING OR AFTER THE PENDENCY OF ANY ARBITRATION PROCEEDING BROUGHT PURSUANT TO THIS AGREEMENT. THE INSTITUTION OR MAINTENANCE OF AN ACTION FOR FORECLOSURE OR PROVISIONAL OR ANCILLARY REMEDIES SHALL NOT CONSTITUTE A WAIVER OF THE RIGHT OF ANY PARTY, INCLUDING THE CLAIMANT IN ANY SUCH ACTION, TO ARBITRATE THE MERITS OF THE CONTROVERSY OR CLAIM OCCASIONING RESORT TO SUCH REMEDIES.

XII. NO ORAL AGREEMENT. THIS WRITTEN LOAN AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their duly authorized representatives as of the date first above written.

BORROWER:

WISE PARTNERS, L.P.

BANK:

NATIONSBANK, N.A.

By: _____
Name: Jonathan L. Steinberg
Title: General Partner

By: _____
Name: Mary A. Pan
Title: Senior Vice President

Promissory Note

Date: June 26, 1998 Amount: \$17,500,000.00

Between	and
=====	
Bank:	Borrower:
NationsBank, N.A.	Wise Partners, L.P.
101 South Tryon Street	c/o Jonathan L. Steinberg
Charlotte, North Carolina 28255	1633 Broadway, 38th Floor
	New York, New York 10019
=====	

FOR VALUE RECEIVED, the undersigned, Wise Partners, L.P., a Delaware limited partnership (the "Borrower"), unconditionally promises to pay to the order of Bank, its successors and assigns, without setoff, at its offices indicated at the beginning of this Note, or at such other place as may be designated in writing by Bank, the principal amount of Seventeen Million Five Hundred Thousand Dollars (\$17,500,000.00), or, if less, the aggregate principal amount of the outstanding Loans (as defined in the Loan Agreement hereinafter referred to) made by Bank to Borrower pursuant to the Loan Agreement, together with interest on the outstanding principal balance hereunder, at an annual interest rate, and in accordance with the payment schedule, indicated below. Capitalized terms used herein without definition are used herein as defined in the Loan Agreement, dated as of the date hereof (the "Loan Agreement"), between Bank and Borrower.

RATE

The rate at which interest shall accrue hereunder (the "Rate") shall be equal to the sum of (i) Adjusted LIBOR for the applicable Interest Period plus (ii) the Applicable Margin. Notwithstanding the foregoing, after the occurrence and during the continuance of an Event of Default, the principal of and interest on each Loan and any other amounts owing hereunder or under the other Loan Documents shall bear interest at a rate per annum equal to the Prime Rate plus 4% (the "Default Rate").

Notwithstanding any provision of this Note, Bank does not intend to charge and Borrower shall not be required to pay any amount of interest or other charges in excess of the maximum permitted by the applicable law of the State of New York; or, if any higher rate ceiling is lawful, such higher rate ceiling. Any payment in excess of such maximum shall be refunded to Borrower or credited against principal, at the option of Bank.

ACCRUAL METHOD

Unless otherwise indicated, interest at the Rate set forth above will be calculated based on a year of 360 days for the actual number of days for which any principal is outstanding hereunder.

PAYMENT SCHEDULE

All payments received hereunder shall be applied first to the payment of any expense or charges payable hereunder or under any other Loan Documents, then to interest due and payable, with the balance applied to principal, or in such other order as Bank shall determine at its option.

Subject to Section II.C. of the Loan Agreement in effect as of the Closing Date, interest accrued on all amounts outstanding hereunder shall be paid on the last Business Day of each Interest Period. All unpaid principal and all accrued and unpaid interest thereon shall be paid in full on the Termination Date.

Borrower represents to Bank that the proceeds of the Loans are to be used for business and commercial purposes and such other purposes as may be approved by Bank. Borrower acknowledges having read and understood, and agrees to be bound by, all terms and conditions of this Note, including the Additional Terms and Conditions set forth below.

FINAL AGREEMENT

THIS WRITTEN PROMISSORY NOTE AND THE LOAN DOCUMENTS CONSTITUTE THE ENTIRE AND FINAL AGREEMENT BETWEEN THE PARTIES, AND SUPERSEDE ALL PRIOR WRITTEN AGREEMENTS

AND ALL PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES REGARDING ALL ISSUES ADDRESSED IN THOSE LOAN DOCUMENTS.

Borrower:

WISE PARTNERS, L.P.

By: _____
Name: Jonathan L. Steinberg
Title: General Partner

3

ADDITIONAL TERMS AND CONDITIONS

1. Waivers, Consents and Covenants. Borrower and each Guarantor (individually an "Obligor" and collectively "Obligors") and each of them jointly and severally: (a) waive presentment, demand, protest, notice of demand, notice of intent to accelerate, notice of acceleration of maturity, notice of protest, notice of nonpayment, notice of dishonor, and any other notice (except to the extent provided in Section 4 or Section 5 hereof, Section 7.A. (ii) or Section 8.D. of the Pledge Agreement or Section 2(b), Section 12 or Section 13 of each Guaranty or any other notice required under any Loan Document which may not be waived under applicable law) required to be given under law to any Obligor in connection with the delivery, acceptance, performance, default or enforcement of this Note; (b) consent to all delays of this Note or the Loan Documents, or (subject to the provisions of Section X.C. of the Loan Agreement) extensions, renewals or waivers of any term hereof or of the Loan Documents, or release or discharge by Bank of any of the Obligors or release, substitution or exchange of any security for the payment hereof, or the failure to act on the part of Bank, or any indulgence shown by Bank from time to time and in one or more instances (without notice to or further assent from any of the Obligors) and agree that no such action, failure to act or failure to exercise any right or remedy by Bank shall in any way affect or impair the obligations of any Obligor or be construed as a waiver by Bank of, or otherwise affect, any of Bank's rights under this Note or under any of the Loan Documents; and (c) agree to pay, within 15 days of presentation by Bank to each Obligor of an itemized statement, all reasonable costs and expenses of collection of this Note or of any Loan Document and/or the enforcement of Bank's rights with respect to, or the administration, supervision, preservation, protection of, or realization upon, any Collateral securing payment hereof, including, without limitation, reasonable attorney's fees, including reasonable fees related to any suit, mediation or arbitration proceeding, out of court payment agreement, trial, appeal, bankruptcy proceeding or other proceeding.

2. Prepayments. Subject to the provisions of the Loan Agreement, prepayments of any amounts outstanding hereunder may be made, in whole or in part, at any time.

3. Delinquency Charges. To the extent permitted by applicable law, Bank may impose a delinquency charge on any payment hereunder that is past due for more than thirty (30) days in an amount not to exceed four percent (4%) of such past due payment.

4. Events of Default. The following events are events of default (each an "Event of Default"): (a) the failure of any Obligor to pay the principal amount hereof when such payment is due under this Note or the failure of any Obligor to perform any other payment obligation under this Note or any other Loan Document within five (5) days of the date the same is due; (b) the failure of any Obligor to observe or perform any covenant or agreement contained in any Loan Document on the date such observance or performance is required and, in the case of any such covenant or agreement, other than those specified in Section II.E. or Section VI.A. of the Loan Agreement, five days shall have elapsed following the Bank's notice to such Obligor of such failure; (c) the failure of the Borrower to pay or perform any other Indebtedness in an amount in excess of \$1,000,000 or the failure of Saul P. Steinberg to pay or perform any other Indebtedness in an amount in excess of \$5,000,000 and, at any time during the period when such failure of Saul P. Steinberg continues, the outstanding Loans equals or exceeds an amount equal to the Margin Maintenance Limit; (d) a period of thirty (30) days shall have elapsed following the death of any Obligor; (e) the commencement of a proceeding against the Borrower for dissolution or liquidation which is not dismissed within sixty (60) days, the voluntary or involuntary termination or dissolution of the Borrower or the merger or consolidation of the Borrower with or into another entity; (f) the insolvency of, the business failure of, the appointment of a custodian, trustee, liquidator or receiver for or for any of the property of, the Borrower, or the assignment for the benefit of creditors by, or the filing of a petition under bankruptcy, insolvency or debtor's relief

law or the filing of a petition for any adjustment of Indebtedness, composition or extension by or against any Obligor and the same is not dismissed within

sixty (60) days; (g) the determination by Bank that any representation or warranty made to Bank by any Obligor in this Note or any other Loan Document or otherwise is or was, when made, untrue in any material respect or materially misleading; (h) the entry of a final judgment against the Borrower with respect to an amount in excess of \$1,000,000 which is not fully satisfied or discharged within sixty (60) days, or the entry of a final judgment against Saul P. Steinberg with respect to an amount in excess of \$5,000,000 which is not fully satisfied or discharged within sixty (60) days and, at any time during the period when such judgment against Saul P. Steinberg remains not fully satisfied or discharged, the outstanding Loans equals or exceeds the Margin Maintenance Limit; or (i) the determination by Bank that a material adverse change has occurred in the financial condition of any Obligor.

5. Remedies upon Default. Upon the occurrence of an Event of Default, Bank may, by notice to Borrower, declare this Note, all interest thereon and all other amounts payable under this Note or any Loan Document to be forthwith due and payable, whereupon this Note, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by Borrower; and any obligation of Bank to permit further borrowings under this Note shall immediately cease and terminate. Notwithstanding the foregoing sentence, upon the occurrence of an Event of Default arising under Section 4(e) or Section 4(f) above as a result of the commencement of a proceeding under the United States Federal Bankruptcy Code with respect to any Obligor, this Note and all interest and all other amounts owing to Bank under the Loan Documents shall automatically become and be due and payable, without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by the Obligor. The provisions hereunder for a Default Rate shall not be deemed to extend the time for any payment hereunder or to constitute a "grace period" giving the Obligors a right to cure any default. At Bank's option, if permitted by applicable law, any accrued and unpaid interest, fees or charges may, for purposes of computing and accruing interest on a daily basis after the due date of this Note or any installment thereof, be deemed to be a part of the principal balance, and interest shall accrue on a daily compounded basis after such date at the rate provided in this Note until the entire outstanding balance of principal and interest is paid in full. Upon the occurrence and during the continuance of an Event of Default, Bank is hereby authorized, upon notice to Borrower and after demanding payment from Guarantors pursuant to the terms of the Guaranties, to charge any deposit accounts of any Obligor, as well as any money, instruments, securities, documents, chattel paper, credits, claims, demands, income and any other property, rights and interests of any Obligor which at any time shall come into the possession or custody or under the control of Bank or any of its agents, Affiliates or correspondents, to satisfy any and all obligations then due hereunder. Additionally, Bank shall have all rights and remedies available under each of the Loan Documents, as well as all rights and remedies available at law or in equity.

6. Non-waiver. Bank's failure, at any time, to exercise any of its options or any other rights hereunder shall not constitute a waiver thereof, nor shall it be a bar to the exercise of any of its options or rights at a later date. All rights and remedies of Bank shall be cumulative and may be pursued singly, successively or together, at the option of Bank. The acceptance by Bank of any partial payment shall not constitute a waiver of any default or of any of Bank's rights under this Note. No waiver of any of its rights hereunder, and no modification or amendment of this Note, shall be deemed to be made by Bank unless the same shall be in writing, duly signed on behalf of Bank; and each such waiver shall apply only with respect to the specific instance involved, and shall in no way impair the rights of Bank or the obligations of Obligor to Bank in any other respect at any other time.

7. Applicable Law, Venue and Jurisdiction. This Note and the rights and obligations of Borrower and Bank shall be governed by and interpreted in accordance with the laws of the State of New York. In any litigation in connection with or to enforce this Note or any endorsement of this Note or any Loan Document, Obligors, and each of them, irrevocably consent to and confer personal jurisdiction on the courts of the State of New York or the United States located within the State of New York and expressly waive any objections as to venue in any such courts.

8. Partial Invalidity. The unenforceability or invalidity of any provision of this Note shall not affect the enforceability or validity of any other provision herein and the invalidity or unenforceability of any provision of this Note or of the Loan Documents to any person or circumstance shall not affect the enforceability or validity of such provision as it may apply to other persons or circumstances.

9. ARBITRATION. ANY CONTROVERSY OR CLAIM BETWEEN OR AMONG THE PARTIES HERETO RELATING TO THIS INSTRUMENT, AGREEMENT, DOCUMENT OR ANY RELATED INSTRUMENTS, AGREEMENTS OR DOCUMENTS, INCLUDING ANY CLAIM BASED ON OR ARISING FROM AN ALLEGED TORT, SHALL BE DETERMINED BY BINDING ARBITRATION IN ACCORDANCE WITH THE FEDERAL ARBITRATION ACT (OR IF NOT APPLICABLE, THE APPLICABLE STATE LAW), THE RULES OF PRACTICE AND PROCEDURE FOR THE ARBITRATION OF COMMERCIAL DISPUTES OF J.A.M.S./ENDISPUTE OR ANY SUCCESSOR THEREOF ("J.A.M.S."), AND THE "SPECIAL RULES" SET FORTH BELOW. IN THE EVENT OF ANY INCONSISTENCY, THE SPECIAL RULES SHALL CONTROL. JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. ANY PARTY TO THIS INSTRUMENT, AGREEMENT OR DOCUMENT MAY BRING AN ACTION, INCLUDING A SUMMARY OR EXPEDITED PROCEEDING, TO COMPEL ARBITRATION OF ANY CONTROVERSY OR CLAIM TO WHICH THIS AGREEMENT APPLIES IN ANY COURT HAVING JURISDICTION OVER SUCH ACTION.

A. SPECIAL RULES. THE ARBITRATION SHALL BE CONDUCTED IN NEW YORK COUNTY AND ADMINISTERED BY J.A.M.S. WHO WILL APPOINT AN ARBITRATOR; IF J.A.M.S. IS UNABLE OR LEGALLY PRECLUDED FROM ADMINISTERING THE ARBITRATION, THEN THE AMERICAN ARBITRATION ASSOCIATION WILL SERVE. ALL ARBITRATION HEARINGS WILL BE COMMENCED WITHIN 90 DAYS OF THE DEMAND FOR ARBITRATION; FURTHER, THE ARBITRATOR SHALL ONLY, UPON A SHOWING OF CAUSE, BE PERMITTED TO EXTEND THE COMMENCEMENT OF SUCH HEARING FOR UP TO AN ADDITIONAL 60 DAYS.

B. RESERVATION OF RIGHTS. NOTHING IN THIS ARBITRATION PROVISION SHALL BE DEEMED TO (I) LIMIT THE APPLICABILITY OF ANY OTHERWISE APPLICABLE STATUTES OF LIMITATION OR REPOSE AND ANY WAIVERS CONTAINED IN THIS INSTRUMENT, AGREEMENT OR DOCUMENT; OR (II) BE A WAIVER BY THE BANK OF THE PROTECTION AFFORDED TO IT BY 12 U.S.C. ss. 91 OR ANY SUBSTANTIALLY EQUIVALENT STATE LAW; OR (III) LIMIT THE RIGHT OF THE BANK HERETO (A) TO FORECLOSE AGAINST ANY REAL OR PERSONAL PROPERTY COLLATERAL, OR (B) TO OBTAIN FROM A COURT PROVISIONAL OR ANCILLARY REMEDIES SUCH AS (BUT NOT LIMITED TO) INJUNCTIVE RELIEF, WRIT OF POSSESSION OR THE APPOINTMENT OF A RECEIVER. THE BANK MAY EXERCISE FORECLOSURE UPON SUCH PROPERTY, OR OBTAIN SUCH PROVISIONAL OR ANCILLARY REMEDIES BEFORE, DURING OR AFTER THE PENDENCY OF ANY ARBITRATION PROCEEDING BROUGHT PURSUANT TO THIS INSTRUMENT, AGREEMENT OR DOCUMENT. THE INSTITUTION OR MAINTENANCE OF AN ACTION FOR FORECLOSURE OR PROVISIONAL OR ANCILLARY REMEDIES SHALL NOT CONSTITUTE A WAIVER OF THE RIGHT OF ANY PARTY, INCLUDING THE CLAIMANT IN ANY SUCH ACTION, TO ARBITRATE THE MERITS OF THE CONTROVERSY OR CLAIM OCCASIONING RESORT TO SUCH REMEDIES.

10. Binding Effect. This Note shall be binding upon the Bank, the Borrower and Obligors and their respective heirs, representatives, estates, successors and

assigns and shall inure to the benefit of Bank and its successors and assigns, provided, however, that no obligations of Borrower or any Obligor hereunder can be assigned without prior written consent of Bank and no rights or obligations of Bank hereunder can be assigned (except by operation of law or upon any merger, consolidation or reorganization of the Bank) without prior written consent of Obligors.

11. Controlling Document. To the extent that this Note conflicts with or is in any way incompatible with the provisions of any other Loan Document, this Note shall control over such other document unless this Note does not address an issue, in which case the terms of any Loan Document addressing such issue shall govern.

SCHEDULE OF LOANS AND PAYMENTS

This Note evidences the Loans made under the within-described Loan Agreement to the Borrower, on the date and in the principal amount set forth below, subject to the payments and prepayments of principal set forth below:

Date Made	Amount of Loan	Principal Interest Rate	Amount Paid or Prepaid	Unpaid Principal Amount	Notation Made by

June 26, 1998

Pledge Agreement

Between	and
=====	=====
BANK/SECURED PARTY:	PLEDGOR/DEBTOR:
NationsBank, N.A.	Saul P. Steinberg
101 South Tryon Street	Park Avenue Plaza
NationsBank Plaza	55 East 52nd Street
Charlotte, North Carolina 28255	New York, New York 10055
=====	=====

I. Security Interest. For good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Pledgor hereby assigns and grants to the Bank a security interest and lien in the Collateral (as hereinafter defined) to secure the payment and the performance of the Obligations (as hereinafter defined).

II. Collateral. The pledge and security interest described above are granted in respect of the following collateral (the "Collateral"):

A. Description of Collateral. All of Pledgor's right, title and interest in and to (i) 1,650,000 shares of common stock, par value \$0.01 per share, of Reliance Group Holdings, Inc., a Delaware corporation ("Reliance"), and (ii) 500,000 shares of common stock, par value \$0.10 per share, of Individual Investor Group, Inc., a Delaware corporation ("INI") (all of the foregoing shares, and all shares referred to in Section 2.B., are referred to collectively herein as the "Assets"), including, without limitation, all other property from time to time received, receivable or otherwise distributed in exchange for any or all of the Pledgor's interest in any Asset.

B. Proceeds. All substitutes and replacements for and proceeds of the Assets. Any securities received by Pledgor which shall constitute substitutes and replacements for, or proceeds of, the Assets, shall, if delivered to Pledgor, be held in trust by Pledgor for the Bank and shall be delivered promptly to the Bank.

III. Obligations.

A. Description of Obligations. The following obligations (collectively, the "Obligations") are secured by this Agreement:

(i) All obligations of the Borrower to pay, as and when due and payable (by mandatory prepayment, by scheduled maturity or upon the occurrence of any Event of Default), all amounts from time to time owing by the Borrower pursuant to the Loan Agreement, dated as of the date hereof (the "Loan Agreement"), between the Borrower and the Bank (as such Loan Agreement is in effect on the Closing Date or as modified or amended with the consent of Pledgor) or any other Loan Document as in effect on the

Closing Date (as modified or amended with the consent of the Pledgor) whether for principal, interest, fees or otherwise and any and all renewals and extensions thereof effected in accordance with the terms of the Loan Documents; and

(ii) All reasonable costs and expenses incurred by the Bank, including, without limitation, reasonable attorney's fees, to obtain, preserve, perfect and enforce this Agreement and maintain, preserve, collect and realize upon the Collateral.

In the event that any amount paid to the Bank with respect to any Obligation is subsequently recovered from the Bank in or as a result of any bankruptcy, insolvency or fraudulent conveyance proceeding involving an obligor of any Obligation, other than Pledgor, Pledgor shall be liable to the Bank for the amounts so recovered, regardless of whether the Collateral has been released or the security interest therein terminated.

IV. Pledgor's Warranties. Pledgor hereby represents and warrants to the Bank as follows (for purposes of the representations and warranties contained in Sections 4.B(ii) and 4.D, it is assumed that the obligations of the Borrower and Pledgor to Republic National Bank of New York in connection with a credit facility of the Borrower is being satisfied in full on the Closing Date):

A. Ownership. Pledgor is the sole record and beneficial owner of the Collateral, free and clear of any setoff, claim, restriction, pledge, lien, security interest, encumbrance or other charge of any type, except for the security interest created hereunder.

B. No Conflict. Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, nor the fulfillment of, nor the compliance with, the terms, conditions or provisions hereof, will conflict with, result in a breach of, or constitute a default under (i) any relevant statute, law, ordinance, rule or regulation applicable to Pledgor or the Collateral or (ii) any indenture, agreement or other instrument, or any judgment, order or decree, to which Pledgor is a party or by which any of his assets including, without limitation, the Collateral, may be bound, which conflict, breach or default would have a material and adverse effect on Pledgor's ability to perform its obligations under the Loan Documents or the rights and remedies of the Bank under the Loan Documents. There is no litigation, claim or judicial, administrative or governmental proceeding of which Pledgor has been notified or, to the knowledge of Pledgor, threatened with respect to the Collateral, nor is there any basis for any such litigation, claim or proceeding.

C. Security Interest. The pledge of the Collateral pursuant to this Agreement, together with the delivery to the Bank of certificates with respect to certificated Assets and stock powers in blank with respect to the Assets, creates a valid and perfected first priority security interest in the Collateral, securing the payment of the Obligations.

3

D. Financing Statements. No financing statement or similar instrument covering the Collateral is on file in any public office, and no security interest, other than the one herein created, has attached or been perfected in the Collateral or any part thereof.

E. The Issuers. Pledgor has no knowledge of any insolvency or bankruptcy proceeding of any type instituted by or with respect to Reliance or INI.

V. Pledgor's Covenants. Until full payment and performance of all of the Obligations and termination of the Commitment, unless the Bank otherwise consents in writing:

A. Rights to Collateral. Pledgor shall defend the Collateral against all claims and demands of all persons at any time claiming any interest therein adverse to the Bank. Pledgor shall keep the Collateral free from all claims, restrictions, encumbrances, security interests, pledges, liens, demands or charges of any type, except the security interest hereby created. Pledgor shall not lease, lend, assign, or otherwise hypothecate, pledge or encumber the Collateral or any interest therein.

B. Sale of Shares. In the event Reliance or INI defaults in its reporting obligations under paragraph (c) of Rule 144 promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended ("Rule 144"), Bank may require Pledgor to substitute new collateral satisfactory to the Bank for the Assets so affected. Pledgor shall not sell, assign or otherwise dispose of or transfer the Collateral or any part thereof, without the prior written consent of the Bank. Pledgor will cooperate fully with the Bank with respect to any sale by the Bank of any of the Collateral after the occurrence and during the continuance of an Event of Default.

C. Bank's Costs. Whether the Collateral is or is not in the Bank's possession, and without any obligation to do so and without waiving Borrower's default for failure to make any payment, the Bank at its option may pay any reasonable costs and expenses of obtaining, creating, preserving, perfecting, defending and enforcing the security interest created by this Agreement and discharging encumbrances on the Collateral, and such payments shall be a part of the Obligations and bear interest at the rate set out in the documents evidencing the Obligations.

D. Information and Inspection. Pledgor shall (i) promptly furnish to the Bank information with respect to the Collateral reasonably requested by the Bank; (ii) allow the Bank or its representatives to inspect and copy, or furnish to the Bank or its representatives with copies of, all records relating to the Collateral and the Obligations that are within Pledgor's possession or personal control (control shall not include control Pledgor may have as a result of being an officer or director of any issuer of securities comprising the Collateral); and (iii) promptly furnish the Bank or its representatives with other

information reasonably requested by the Bank with respect to the Collateral.

4

E. Additional Documents. Pledgor shall sign and deliver any instruments furnished by the Bank, including, without limitation, financing statements and continuation statements, which are necessary or reasonably desirable in the judgment of the Bank to obtain, create, maintain and perfect the security interest hereunder and to enable the Bank to comply with any federal or state law in order to obtain, create or perfect the Bank's interest in the Collateral or to obtain proceeds of the Collateral.

F. Notice of Changes. Pledgor shall notify the Bank immediately of (i) a change in Pledgor's residence and (ii) a material change in any matter warranted or represented by Pledgor in this Agreement.

G. Possession of Collateral. Pledgor shall deliver or cause to be delivered to the Bank certificates or other evidence of the Assets within ten days following the execution and delivery hereof.

H. Power of Attorney. Upon the occurrence and during the continuation of an Event of Default, Pledgor appoints the Bank and any officer thereof as Pledgor's attorney-in-fact with full power in Pledgor's name and on Pledgor's behalf to do every act which Pledgor is obligated to do or may be required to do hereunder; however, nothing in this paragraph shall be construed to obligate the Bank to take any action hereunder nor shall the Bank be liable to Pledgor for failure to take any action hereunder. This appointment shall be deemed a power coupled with an interest and shall not be terminable as long as the Obligations are outstanding and shall not terminate on the incompetence or disability of Pledgor. Without limiting the generality of the foregoing, upon the occurrence and during the continuation of an Event of Default, the Bank shall have the right and power to receive, endorse and collect all checks and other orders for the payment of money made payable to Pledgor representing any dividend, interest payment or other distribution payable in respect of the Collateral or any part thereof.

I. Other Parties and Other Collateral. No renewal or extensions of or any other indulgence with respect to the Obligations or any part thereof, no modification of any Loan Documents, no release of any security, no release of any person (including any maker, indorser, guarantor or surety) liable on the Obligations, no delay in enforcement of payment, and no delay or omission or lack of diligence or care in exercising any right or power with respect to the Obligations or any security therefor or guaranty thereof or under this Agreement shall in any manner impair or affect the rights of the Bank under any law, hereunder, or under any other Loan Document. The Bank shall not be required to file suit or assert a claim for personal judgment against any person for any part of the Obligations or seek to realize upon any other security for the Obligations, before foreclosing or otherwise realizing upon the Collateral.

5

J. Waivers by Pledgor. Pledgor hereby waives (i) notice of the creation and existence of, the Obligations; (ii) subject to the provisions of Section 8.D. of this Agreement, notice of the extension or renewal of, and of any indulgence with respect to, the Obligations; and (iii) subject to the provisions of Section 2(b) of the Guaranty of Pledgor, presentment, demand, notice of dishonor, and protest. Subject to the provisions of Section 2(b) of the Guaranty of Pledgor, Pledgor waives any right to require that any action be brought against any other person or to require that resort be had to any other security or to any balance of any deposit account. Pledgor further waives any right of subrogation or to enforce any right of action against any other obligor on any Obligation or other pledgor to the Bank of collateral for the Obligations until the Obligations are paid in full.

VI. Rights and Powers of the Bank. Upon the occurrence and during the continuance of any Event of Default, the Bank shall have the power to receive dividends, interest, premium and other payments with respect to the Assets and to vote the Collateral or dispose of the Collateral in accordance with the terms of the Loan Documents. Before or after an Event of Default, the Bank, without liability to Pledgor, may: (a) release any Collateral in its possession to Pledgor, temporarily or otherwise; (b) require additional collateral in

accordance with the terms of the Loan Documents; (c) reject as unsatisfactory any property hereafter offered by Pledgor as additional collateral; and (d) exercise all other rights which an owner of such Collateral may exercise, except the right to receive dividends and other payments with respect to the Assets or to vote or dispose of the Assets before an Event of Default shall have occurred. The Bank shall not be liable for failure to collect any account or instruments, or for any act or omission on the part of the Bank, its officers, agents or employees, except for its or their own willful misconduct or gross negligence. The foregoing rights and powers of the Bank will be in addition to, and not a limitation upon, any rights and powers of the Bank given by law, elsewhere in this Agreement, or otherwise.

VII. Default.

A. Event of Default; Rights and Remedies. If any Event of Default shall occur, then, in each and every such case, the Bank may, without (except for any notice required under Section X.C. of the Loan Agreement, Section 7.A.(ii) or Section 8.D. of this Agreement, Section 2(b), Section 12 or Section 13 of the Guaranty of Pledgor or any other notice required under this Agreement or any other Loan Document which may not be waived under any applicable law) (a) presentment, demand, or protest, (b) notice of default, dishonor, demand, non-payment, or protest, (c) notice of intent to accelerate all or any part of the Obligations, (d) notice of acceleration of all or any part of the Obligations, or (e) notice of any other kind, all of which Pledgor hereby expressly waives, at any time thereafter exercise and/or enforce any of the following rights and remedies, at the Bank's option:

(i) Direct Delivery of Dividends and Other Distributions. All dividends, interest, premium and other payments with respect to the Assets of whatever kind or nature thereafter paid with respect to the Assets shall be paid directly to the Bank, and Pledgor shall execute and deliver to the Bank any and all documents necessary to effectuate the foregoing.

(ii) Liquidation of Collateral. Upon five (5) days prior notice to Pledgor, sell, or instruct any agent to sell, all or any part of the Collateral, and direct such agent to deliver all proceeds thereof to the Bank, and apply all proceeds to the payment of any or all of the Obligations in such order and manner as the Bank shall, in its discretion, choose.

(iii) Acceleration. Declare the Obligations immediately due and payable and terminate the Commitment.

(iv) Uniform Commercial Code. Exercise all of the rights, powers and remedies specified in the Loan Documents or of a secured creditor under the Uniform Commercial Code then in effect in New York State ("UCC").

Pledgor specifically understands and agrees that any sale or redemption by the Bank of all or part of the Collateral pursuant to the terms of this Agreement may be effected by the Bank at times and in manners which could result in the proceeds of such sale or redemption being significantly and materially less than might have been received if such sale or redemption had occurred at different times or in different manners, and Pledgor hereby releases the Bank and its officers and representatives from and against any and all obligations and liabilities arising out of or related to the timing or manner of any such sale or redemption. Bank agrees that any sale of Collateral shall be made in a commercially reasonable manner and Pledgor acknowledges and agrees that the sale of the Collateral through any nationally recognized broker-dealer, investment banker or any other method common in the securities industry shall be deemed a commercially reasonable sale.

VIII. General.

A. Parties Bound. The Bank's rights and obligations hereunder shall (i) not be assigned (except by operation of law or upon any merger, consolidation or reorganization of the Bank) without the consent of Pledgor and (ii) inure to the benefit of the Bank and its successors and permitted assigns. All representations, warranties and agreements of Pledgor shall be binding upon the successors and permitted assigns of Pledgor.

B. Waiver. No delay of the Bank in exercising any power or right shall operate as a waiver thereof; nor shall any single or partial exercise of any power or right preclude other or further exercise thereof or the exercise of any other power or right. No waiver by the Bank of any right hereunder or of any default by Pledgor shall be binding upon the Bank unless in writing, and no failure by the Bank to exercise any power or right hereunder or waiver of any default by Pledgor shall operate as a waiver of any other or further exercise of

such right or power or of any further default. Each right, power and remedy of

7

the Bank as provided for herein or in any of the Loan Documents, or which shall now or hereafter exist at law or in equity or by statute or otherwise, shall be cumulative and concurrent and shall be in addition to every other such right, power or remedy. The exercise or beginning of the exercise by the Bank of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by the Bank of any or all other such rights, powers or remedies.

C. Pledge Agreement Continuing. This Agreement shall constitute a continuing agreement, applying to all Loans made at any time pursuant to the Loan Documents and all Obligations now existing or hereafter created pursuant to the terms of the Loan Documents. Provisions in this Agreement, unless by their terms exclusive, shall be in addition to other agreements between the parties.

D. Notice. Notice shall be delivered personally or sent certified mail postage prepaid to the address of Pledgor given above, or to such other address as any party may designate by written notice to the other party. Each notice, request and demand shall be deemed given or made, if sent by mail, upon the earlier of the date of receipt or five (5) days after deposit in the mail, certified and postage prepaid, or if delivered personally, upon delivery. Notices with respect to extensions or renewals of, and of any indulgence with respect to, the Obligations shall be effective two Business Days after notice of such has been given or made to Pledgor in accordance with this Section.

E. Modifications. No provision hereof shall be modified or limited except by a written agreement expressly referring hereto and to the provisions so modified or limited, which shall be signed by Pledgor and the Bank. The provisions of this Agreement shall not be modified or limited by course of conduct or usage of trade.

F. Partial Invalidity. The unenforceability or invalidity of any provision of this Agreement shall not affect the enforceability or validity of any other provision herein, and the invalidity or unenforceability of any provision of any Loan Document to any person or circumstance shall not affect the enforceability or validity of such provision as it may apply to other persons or circumstances.

G. Applicable Law and Venue. This Agreement has been executed and delivered in the State of New York and shall be governed by the laws of that State. Wherever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Agreement.

H. [Intentionally omitted]

8

I. ARBITRATION. ANY CONTROVERSY OR CLAIM BETWEEN OR AMONG THE PARTIES HERETO ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY RELATED INSTRUMENTS, AGREEMENTS OR DOCUMENTS, INCLUDING ANY CLAIM BASED ON OR ARISING FROM AN ALLEGED TORT, SHALL BE DETERMINED BY BINDING ARBITRATION IN ACCORDANCE WITH THE FEDERAL ARBITRATION ACT (OR IF NOT APPLICABLE, THE APPLICABLE STATE LAW), THE RULES OF PRACTICE AND PROCEDURE FOR THE ARBITRATION OF COMMERCIAL DISPUTES OF J.A.M.S./ENDISPUTE OR ANY SUCCESSOR THEREOF ("J.A.M.S."), AND THE "SPECIAL RULES" SET FORTH BELOW. IN THE EVENT OF ANY INCONSISTENCY, THE SPECIAL RULES SHALL CONTROL. JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. ANY PARTY TO THIS AGREEMENT MAY BRING AN ACTION, INCLUDING A SUMMARY OR EXPEDITED PROCEEDING, TO COMPEL ARBITRATION OF ANY CONTROVERSY OR CLAIM TO WHICH THIS AGREEMENT APPLIES IN ANY COURT HAVING JURISDICTION OVER SUCH ACTION.

(i) SPECIAL RULES. THE ARBITRATION SHALL BE CONDUCTED IN NEW YORK COUNTY AND ADMINISTERED BY J.A.M.S. WHO WILL APPOINT AN ARBITRATOR; IF J.A.M.S. IS UNABLE OR LEGALLY PRECLUDED FROM ADMINISTERING THE ARBITRATION, THEN THE AMERICAN ARBITRATION ASSOCIATION WILL SERVE. ALL ARBITRATION HEARINGS WILL BE COMMENCED WITHIN 90 DAYS OF THE DEMAND FOR ARBITRATION; FURTHER, THE ARBITRATOR SHALL ONLY, UPON A SHOWING OF CAUSE, BE PERMITTED TO EXTEND THE COMMENCEMENT OF SUCH HEARING FOR UP TO AN ADDITIONAL 60 DAYS.

(ii) RESERVATION OF RIGHTS. NOTHING IN THIS ARBITRATION PROVISION SHALL BE DEEMED TO (I) LIMIT THE APPLICABILITY OF ANY OTHERWISE APPLICABLE STATUTES OF LIMITATION OR REPOSE AND ANY WAIVERS CONTAINED IN THIS INSTRUMENT, AGREEMENT, OR DOCUMENT; OR (II) BE A WAIVER BY THE BANK OF THE PROTECTION AFFORDED TO IT BY 12 U.S.C. ss. 91 OR ANY SUBSTANTIALLY EQUIVALENT STATE LAW; OR (III) LIMIT THE RIGHT OF THE BANK HERETO (A) TO FORECLOSE AGAINST ANY REAL OR PERSONAL PROPERTY COLLATERAL, OR (B) TO

9

OBTAIN FROM A COURT PROVISIONAL OR ANCILLARY REMEDIES SUCH AS (BUT NOT LIMITED TO) INJUNCTIVE RELIEF, WRIT OF POSSESSION OR THE APPOINTMENT OF A RECEIVER. THE BANK MAY EXERCISE FORECLOSE UPON SUCH PROPERTY, OR OBTAIN SUCH PROVISIONAL OR ANCILLARY REMEDIES BEFORE, DURING OR AFTER THE PENDENCY OF ANY ARBITRATION PROCEEDING BROUGHT PURSUANT TO THIS AGREEMENT. THE INSTITUTION OR MAINTENANCE OF AN ACTION FOR FORECLOSURE OR PROVISIONAL OR ANCILLARY REMEDIES SHALL NOT CONSTITUTE A WAIVER OF THE RIGHT OF ANY PARTY, INCLUDING THE CLAIMANT IN ANY SUCH ACTION, TO ARBITRATE THE MERITS OF THE CONTROVERSY OR CLAIM OCCASIONING RESORT TO SUCH REMEDIES.

J. Controlling Document. To the extent that this Agreement conflicts with or is in any way incompatible with any provision of any other Loan Document, any promissory note shall control over any other document, and issues not addressed in such promissory note shall be governed by the terms of the Loan Document that most specifically covers such issues. Capitalized terms used herein without definition have the meaning ascribed to those terms in the Loan Agreement.

K. NOTICE OF FINAL AGREEMENT. This written Agreement and any other related Loan Documents constitute the final agreement between the parties, and supersede all prior written agreements and all prior, contemporaneous or subsequent oral agreements of the parties regarding all issues addressed in the Loan Documents.

IN WITNESS WHEREOF, the parties hereto have caused this Pledge Agreement to be duly executed by their duly authorized representatives as of the date first above written.

BANK/SECURED PARTY:

PLEDGOR/DEBTOR:

NATIONSBANK, N.A.

By: _____
Mary A. Pan
Senior Vice President

Name: Saul P. Steinberg

Date: June 26, 1998

Guaranty

Between	and
=====	=====
BANK:	GUARANTOR:
NationsBank, N.A.	Jonathan L. Steinberg
101 South Tryon Street	1633 Broadway, 38th Floor
Charlotte, North Carolina 28255	New York, New York 10019
=====	=====

"BORROWER": Wise Partners, L.P., a Delaware limited partnership

I. Guaranty. FOR VALUE RECEIVED, and to induce NationsBank, N.A., a national banking association (the "Bank"), to make the loans or advances contemplated by the Loan Agreement (as hereinafter defined), the undersigned, Jonathan L. Steinberg ("Guarantor"), hereby irrevocably and unconditionally guarantees to the Bank the full and prompt payment when due, whether by acceleration or otherwise, of any and all the obligations of the Borrower to pay, as and when due and payable (by mandatory prepayment, by scheduled maturity or upon the occurrence of any Event of Default), all amounts from time to time owing by the Borrower pursuant to any Loan Documents as in effect on the Closing Date (or modified or amended with the consent of the Guarantor), whether for principal, interest, fees or otherwise (collectively, the "Obligations"). This Guaranty is intended to provide a continuing guarantee of the payment of the Obligations without limitation as to amounts guaranteed hereunder. Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Loan Agreement, dated as of the date hereof (the "Loan Agreement"), between the Borrower and the Bank.

II. Nature of Obligations. (a) The undertakings of Guarantor hereunder are independent of the Obligations and, subject to the provisions of Section 2(b), a separate action or actions for payment, damages or performance may be brought or prosecuted against Guarantor, regardless of whether (i) an action is brought against Borrower or Saul P. Steinberg or to realize upon any security for the Obligations or, (ii) Borrower is joined in any such action or actions. The obligations of Guarantor hereunder are joint and several with the obligations of Saul P. Steinberg under the Guaranty, dated the date hereof, of Saul P. Steinberg to the Bank. Guarantor shall not be entitled to assert as a defense to the enforceability of this Guaranty any defense of Borrower with respect to any Obligations.

(b) Notwithstanding anything to the contrary contained herein or in any other Loan Document, it is understood and agreed that the Bank shall make demand for payment of any Obligation that is due and payable pursuant to the terms of the Loan Documents (whether on the due date thereof, at maturity or upon acceleration) first on the Borrower (with a copy of such notice of demand provided to Guarantor) and shall not make demand on Guarantor for payment of any such Obligation until five days have elapsed since the date of such demand by the Bank on the Borrower.

III. Paragraph Headings, Governing Law and Binding Effect. The paragraph headings in this Guaranty are for convenience only and that they will not limit any of the provisions of this Guaranty. This Guaranty shall be governed by and construed in accordance with the laws of the State of New York and applicable United States federal law. This Guaranty shall be deemed to have been made in the State of New York at the Bank's New York address indicated in Section VIII of the Loan Agreement, and may be enforced in the courts of the State of New York, or the United States courts located within the State of New York, and is performable in the State of New York. This Guaranty is binding upon Guarantor and his heirs, representatives, estate, successors and assigns, and the Bank and its successors and assigns, and shall inure to the benefit of the Bank, its successors, endorsees or assigns.

IV. Waiver by Guarantor. Guarantor waives notice of acceptance of this

Guaranty, notice of any Obligations, presentment, demand for payment, protest, notice of dishonor or nonpayment of any Obligations, notice of intent to accelerate, notice of acceleration, and notice of any suit or the taking of other action by the Bank against Borrower, Guarantor or any other person, any applicable statute of limitations and any other notice to any party liable on any Loan Document (including Guarantor), except as is specifically provided in Section 12 and Section 13 hereof.

Subject to the provisions of Section 2(b) hereof, Guarantor also waives the benefits of any provision of law requiring that the Bank exhaust any right or remedy, or take any action, against the Borrower, any other guarantor or any other person or property prior to or simultaneously with proceeding against Guarantor hereunder.

The Bank may at any time and from time to time (whether before or after revocation or termination of this Guaranty) without notice to Guarantor (except as required by Section 1, Section 2(b), Section 12 or Section 13 hereof or any other notice required under any Loan Document which may not be waived under applicable law), without incurring responsibility to Guarantor, without impairing, releasing or otherwise affecting the obligations of Guarantor, in whole or in part, and without the endorsement or execution by Guarantor of any additional consent, waiver or guaranty: (a) change the manner, place or terms of payment, or change or extend the time of or renew, or change any interest rate

3

or alter any Obligation or installment thereof, or any security therefor; (b) sell, exchange, release, surrender, realize upon or otherwise deal with in any manner and in any order any Collateral and offset against any Collateral or other property as provided in the Loan Documents; (c) exercise or refrain from exercising any rights against Borrower or others or act or refrain from acting in any other manner; (d) settle or compromise any Obligation or any security therefor and subordinate the payment of all or any part thereof to the payment of any Obligation of any other parties primarily or secondarily liable on any of the Obligations; (e) release or compromise any liability of Guarantor hereunder or any liability or obligation of any other parties primarily or secondarily liable on any of the Obligations; or (f) apply any sums from any sources to any Obligation without regard to any Obligations remaining unpaid.

V. Subordination. Guarantor agrees that it will not demand, take or receive from Borrower, by set-off or in any other manner, payment of any debt, now and at any time or times hereafter owing by Borrower to Guarantor unless and until all the Obligations shall have been fully paid and the Obligations fully performed, and any security interest, liens or encumbrances which Guarantor now has and from time to time hereafter may have upon any of the assets of Borrower shall be made subordinate, junior and inferior and postponed in priority, operation and effect to any security interest of the Bank in such assets.

VI. Waivers by the Bank. No delay on the part of the Bank in exercising any of its options, powers or rights, and no partial or single exercise thereof, shall constitute a waiver thereof. No waiver of any of its rights hereunder, and no modification or amendment of this Guaranty, shall be deemed to be made by the Bank unless the same shall be in writing, duly signed on behalf of the Bank; and each such waiver, if any, shall apply only with respect to the specific instance involved, and shall in no way impair the rights of the Bank or the obligations of Guarantor to the Bank in any other respect at any other time.

VII. Partial Invalidity and/or Enforceability of Guaranty. The unenforceability or invalidity of any provision of this Guaranty shall not affect the enforceability or validity of any other provision herein and the invalidity or unenforceability of any provision of any Loan Document as it may apply to any person or circumstance shall not affect the enforceability or validity of such provision as it may apply to other persons or circumstances.

In the event the Bank is required to relinquish or return any payments, any Collateral or the proceeds thereof, in whole or in part, which had been previously applied to or retained for application against any Obligation, by reason of a proceeding arising under any applicable bankruptcy or insolvency law, or for any other reason, this Guaranty shall automatically continue to be effective notwithstanding any previous cancellation or release effected by the Bank.

4

VIII. Change of Status. Guarantor hereby agrees that this Guaranty shall remain the binding, legal and enforceable obligation of Guarantor, irrespective of any change in name by Guarantor or Borrower or change in type of entity of Borrower.

IX. Financial and Other Information. For any year in which any Obligations remain outstanding, Guarantor will furnish the Bank with his annual financial statements in form satisfactory to the Bank within ninety (90) days after the end of the calendar year, which financial statements shall consist of a balance sheet for the previous twelve months. Guarantor will furnish to the Bank within fifteen (15) days of filing, all tax returns filed by Guarantor. Guarantor will also furnish to the Bank financial information regarding Guarantor reasonably requested in writing by the Bank within thirty (30) days of the date of the request. Guarantor has made an independent investigation of the financial condition and affairs of Borrower prior to entering into this Guaranty, and Guarantor will continue to make such investigation, and in entering into this Guaranty, Guarantor has not relied upon any representation of the Bank as to the financial condition, operation or creditworthiness of Borrower. Guarantor further agrees that the Bank shall have no duty or responsibility now or hereafter to make any investigation or appraisal of Borrower on behalf of Guarantor or to provide Guarantor with any credit or other information which may come to its attention now or hereafter.

X. Guarantor Representations and Warranties. 1. The financial statements of Guarantor, dated March 12, 1998, which have been delivered to the Bank fairly present Guarantor's financial condition as of the date thereof. Guarantor has not failed to disclose to the Bank any information that could materially affect Guarantor's properties, prospects or financial condition. There has occurred no material adverse change in the financial condition of Guarantor since the date of such financial statements.

2. This Guaranty and each of the other Loan Documents to which Guarantor is a party have been duly executed and delivered by Guarantor and constitute the legal, valid and binding obligations of Guarantor and are enforceable against Guarantor in accordance with their terms; Guarantor has full capacity and power to execute and deliver this Guaranty and such other Loan Documents; and the execution and delivery by Guarantor of this Guaranty and such other Loan Documents and the performance by Guarantor of Guarantor's obligations hereunder and thereunder, do not violate, or conflict with, any agreement, instrument, note, judgment, order or decree binding on Guarantor or under any law, rule or regulation applicable to Guarantor, which violation or conflict would have a material and adverse effect on Guarantor's ability to perform its obligations under the Loan Documents or the rights and remedies of the Bank under the Loan Documents.

XI. Notices. Notices provided hereunder shall be delivered personally or sent certified mail, postage prepaid, to Guarantor (at Guarantor's address

indicated at the beginning of this Guaranty) or the Bank (at its address indicated in Section VIII of the Loan Agreement), or to such other address as any party may designate by written notice to the other party. Each notice, request and demand shall be deemed given or made, if sent by mail, upon the earlier of the date of receipt or five (5) days after deposit in the U.S. Mail, certified and postage prepaid, or if delivered personally, upon delivery.

XII. Guarantor Duties. Subject to the provisions of Section 2(b) hereof, Guarantor shall upon notice or demand by the Bank promptly and with due diligence, pay all and satisfy all Obligations for the benefit of the Bank in the event of the occurrence of any Event of Default.

XIII. Remedies. Subject to the provisions of Section 2(b) hereof, upon the failure of Guarantor to fulfill its duty to pay and satisfy all Obligations as required hereunder, the Bank shall have available all of the remedies of a creditor of Guarantor under all applicable law, and without limiting the generality of the foregoing, the Bank may, at its option and without further notice or demand declare any Obligation to be immediately due and payable.

XIV. Attorney Fees, Cost and Expenses. Guarantor shall pay all reasonable costs of collection and reasonable attorney's fees, including reasonable attorney's fees in connection with any suit, mediation or arbitration proceeding, out of court payment agreement, trial, appeal, bankruptcy proceedings or otherwise, incurred or paid by the Bank in enforcing the payment of any Obligation.

XV. ARBITRATION. ANY CONTROVERSY OR CLAIM BETWEEN OR AMONG THE PARTIES HERETO ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY RELATED INSTRUMENTS, AGREEMENTS OR DOCUMENTS, INCLUDING ANY CLAIM BASED ON OR ARISING FROM AN ALLEGED TORT, SHALL BE DETERMINED BY BINDING ARBITRATION IN ACCORDANCE WITH THE FEDERAL ARBITRATION ACT (OR IF NOT APPLICABLE, THE APPLICABLE STATE LAW), THE RULES OF PRACTICE AND PROCEDURE FOR THE ARBITRATION OF COMMERCIAL DISPUTES OF J.A.M.S./ENDISPUTE OR ANY SUCCESSOR THEREOF ("J.A.M.S."), AND THE "SPECIAL RULES" SET FORTH BELOW. IN THE EVENT OF ANY INCONSISTENCY, THE SPECIAL RULES SHALL CONTROL. JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. ANY PARTY TO THIS AGREEMENT MAY BRING AN ACTION, INCLUDING A SUMMARY OR EXPEDITED PROCEEDING, TO COMPEL ARBITRATION OF ANY CONTROVERSY OR CLAIM TO WHICH THIS AGREEMENT APPLIES IN ANY COURT HAVING JURISDICTION OVER SUCH ACTION.

6

A. SPECIAL RULES. THE ARBITRATION SHALL BE CONDUCTED IN NEW YORK COUNTY AND ADMINISTERED BY J.A.M.S. WHO WILL APPOINT AN ARBITRATOR; IF J.A.M.S. IS UNABLE OR LEGALLY PRECLUDED FROM ADMINISTERING THE ARBITRATION, THEN THE AMERICAN ARBITRATION ASSOCIATION WILL SERVE. ALL ARBITRATION HEARINGS WILL BE COMMENCED WITHIN 90 DAYS OF THE DEMAND FOR ARBITRATION; FURTHER, THE ARBITRATOR SHALL ONLY, UPON A SHOWING OF CAUSE, BE PERMITTED TO EXTEND THE COMMENCEMENT OF SUCH HEARING FOR UP TO AN ADDITIONAL 60 DAYS.

B. RESERVATION OF RIGHTS. NOTHING IN THIS ARBITRATION PROVISION SHALL BE DEEMED TO (I) LIMIT THE APPLICABILITY OF ANY OTHERWISE APPLICABLE STATUTES OF LIMITATION OR REPOSE AND ANY WAIVERS CONTAINED IN THIS AGREEMENT OR (II) BE A WAIVER BY THE BANK OF THE PROTECTION AFFORDED TO IT BY 12 U.S.C. ss. 91 OR ANY SUBSTANTIALLY EQUIVALENT STATE LAW; OR (III) LIMIT THE RIGHT OF THE BANK HERETO (A) TO FORECLOSE AGAINST ANY REAL OR PERSONAL PROPERTY COLLATERAL, OR (B) TO OBTAIN FROM A COURT PROVISIONAL OR ANCILLARY REMEDIES SUCH AS (BUT NOT LIMITED TO) INJUNCTIVE RELIEF, WRIT OF POSSESSION OR THE APPOINTMENT OF A RECEIVER. THE BANK MAY EXERCISE FORECLOSE UPON SUCH PROPERTY, OR OBTAIN SUCH PROVISIONAL OR ANCILLARY REMEDIES BEFORE, DURING OR AFTER THE PENDENCY OF ANY ARBITRATION PROCEEDING BROUGHT PURSUANT TO THIS AGREEMENT. THE INSTITUTION OR MAINTENANCE OF AN ACTION FOR FORECLOSURE OR PROVISIONAL OR ANCILLARY REMEDIES SHALL NOT CONSTITUTE A WAIVER OF THE RIGHTS OF ANY PARTY, INCLUDING THE CLAIMANT IN ANY SUCH ACTION, TO ARBITRATE THE MERITS OF THE CONTROVERSY OR CLAIM OCCASIONING RESORT TO SUCH REMEDIES.

XVI. Controlling Document. To the extent that this Guaranty conflicts with or is in any way incompatible with any provision of any other Loan Document, the terms of the Note shall govern over any issue addressed therein, and issues not addressed in the Note shall be governed by the terms of the Loan Document that most specifically addresses such issues.

XVII. Notice of Final Agreement. THIS WRITTEN GUARANTY REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR,

7

CONTEMPORANEOUS, OR SUBSEQUENTIAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

IN WITNESS WHEREOF, the undersigned has caused this Guaranty to be executed on the 26th day of June, 1998.

Guarantor:

Name: Jonathan L. Steinberg

Date: June 26, 1998

Guaranty

Between	and
=====	
BANK:	GUARANTOR:
NationsBank, N.A.	Saul P. Steinberg
101 South Tryon Street	Park Avenue Plaza
Charlotte, North Carolina 28255	55 East 52nd Street
	New York, New York 10055
=====	

"BORROWER": Wise Partners, L.P., a Delaware limited partnership

I. Guaranty. FOR VALUE RECEIVED, and to induce NationsBank, N.A., a national banking association (the "Bank"), to make the loans or advances contemplated by the Loan Agreement (as hereinafter defined), the undersigned, Saul P. Steinberg ("Guarantor"), hereby irrevocably and unconditionally guarantees to the Bank the full and prompt payment when due, whether by acceleration or otherwise, of any and all the obligations of the Borrower to pay, as and when due and payable (by mandatory prepayment, by scheduled maturity or upon the occurrence of any Event of Default), all amounts from time to time owing by the Borrower pursuant to any Loan Document as in effect on the Closing Date (or modified or amended with the consent of the Guarantor), whether for principal, interest, fees or otherwise (collectively, the "Obligations"). This Guaranty is intended to provide a continuing guarantee of the payment of the Obligations without limitation as to amounts guaranteed hereunder. Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Loan Agreement, dated as of the date hereof (the "Loan Agreement"), between the Borrower and the Bank.

II. Nature of Obligations. (a) The undertakings of Guarantor hereunder are independent of the Obligations and, subject to the provisions of Section 2(b), a separate action or actions for payment, damages or performance may be brought or prosecuted against Guarantor, regardless of whether (i) an action is brought against Borrower or Jonathan L. Steinberg or to realize upon any security for the Obligations or, (ii) Borrower is joined in any such action or actions. The obligations of Guarantor hereunder are joint and several with the obligations of Jonathan L. Steinberg under the Guaranty, dated the date hereof, of Jonathan L. Steinberg to the Bank. Guarantor shall not be entitled to assert as a defense to the enforceability of this Guaranty any defense of Borrower with respect to any Obligations.

(b) Notwithstanding anything to the contrary contained herein or in any other Loan Document, it is understood and agreed that the Bank shall make demand for payment of any Obligation that is due and payable pursuant to the terms of the Loan Documents (whether on the due date thereof, at maturity or upon acceleration) first on the Borrower (with a copy of such notice of demand provided to Guarantor) and shall not make demand on Guarantor for payment of any such Obligation until five days have elapsed since the date of such demand by the Bank on the Borrower nor shall the Bank sell, resell, assign, transfer or deliver the Collateral of Guarantor except in accordance with the notice and other provisions of Section 13(b) hereof.

III. Paragraph Headings, Governing Law and Binding Effect. The paragraph headings in this Guaranty are for convenience only and that they will not limit any of the provisions of this Guaranty. This Guaranty shall be governed by and construed in accordance with the laws of the State of New York and applicable United States federal law. This Guaranty shall be deemed to have been made in the State of New York at the Bank's New York address indicated in Section VIII of the Loan Agreement, and may be enforced in the courts of the State of New York, or the United States courts located within the State of New York, and is performable in the State of New York. This Guaranty is binding upon Guarantor and his heirs, representatives, estate, successors and assigns, and the Bank and

its successors and assigns, and shall inure to the benefit of the Bank, its successors, endorsees or assigns.

IV. Waiver by Guarantor. Guarantor waives notice of acceptance of this Guaranty, notice of any Obligations, presentment, demand for payment, protest, notice of dishonor or nonpayment of any Obligations, notice of intent to accelerate, notice of acceleration, and notice of any suit or the taking of other action by the Bank against Borrower, Guarantor or any other person, any applicable statute of limitations and any other notice to any party liable on any Loan Document (including Guarantor), except as is specifically provided in Section 12 and Section 13 hereof.

Subject to the provisions of Section 2(b) hereof, Guarantor also waives the benefits of any provision of law requiring that the Bank exhaust any right or remedy, or take any action, against the Borrower, any other guarantor or any other person or property prior to or simultaneously with proceeding against Guarantor hereunder.

The Bank may at any time and from time to time (whether before or after revocation or termination of this Guaranty) without notice to Guarantor (except as required by Section 1, Section 2(b), Section 12 or Section 13 hereof, Section X.C. of the Loan Agreement, Section 7.A.(ii) or Section 8.D. of the Pledge Agreement or any other notice required under any Loan Document which may not be waived under applicable law), without incurring responsibility to Guarantor, without impairing, releasing or otherwise affecting the obligations of

3

Guarantor, in whole or in part, and without the endorsement or execution by Guarantor of any additional consent, waiver or guaranty: (a) change the manner, place or terms of payment, or change or extend the time of or renew, or change any interest rate or alter any Obligation or installment thereof, or any security therefor; (b) sell, exchange, release, surrender, realize upon or otherwise deal with in any manner and in any order any Collateral and offset against any Collateral or other property as provided in the Loan Documents; (c) exercise or refrain from exercising any rights against Borrower or others or act or refrain from acting in any other manner; (d) settle or compromise any Obligation or any security therefor and subordinate the payment of all or any part thereof to the payment of any Obligation of any other parties primarily or secondarily liable on any of the Obligations; (e) release or compromise any liability of Guarantor hereunder or any liability or obligation of any other parties primarily or secondarily liable on any of the Obligations; or (f) apply any sums from any sources to any Obligation without regard to any Obligations remaining unpaid.

V. Subordination. Guarantor agrees that it will not demand, take or receive from Borrower, by set-off or in any other manner, payment of any debt, now and at any time or times hereafter owing by Borrower to Guarantor unless and until all the Obligations shall have been fully paid and the Obligations fully performed, and any security interest, liens or encumbrances which Guarantor now has and from time to time hereafter may have upon any of the assets of Borrower shall be made subordinate, junior and inferior and postponed in priority, operation and effect to any security interest of the Bank in such assets.

VI. Waivers by the Bank. No delay on the part of the Bank in exercising any of its options, powers or rights, and no partial or single exercise thereof, shall constitute a waiver thereof. No waiver of any of its rights hereunder, and no modification or amendment of this Guaranty, shall be deemed to be made by the Bank unless the same shall be in writing, duly signed on behalf of the Bank; and each such waiver, if any, shall apply only with respect to the specific instance involved, and shall in no way impair the rights of the Bank or the obligations of Guarantor to the Bank in any other respect at any other time.

VII. Partial Invalidity and/or Enforceability of Guaranty. The unenforceability or invalidity of any provision of this Guaranty shall not affect the enforceability or validity of any other provision herein and the invalidity or unenforceability of any provision of any Loan Document as it may apply to any person or circumstance shall not affect the enforceability or validity of such provision as it may apply to other persons or circumstances.

In the event the Bank is required to relinquish or return any payments, any Collateral or the proceeds thereof, in whole or in part, which had been previously applied to or retained for application against any Obligation, by reason of a proceeding arising under any applicable bankruptcy or insolvency

law, or for any other reason, this Guaranty shall automatically continue to be effective notwithstanding any previous cancellation or release effected by the Bank.

VIII. Change of Status. Guarantor hereby agrees that this Guaranty shall remain the binding, legal and enforceable obligation of Guarantor, irrespective of any change in name by Guarantor or Borrower or change in type of entity of Borrower.

IX. Financial and Other Information. For any year in which any Obligations remain outstanding, Guarantor will furnish the Bank with his annual financial statements in form satisfactory to the Bank within ninety (90) days after the end of the calendar year, which financial statements shall consist of a balance sheet for the previous twelve months. Guarantor will also furnish to the Bank financial information regarding Guarantor reasonably requested in writing by the Bank within thirty (30) days of the date of the request. Guarantor has made an independent investigation of the financial condition and affairs of Borrower prior to entering into this Guaranty, and Guarantor will continue to make such investigation, and in entering into this Guaranty, Guarantor has not relied upon any representation of the Bank as to the financial condition, operation or creditworthiness of Borrower. Guarantor further agrees that the Bank shall have no duty or responsibility now or hereafter to make any investigation or appraisal of Borrower on behalf of Guarantor or to provide Guarantor with any credit or other information which may come to its attention now or hereafter.

X. Guarantor Representations and Warranties. 1. The financial statements of Guarantor, dated February 28, 1998, which have been delivered to the Bank fairly present Guarantor's financial condition as of the date thereof. Guarantor has not failed to disclose to the Bank any information that could materially affect Guarantor's properties, prospects or financial condition. There has occurred no material adverse change in the financial condition of Guarantor since the date of such financial statements.

2. This Guaranty and each of the other Loan Documents to which Guarantor is a party have been duly executed and delivered by Guarantor and constitute the legal, valid and binding obligations of Guarantor and are enforceable against Guarantor in accordance with their terms; Guarantor has full capacity and power to execute and deliver this Guaranty and such other Loan Documents; and the execution and delivery by Guarantor of this Guaranty and such other Loan Documents and the performance by Guarantor of Guarantor's obligations hereunder and thereunder, do not violate, or conflict with, any agreement, instrument, note, judgment, order or decree binding on Guarantor or under any law, rule or regulation applicable to Guarantor, which violation or conflict would have a material and adverse effect on Guarantor's ability to perform its obligations under the Loan Documents or the rights and remedies of the Bank under the Loan Documents.

XI. Notices. Notices provided hereunder shall be delivered personally or sent certified mail, postage prepaid, to Guarantor (at Guarantor's address indicated at the beginning of this Guaranty) or the Bank (at its address indicated in Section VIII of the Loan Agreement), or to such other address as any party may designate by written notice to the other party. Each notice, request and demand shall be deemed given or made, if sent by mail, upon the earlier of the date of receipt or five (5) days after deposit in the U.S. Mail, certified and postage prepaid, or if delivered personally, upon delivery.

XII. Guarantor Duties. Subject to the provisions of Section 2(b) hereof, Guarantor shall upon notice or demand by the Bank promptly and with due diligence, pay all and satisfy all Obligations for the benefit of the Bank in the event of the occurrence of any Event of Default.

XIII. Remedies. Subject to the provisions of Section 2(b) hereof, upon the failure of Guarantor to fulfill its duty to pay and satisfy all Obligations as required hereunder, the Bank shall have available all of the remedies of a creditor of Guarantor and of a secured party under all applicable law, and without limiting the generality of the foregoing, the Bank may, at its option

and without further notice or demand: (a) declare any Obligation to be immediately due and payable, at which point such Obligation shall become immediately due and payable; and (b) take possession of the Collateral pledged by Guarantor, and, upon five days' prior notice to Guarantor, sell, resell, assign, transfer and deliver all or any part of the Collateral of Guarantor at any public or private sale or otherwise dispose of any or all of the Collateral in its then condition, for cash or on credit or for future delivery, and in connection therewith the Bank may impose reasonable conditions upon any such sale, and the Bank, unless prohibited by law the provisions of which cannot be waived, may purchase all or any part of the Collateral to be sold, free from and discharged of all trusts, claims, rights or redemption and equities of Borrower, Guarantor or any other person whatsoever. The Bank agrees that any sale of Collateral shall be made in a commercially reasonable manner and Guarantor acknowledges and agrees that the sale of the Collateral through any nationally recognized broker-dealer, investment banker or any other method common in the securities industry shall be deemed a commercially reasonable sale.

XIV. Attorney Fees, Cost and Expenses. Guarantor shall pay all reasonable costs of collection and reasonable attorney's fees, including reasonable attorney's fees in connection with any suit, mediation or arbitration proceeding, out of court payment agreement, trial, appeal, bankruptcy proceedings or otherwise, incurred or paid by the Bank in enforcing the payment of any Obligation.

XV. Preservation of Property. The Bank shall not be bound to take any steps necessary to preserve any rights in Collateral pledged to the Bank to secure the Obligations against prior parties who may be liable in connection therewith, and Guarantor hereby agrees to take any such steps. The Bank, nevertheless, at any

6

time may (a) take any action it deems appropriate for the care or preservation of such property or of any rights of Borrower and/or Guarantor or the Bank therein; (b) demand, sue for, collect or receive any money or property at any time due, payable or receivable on account of or in exchange for any Collateral pledged to the Bank to secure the Obligations; (c) compromise and settle with any person liable on such Collateral; or (d) upon notice to Guarantor, extend the time of payment under the Loan Documents as to any party liable on the Loan Documents, all without incurring responsibility to, and without affecting any of the obligations of Guarantor hereunder.

XVI. ARBITRATION. ANY CONTROVERSY OR CLAIM BETWEEN OR AMONG THE PARTIES HERETO ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY RELATED INSTRUMENTS, AGREEMENTS OR DOCUMENTS, INCLUDING ANY CLAIM BASED ON OR ARISING FROM AN ALLEGED TORT, SHALL BE DETERMINED BY BINDING ARBITRATION IN ACCORDANCE WITH THE FEDERAL ARBITRATION ACT (OR IF NOT APPLICABLE, THE APPLICABLE STATE LAW), THE RULES OF PRACTICE AND PROCEDURE FOR THE ARBITRATION OF COMMERCIAL DISPUTES OF J.A.M.S./ENDISPUTE OR ANY SUCCESSOR THEREOF ("J.A.M.S."), AND THE "SPECIAL RULES" SET FORTH BELOW. IN THE EVENT OF ANY INCONSISTENCY, THE SPECIAL RULES SHALL CONTROL. JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. ANY PARTY TO THIS AGREEMENT MAY BRING AN ACTION, INCLUDING A SUMMARY OR EXPEDITED PROCEEDING, TO COMPEL ARBITRATION OF ANY CONTROVERSY OR CLAIM TO WHICH THIS AGREEMENT APPLIES IN ANY COURT HAVING JURISDICTION OVER SUCH ACTION.

A. SPECIAL RULES. THE ARBITRATION SHALL BE CONDUCTED IN NEW YORK COUNTY AND ADMINISTERED BY J.A.M.S. WHO WILL APPOINT AN ARBITRATOR; IF J.A.M.S. IS UNABLE OR LEGALLY PRECLUDED FROM ADMINISTERING THE ARBITRATION, THEN THE AMERICAN ARBITRATION ASSOCIATION WILL SERVE. ALL ARBITRATION HEARINGS WILL BE COMMENCED WITHIN 90 DAYS OF THE DEMAND FOR ARBITRATION; FURTHER, THE ARBITRATOR SHALL ONLY, UPON A SHOWING OF CAUSE, BE PERMITTED TO EXTEND THE COMMENCEMENT OF SUCH HEARING FOR UP TO AN ADDITIONAL 60 DAYS.

B. RESERVATION OF RIGHTS. NOTHING IN THIS ARBITRATION PROVISION SHALL BE DEEMED TO (I) LIMIT THE APPLICABILITY OF ANY OTHERWISE APPLICABLE STATUTES OF LIMITATION OR REPOSE AND ANY WAIVERS CONTAINED IN THIS

7

AGREEMENT OR (II) BE A WAIVER BY THE BANK OF THE PROTECTION AFFORDED TO IT BY 12 U.S.C. ss. 91 OR ANY SUBSTANTIALLY EQUIVALENT STATE LAW; OR (III) LIMIT THE RIGHT OF THE BANK HERETO (A) TO FORECLOSE AGAINST ANY REAL OR

PERSONAL PROPERTY COLLATERAL, OR (B) TO OBTAIN FROM A COURT PROVISIONAL OR ANCILLARY REMEDIES SUCH AS (BUT NOT LIMITED TO) INJUNCTIVE RELIEF, WRIT OF POSSESSION OR THE APPOINTMENT OF A RECEIVER. THE BANK MAY EXERCISE FORECLOSE UPON SUCH PROPERTY, OR OBTAIN SUCH PROVISIONAL OR ANCILLARY REMEDIES BEFORE, DURING OR AFTER THE PENDENCY OF ANY ARBITRATION PROCEEDING BROUGHT PURSUANT TO THIS AGREEMENT. THE INSTITUTION OR MAINTENANCE OF AN ACTION FOR FORECLOSURE OR PROVISIONAL OR ANCILLARY REMEDIES SHALL NOT CONSTITUTE A WAIVER OF THE RIGHTS OF ANY PARTY, INCLUDING THE CLAIMANT IN ANY SUCH ACTION, TO ARBITRATE THE MERITS OF THE CONTROVERSY OR CLAIM OCCASIONING RESORT TO SUCH REMEDIES.

XVII. Controlling Document. To the extent that this Guaranty conflicts with or is in any way incompatible with any provision of any other Loan Document, the terms of the Note shall govern over any issue addressed therein, and issues not addressed in the Note shall be governed by the terms of the Loan Document that most specifically addresses such issues.

XVIII. Notice of Final Agreement. THIS WRITTEN GUARANTY REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENTIAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

IN WITNESS WHEREOF, the undersigned has caused this Guaranty to be executed on the 26th day of June, 1998.

Guarantor:

Name: Saul P. Steinberg