

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

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 4, 2020

SPAR Group, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware  
(State or Other Jurisdiction of  
Incorporation)

0-27408  
(Commission  
File No.)

33-0684451  
(IRS Employer  
Identification No.)

333 Westchester Avenue, South Building, Suite 204, White Plains, NY  
(Address of Principal Executive Offices)

10604  
(Zip Code)

Registrant's telephone number, including area code: (248) 364-7727

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.01 par value	SGRP	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

SPAR Group, Inc. ("SGRP" or the "Corporation" and together with its subsidiaries, the "Company") has listed its shares of Common Stock (the "SGRP Shares") for trading through the Nasdaq Stock Market LLC ("Nasdaq") under the trading symbol "SGRP" and periodically files reports with the Securities and Exchange Commission ("SEC").

**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

**(c) Appointment of Fay DeVriese as Chief Financial Officer ("CFO")**

On August 19, 2020, SGRP issued a Press Release (the "Release") announcing the appointment and election of Fay DeVriese as SGRP's new Chief Financial Officer (the "CFO").

Ms. DeVriese is expected to commence her role with SGRP on August 31, 2020. Ms. DeVriese joins SGRP with more than 25 years of global experience in corporate and business accounting and finance. Most recently, she served as Chief Financial Officer at Letica Corporation and has served in financial leadership roles at DSM Engineering Plastics, Eaton Corporation, Continental Automotive Systems and Motorola. Ms. DeVriese is a certified public accountant, licensed in the State of New York. She earned a Bachelor of Business Administration degree from the State University of New York.

Ms. DeVriese will be both an Executive and an Officer (as defined in SGRP's By-Laws) and will report directly to SGRP's President and Chief Executive Officer and will report to Kori Belzer, SGRP's Chief Operating Officer, and to SGRP's Board of Directors, until SGRP fills the President and Chief Executive Officer role. Pursuant to her offer letter, dated as of August 4, 2020, Ms. DeVriese will receive a salary of \$275,000.00 per year, be eligible to participate in the SGRP bonus plans in 2021 and forward, with a performance bonus plan of up to 50% of her annual salary, and be granted options to purchase 200,000 SGRP shares exercisable at fair market value and vesting at 25% per year. She will be entitled to participate in the Corporation's 401(k), medical, dental, and life insurance plans, and generally will have vacation, holiday and sick time in accordance with the Corporation's personnel policies.

Ms. DeVriese also will receive severance protection under SGRP's Executive Officer Severance Agreement dated as of August 4, 2020 (the "Severance Agreement"). The Severance Agreement provides that Ms. DeVriese will receive a lump sum severance payment if, within the period commencing on August 4, 2020 and continuing for so long as the Severance Agreement remains in effect, Ms. DeVriese either resigns for Good Reason (such as an adverse change in duties or compensation) or is terminated other than in a Termination For Cause (as such terms are defined in the Severance Agreement). The lump sum severance payment is equal to the product of Ms. DeVriese's daily compensation times 183 days.

SGRP's current Corporate Controller, Clint Morrow, was appointed by the Board to serve as SGRP's Interim CFO, effective from the close of business on August 7, 2020, until the appointment of Fay DeVriese as SGRP's CFO becomes effective on August 31, 2020, as approved by the Board. For serving as interim CFO, Mr. Morrow salary will be temporarily increased to \$206,000 annually from August 7, 2020, to August 31, 2020, as approved by the Board. Mr. Morrow has served as Corporate Controller of SGRP since July, 2016.

The foregoing description of the Severance Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Severance Agreement, which is filed as an Exhibit to this Current Report on Form 8-K and is incorporated herein by reference.

**(e) Entry into Consulting Agreement with Mr. James R. Segreto**

Effective as of August 8, 2020, James R. Segreto, the Company's former CFO (Principal Financial and Accounting Officer), Treasurer and Secretary, and the Company entered into a Consulting Agreement and Mutual Release and Waiver of All Claims (the "Consulting Agreement") pursuant to which Mr. Segreto will perform ongoing consulting services for the Company and will assist through the transition to Ms. DeVriese as CFO. Pursuant to the Consulting Agreement, Mr. Segreto will provide up to 18.75 hours of consulting services per week to SGRP. Mr. Segreto will receive an hourly fee of \$175.00 for his services during the term of the Consulting Agreement. Mr. Segreto will continue to be reimbursed for the expenses of his current Medicare and supplemental insurance coverages at the rate of \$1,305.00 per month until the end of the Consulting Agreement's term. He will also receive Continuing Payments, which include payment of Mr. Segreto's accrued vacation and unpaid 2019 Deferred Bonus (as such terms are defined in the Consulting Agreement). The term of the Consulting Agreement runs through December 31, 2020, but can be extended by mutual agreement. The Consulting Agreement includes mutual releases,

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The foregoing description of the Consulting Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Consulting Agreement, which is filed as an Exhibit to this Current Report on Form 8-K and is incorporated herein by reference.

#### **Item 8.01 Other Events.**

The Corporation also announced in the Release that Arthur H. Baer has been appointed to Chairman of the Board of Directors of SGRP and that Igor Novgorodtsev has been appointed as Vice Chairman. Mr. Baer also is the Chairman of SGRP's Audit Committee, and Mr. Novgorodtsev also is the Chairman of SGRP's Compensation Committee.

Mr. Baer joined the board on September 3, 2019, as an independent board member. Prior to his retirement, he most recently served as President of the \$4 billion Europe/Middle East/ Africa operations for Arrow Electronics. He was also director and Audit Committee Chair for Seneca Foods, Inc., for 20 years, Dean of the College of Business and Administration at Drexel University, and Town Mayor and County Executive in Columbia County New York.

Mr. Novgorodtsev was appointed as an independent board member on May 28, 2020. He is the CEO and founder of FlashAlert, low-latency market news service, and Managing Director of Lares Capital LLC, an investment fund. He brings to the board extensive knowledge and experience in international finance, capital markets and technology.

#### **Forward Looking Statements**

This Current Report on Form 8-K (this "Current Report") contains "forward-looking statements" within the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, made by, or respecting, the Company and its subsidiaries, and this Report has been filed by the Company with the SEC. "Forward-looking statements" are defined in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and other applicable federal and state securities laws, rules and regulations, as amended (together with the Securities Act and the Exchange Act, "Securities Laws").

All statements (other than those that are purely historical) are forward-looking statements. Words such as "may," "will," "expect," "intend," "believe," "estimate," "anticipate," "continue," "plan," "project," or the negative of these terms or other similar expressions also identify forward-looking statements. Forward-looking statements made by the Company in this Current Report may include (without limitation) statements regarding: risks, uncertainties, cautions, circumstances and other factors ("Risks"); and the potential negative effects of the novel coronavirus and COVID-19 pandemic on the Company's business, the Company's potential non-compliance with applicable Nasdaq director independence, bid price or other rules, the departure of the Company's CEO and CFO, the integration and suitability of the Company's new CFO, the likely hood of finding and hiring a suitable replacement CEO for the Company, the Company's cash flow or financial condition, the Company's cash flow later this year, or the pursuit or achievement of the Company's five corporate objectives (growth, customer value, employee development, greater productivity & efficiency, and increased earnings per share), building upon the Company's strong foundation, leveraging compatible global opportunities, growing the Company's client base and contracts, continuing to strengthen its balance sheet, growing revenues and improving profitability through organic growth, new business development and strategic acquisitions, and continuing to control costs.

You should carefully review and consider the Company's forward-looking statements (including all risk factors and other cautions and uncertainties) and other information made, contained or noted in or incorporated by reference into this Current Report, but you should not place undue reliance on any of them. The results, actions, levels of activity, performance, achievements or condition of the Company (including its affiliates, assets, business, clients, capital, cash flow, credit, expenses, financial condition, income, liabilities, liquidity, locations, marketing, operations, performance, prospects, sales, strategies, taxation or other achievement, results, Risks, trends or condition) and other events and circumstances planned, intended, anticipated, estimated or otherwise expected by the Company (collectively, "Expectations"), and our forward-looking statements (including all Risks) and other information reflect the Company's current views about future events and circumstances. Although the Company believes those Expectations and views are reasonable, the results, actions, levels of activity, performance, achievements or condition of the Company or other events and circumstances may differ materially from our Expectations and views, and they cannot be assured or guaranteed by the Company, since they are subject to Risks and other assumptions, changes in circumstances and unpredictable events (many of which are beyond the Company's control). In addition, new Risks arise from time to time, and it is impossible for the Company to predict these matters or how they may arise or affect the Company. Accordingly, the Company cannot assure you that its Expectations will be achieved in whole or in part, that it has identified all potential Risks, or that it can successfully avoid or mitigate such Risks in whole or in part, any of which could be significant and materially adverse to the Company and the value of your investment in the Company's common stock.

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These forward-looking statements reflect the Company's Expectations, views, Risks and assumptions only as of the date of this Current Report, and the Company does not intend, assume any obligation, or promise to publicly update or revise any forward-looking statements (including any Risks or Expectations) or other information (in whole or in part), whether as a result of new information, new or worsening Risks or uncertainties, changed circumstances, future events, recognition, or otherwise.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits:

10.1 [Executive Officer Severance Agreement by and among SPAR Group, Inc., SPAR Marketing Force, Inc. and Fay DeVriese, dated as of August 4, 2020; as filed herewith.](#)

10.2 [Consulting Agreement and Mutual Release and Waiver of All Claims, by and among SPAR Group, Inc., SPAR Marketing Force, Inc. and James R. Segreto, dated August 7, 2020; as filed herewith.](#)

99.1 [Press Release of the Registrant dated August 19, 2020; as filed herewith.](#)

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SIGNATURES

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

**SPAR Group, Inc.**

Date: August 19, 2020

By: /s/ Clint Morrow

Clint Morrow, Interim Chief Financial Officer

## Executive Officer Severance Agreement

**This Executive Officer Severance Agreement** (as modified, amended or restated from time to time in the manner provided herein, this "**Agreement**"), is dated as of August 4, 2020 (the "**Effective Date**"), and is by and between Fay DeVriese, an individual (the "**Employee**"), and **SPAR Group, Inc. ("SGRP")** and **SPAR Marketing Force, Inc. ("SMF")**. SGRP and SMF may be referred to individually and collectively as the "**Employer**" or the "**Corporation**". The Employee and the Employer may be referred to individually as a "**Party**" and collectively as the "**Parties**".

In consideration of past, present and future employment by the Employer, the mutual covenants below and other good and valuable consideration (the receipt and adequacy of which are hereby acknowledged by each Party), the Employee and Employer, intending to be legally bound, hereby agree as follows:

Section 1. **Introduction and At Will Employment.** (a) **SGRP Companies.** SGRP, SMF, and each of SGRP's other direct and indirect subsidiaries (together with SMF and SGRP, each a "**SGRP Company**", and collectively, the "**SGRP Companies**"), are engaged in the business of (among other things) providing various business services to their clients and other customers who have engaged the Employer or another SGRP Company to perform any of those business services (each a "**Client**"). The SGRP Companies currently include (without limitation): SPAR Marketing Force, Inc., SPAR Assembly & Installation, Inc. SPAR Canada Company, Resource Plus, Inc., SPAR, Inc., SPAR Trademarks, Inc., SPAR Group International, Inc., and each of the other subsidiaries listed in SGRP's most recent Annual Report on form 10-K as filed with the Securities and Exchange Commission.

(b) **Introduction.** The Employee and the Employer have entered into this Agreement in order to provide for the terms of the Employee's initial or continued "at will" employment with the Employer, to provide for severance payments from the Employer to the Employee under certain circumstances if the Employee leaves for Good Reason or is terminated other than in a Termination For Cause during the Protected Period (as all such terms are hereinafter defined).

(c) **Positions.** Subject to any required approval by the SGRP Board and applicable SGRP Committee(s), the Employer hereby appoints or re-appoints Employee to be the Chief Financial Officer of the Employer, as well as an Officer and Executive of the Employer (as such terms are defined in SGRP's By-Laws), and the Employee will continue (while employed by the Employer) to hold such positions for the Protected Period, subject to the discretion of the Employer and its Board and the SGRP Board and applicable SGRP Committee(s). The Employee also may be a director or officer of various of the Employer's subsidiaries (as and to the extent designated and changed by the Employer, its Board or the SGRP Board from time to time in its discretion).

(d) **Indemnification and D&O Insurance.** (i) The Employee, as a then current or former Officer or employee of the Employer (as the case may be), will be indemnified by the Employer in accordance with and to the maximum extent permitted by Delaware and other Applicable Law and SGRP's By-Laws (which SGRP By-Laws are intended to generally reflect the requirements of Delaware law), and will be covered by and in accordance with the terms of SGRP's D&O Policy then in effect at the applicable time. The Employee acknowledges and understands that SGRP's corporate "power" to indemnify is provided and thus limited by statute, namely Section 145 of the General Corporation Code of the State of Delaware, that other Applicable Law (including Securities Law) also may place restrictions, limits or prohibitions on indemnifying or insuring various specified acts or omissions, and that SGRP cannot do more than Applicable Law permits.

(ii) **By-Laws Provisions.** During the Employee's term as an employee of the Employer and for the six (6) year period immediately following the Employee's Separation from Service, SGRP will, except for changes in or required by Applicable Law, (A) ensure that the SGRP By-Laws will contain provisions no less favorable as a whole to the Employee (as a former officer or employee of SGRP) with respect to indemnification, advancement of expenses and exculpation from liabilities for acts or omissions occurring prior to such Separation from Service, and (B) use commercially reasonable efforts to maintain its D&O Policy on terms substantially no less favorable as a whole than those currently in effect.

(e) **Compliance with SGRP Ethics Code and Policies and Applicable Law.** The Employee acknowledges and agrees that the Employee is subject to and bound by and will comply with all of SGRP's internal accounting, financial and reporting controls and procedures, employment policies and procedures, corporate codes and policies and other SGRP Policies, including (without limitation) the SGRP Ethics Code, and all Applicable Law, including (without limitation) the US Foreign Corrupt Practices Act (or any other comparable Applicable Law of any applicable jurisdiction) and each applicable Exchange Rule and Securities Law. Current copies of the SGRP Ethics Code and certain other policies of SGRP can be reviewed or obtained on its web site ([www.sparinc.com](http://www.sparinc.com)) under the Investor Relations tab and Corporate Governance sub-tab.

(f) **At Will Employment.** Notwithstanding the potential severance payments and other benefits under this Agreement, the Employee acknowledges and agrees that: (i) this Agreement is not intended, and shall not be deemed or construed, to in any way (A) create or evidence any employment agreement, contract, term or period of any kind or nature or (B) contradict, limit or modify the "at will" nature of the Employee's employment; and (ii) except as otherwise expressly provided in any other written agreement of the Employer with the Employee and approved by the SGRP Board, the Employee's employment is "at will" and may be modified from time to time and terminated at any time by the Employer in its discretion, for any reason or no reason whatsoever, and without any notice or benefit of any kind (other than any benefit expressly provided under the circumstances by this Agreement).

(g) **Non-Duplicative Payments.** The Employee and the Employer may enter or may have entered into other separate agreements. Except as specifically provided (referencing agreement name and date), this Agreement does not replace, amend or affect any other agreement between the Parties, and no other agreement shall replace, amend or affect this Agreement (unless specifically referencing this Agreement by name and date); provided, however, that the severance payments under this Agreement and any other agreement are not intended to be duplicative and the Employee is only entitled to be paid once for his Employee's Daily Compensation for the same period of time if the applicable payment periods under those agreements overlap.

(h) **Confidentiality Agreement.** The Employee has entered or will enter into a Confidentiality and Non-Solicitation Agreement as contemplated by Section 3(b), below.

Section 2. **Certain Definitions.** Capitalized terms used and not otherwise defined herein shall have the meanings respectively assigned to them in the SGRP By-Laws or SGRP Ethics Code, as applicable. As used in this Agreement, the following capitalized terms and non-capitalized words and phrases shall have the meanings respectively assigned to them:

(a) **"Affiliate"** of a referenced person shall mean (i) any subsidiary or parent of such person, (ii) any other person directly or indirectly controlling, controlled by or under common control with the referenced person, whether through ownership, by contract, arrangement or understanding or otherwise, which shall be presumed to exist if the referenced person has more than ten percent of the equity of, profits from or voting power respecting such other person or vice versa.

(b) **"Applicable Law"** shall mean, to the extent applicable, (i) any Exchange Rules, (ii) any Securities Law, (iii) the IRC or other applicable federal or state tax law, (iv) the other applicable federal law of the United States of America, and to the extent not preempted by such federal law, by the applicable law of the State of New York, in each case other than those conflict of law rules that would defer to the substantive laws of another jurisdiction, or (v) any other federal, state, territorial, provincial, county, municipal or other governmental or quasi-governmental law, statute, ordinance, requirement or use or disposal classification or restriction; in each case (A) whether domestic or foreign, (B) including (without limitation) any and all rules and regulations promulgated under any of the foregoing and then in effect, and (C) as the same may be adopted, supplemented, modified, amended or restated from time to time or any corresponding or succeeding law or provision.

(c) **"Authorized Representative"** shall mean, for the Employer or any SGRP Company for whom the Employee works, any of (i) the Board, (ii) the Chief Executive Officer or Chief Financial Officer, (iii) any other Executive, Officer or other officer of the Employer or applicable SGRP Company who directly or indirectly supervises or is responsible for the Employee or (iv) any other Representative of the Employer or applicable SGRP Company who directly or indirectly supervises or is responsible for the Employee and is authorized to do so by the Board, Chief Executive Officer or Chief Financial Officer or any other Executive or Officer of the Employer, in each case other than the Employee.

(d) **"Beneficial Owner"** shall mean any person who beneficially owns (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act), securities issued by the referenced corporation or other entity, whether directly or indirectly, and whether individually, jointly with any other person(s) or otherwise.

(e) **"Board"** shall mean the Board of Directors of the Employer or the applicable SGRP Company.

(f) **"Chairman"** shall mean the Chairman of the Employer or applicable SGRP Company.

(g) **"Employee's Annual Compensation"** shall mean the Employee's annual base compensation rate (salary, fees, etc.) in effect immediately prior to the Service Termination or, if greater, at the highest annual compensation rate in effect at any time during the two-year period preceding the Service Termination, in each case without regard for any bonus, benefit or allowance.

(h) **"Employee's Daily Compensation"** shall mean the daily equivalent (i.e., 1/365<sup>th</sup>) of the Employee's Annual Compensation.

(i) **"Exchange Rules"** shall mean the charter or other organizational or governance document or listing or other requirements of the applicable national securities exchange or market on which SGRP's stock is listed or quoted, currently Nasdaq, or any other applicable self-regulatory or governing body or organization, and the rules and regulations promulgated thereunder, as the same may be adopted, supplemented, modified, amended or restated from time to time or any corresponding or succeeding law or provision.

(j) "**Good Reason**" shall mean the occurrence of any of the following events during the Protected Period if not at the Employee's written direction or with the Employer's written consent in his or her discretion:

- (i) the failure to elect or appoint, or re-elect or re-appoint, the Employee for any period within the Protected Period to, or removal or attempted removal of the Employee from, his position or positions with the Employer or applicable SGRP Company (except in connection with the proper termination of the Employee's employment by the Employer by reason of death, disability or Termination For Cause); or
- (ii) any material adverse change in the Employee's title with the Employer or employing SGRP Company or in the nature or scope of the Employee's authorities, powers, functions or duties respecting the Employer or employing SGRP Company as of the Effective Date or;
- (iii) any delay by the Employer or applicable SGRP Company for more than ten (10) business days in the payment to the Employee, when due, of any part of the Employee's compensation; or
- (iv) any material reduction in the Employee's Annual Compensation or benefits, in each case other than any reduction that applies generally to the Employer's Officers and Executives and consists of either (A) a reduction in compensation approved by a majority of all of the Employer's Officers and Executives, or (B) a reduction in benefits; or
- (v) a failure by the Employer to obtain the assumption of, and agreement to perform, this Agreement and the Employee's Offer Letter by any successor to the Employer (including any debtor-in-possession, trustee or other administrator in bankruptcy); or
- (vi) a Company-initiated change in the location at which substantially all of the Employee's duties with the Employer or applicable SGRP Company must be performed to a location more than 35 miles (measured in the shortest driving distance) from the location in which the Employee is then performing substantially all of his or her duties (excluding those duties performed on the road); or
- (vii) the Employee shall become subject to any reporting or supervisory requirements (in whole or in part) to any new or successor individual who is a current or previous SPAR Related Person or who is a SPAR Family Member, which shall be deemed to be a material diminution in the Employee's authority; or
- (viii) the Employee shall be required or refuses (in whole or in part) to make any certification or statement or take any action under any Exchange Rule, Securities Law or other Applicable Law that the Employee reasonably believes (based on the written advice of knowledgeable, reputable and independent attorneys, accountants or other applicable professionals) contains information that is misleading or incorrect in any material respect or omits any material information or violates any such rule or law in any material respect; or
- (ix) the Employee's determination (based on the written advice of knowledgeable, reputable and independent attorneys, accountants or other applicable professionals) that any SGRP Company has willfully, negligently, or repeatedly non-performed or mis-performed under, or otherwise breached or violated, any Applicable Law (in whole or in part) in any material respect, in each case except to the extent caused in any material respect by any act or omission of the Employee constituting bad faith, negligence, willful misconduct, or a violation of Applicable Law or by any isolated, insubstantial and inadvertent failure not occurring in bad faith; or
- (x) The Employer's breach or violation any of the Employer's obligations under this Agreement or any Related Document (in whole or in part) in any material respect, in each case except to the extent caused in any material respect by any act or omission of the Employee constituting bad faith, negligence, willful misconduct, or a violation of Applicable Law or for an isolated, insubstantial and inadvertent failure not occurring in bad faith.

provided, however, that Good Reason shall not be considered present unless both (A) the Employee provides written notice to the Employer or a written or oral report to the SGRP Board or applicable SGRP Committee when the Employee learns or determines, or should reasonably learn or determine, that a Good Reason condition or underlying event exists promptly, but in any event within the ninety (90) day period, following such learning or determination, and (B) the Employer does not remedy the condition within thirty (30) days after receipt of such notice (but if remedied the condition shall be considered not to have occurred and not to be a basis for a Severance Termination due to Good Reason).

(k) "**IRC**" shall mean the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder, all as in effect at the applicable time.

(l) "**Protected Period**" shall mean the period commencing on the Effective Date and continuing for so long as this Agreement shall remain in effect. The Protected Period may be terminated by the written agreement of both Parties in their discretion and the approval of the SGRP Compensation Committee in its discretion, which written agreements shall specify the end date for each action. Termination of the Protected Period shall not terminate or otherwise affect this Agreement.

(m) "**Related Document**" shall mean the any written agreement between the Parties and this Agreement, including any Offer Letter from the Employer.



(n) "**Representative**" shall mean any shareholder, partner, equity holder, member, director, officer, manager, employee, consultant, agent, attorney, accountant, financial advisor or other representative of the referenced person or any other SGRP Company, in each case other than the Employee.

(o) "**SEC Report**" shall mean any Proxy Statement, Annual Report, Quarterly Report, Current Report or other statement or report filed by or respecting SGRP with the SEC.

(p) "**Securities Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended, or any corresponding or succeeding provisions of any Applicable Law (including those of any state or foreign jurisdiction), and the rules and regulations promulgated thereunder, in each case as the same may have been and hereafter may be adopted, supplemented, modified, amended, restated or replaced from time to time.

(q) "**Securities Law**" shall mean the Securities Act of 1933, the Securities Exchange Act of 1934, the Sarbanes-Oxley Act of 2002, any "blue sky" or other applicable federal or state Securities Law, or any other comparable law of any applicable jurisdiction, as amended and any and all rules and regulations promulgated thereunder and then in effect, in each case as the same may have been and hereafter may be adopted, supplemented, modified, amended, restated or replaced from time to time.

(r) "**Separation from Service**" shall mean the Employee's "separation from service" in accordance with (and as defined in) IRC §409A and the regulations thereunder with respect to the Employee's employment with the Employer or applicable SGRP Company (or their respective successors, as applicable). The Employee shall be presumed to have incurred such a "separation from service" even if the Employee continues to provide bona fide services after such termination or separation to the Employer or any SGRP Company (or their respective successors, as applicable), as an independent contractor or otherwise, so long as those services in the aggregate continue at a level that is less than 50% of the average level of those bona fide services performed during the immediately preceding 36-month period (or the entire employment period with the Employer or any other SGRP Company, if less than 36 months).

(s) "**Severance Payment Date**" except to the extent payment is required to be deferred for a period of six (6) months pursuant to Treas. Reg. §1.409A-3(i)(2), shall mean the first to occur of (i) the tenth business day following the Employer's receipt of the Release it required under Section 3(b) duly executed by the Employee and such Release is not later revoked by the Employee, provided that such day shall not be sooner than the first business day of the second calendar year if the required return period for such Release overlaps two calendar years, (ii) if the Employer gives the Employee notice that it will not require a Release, the tenth business day following the giving of such notice, (iii) if the Employer does not send a Release within the thirty day period required under Section 3(b), the tenth business day following the expiration of that period, or (iv) the day (or if not a business day, the immediately preceding business day) that is 2 ½ months after the date of the Severance Termination. To the extent payment is required to be deferred for a period of six (6) months pursuant to Treas. Reg. §1.409A-3(i)(2), the Severance Payment Date shall be one-hundred eighty-one (181) days following the Employee's Separation from Service.

(t) "**SGRP**" shall mean SPAR Group, Inc., a Delaware corporation and the Employer under this Agreement.

(u) "**SGRP Board**" shall mean the Board of Directors of SGRP.

(v) "**SGRP By-Laws**" shall mean the By-Laws of SGRP, including (without limitation) the charters of the SGRP Audit Committee, SGRP Compensation Committee and the SGRP Governance Committee, as the same may have been and hereafter may be adopted, supplemented, modified, amended or restated from time to time in the manner provided therein.

(w) "**SGRP Committee**" shall mean the SGRP Board's Audit Committee, the SGRP Board's Compensation Committee, the SGRP Board's Governance Committee or any other committee of the SGRP Board established from time to time, as applicable.

(x) "**SGRP Ethics Code**" shall mean, collectively, the SPAR Group Code of Ethical Conduct for its Directors, Executives, Officers, Employees, Consultants and other Representatives Amended and Restated as of August 13, 2015, and SGRP's Statement of Policy Regarding Personal Securities Transactions in SGRP Stock and Non-Public Information, as amended and restated on May 1, 2004, and as further amended through March 10, 2011, as each may have been and hereafter may be unilaterally adopted, interpreted, supplemented, modified, amended, restated, replaced, suspended or cancelled in whole or in part at any time and from time to time by the SGRP Board or applicable SGRP Committee in its or their discretion, as the case may be, all without any notice to or approval from the Employee

(y) "**SGRP Policies**" shall mean any and all of the SGRP's internal accounting, financial and reporting principles, controls and procedures, employment policies and procedures, and corporate codes and policies (including the SGRP Ethics Code) in effect at the applicable time(s), as each may have been and hereafter may be unilaterally adopted, interpreted, supplemented, modified, amended, restated, replaced, suspended or cancelled in whole or in part at any time and from time to time by the SGRP Board or applicable SGRP Committee or by the applicable authorized Executive(s) of SGRP (as defined in its By-Laws) in its or their discretion, as the case may be, all without any notice to or approval from the Employee.

(z) "**SGRP Securities**" shall mean any securities issued by SGRP, whether acquired directly from SGRP, in the marketplace or otherwise.

(aa) "**SPAR Affiliate**" shall mean and currently includes (without limitation) each of the Affiliates of SGRP or the Employer, including (without limitation) SPAR Administrative Services Inc., SPAR Business Services, Inc., SPAR InfoTech, Inc., SP/R, Inc., SR Services, Inc., and WR Services, Inc., and their respective Affiliates, but excluding each SGRP Company, in each case whether now existing or hereafter acquired, organized or existing.

(bb) "**SPAR Family Member**" shall mean any spouse, child, stepchild, nephew, niece, parent, stepparent, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of any SPAR Related Person, or any of their respective spouses or descendants, wherever residing, or any person residing (other than solely as a tenant or employee) in the same household as any SPAR Related Person.

(cc) "**SPAR Group**" shall mean the SGRP and all of the other SGRP Companies (including the Employer).

(dd) "**SPAR Related Person**" shall mean any director, officer, partner, manager or other executive, officer or employee of, consultant or other adviser to or partner, member or joint venturer in or significant (more than 10% of its equity, profits or voting rights) owner of any SPAR Affiliate (in each case whether or not such person also is or may have been a Representative of SGRP or the Employer).

(ee) "**Termination For Cause**" shall mean any termination of the Employee for any of the following reasons: (other than where the applicable events are based upon or also constitute Good Reason) (i) the Employee's willful, grossly negligent or repeated breach (whether through neglect, negligence or otherwise) in any material respect of, or the Employee's willful, grossly negligent or repeated nonperformance, misperformance or dereliction (whether through neglect, negligence or otherwise) in any material respect of any of his or her duties and responsibilities under, (A) any Related Document or other employment agreement or confidentiality agreement with the Employer or any other applicable SGRP Company, (B) the directives of the Board, the SGRP Board, any SGRP Committee or any other Authorized Representative, (C) the SGRP Ethics Code or other SGRP Policies, or (D) the Employer's policies and procedures governing his or her employment, in each case other than in connection with any absence or diminished capacity due to illness, disability or incapacity of not more than day 60 days or (if longer) as otherwise excused by (1) the policies and procedures of the Employer, (2) the terms of his or her employment, (3) the action of the Board or any Authorized Representative, or (4) Applicable Law; (ii) the gross or repeated disparagement by the Employee of the business or affairs of the Employer, any SGRP Company or any of their Representatives that in the reasonable judgment of the Employer or applicable SGRP Company has adversely affected or would be reasonably likely to adversely affect the operations or reputation of any such person; (iii) any resume, application, report or other information furnished to the Employer or any SGRP Company by or on behalf of the Employee shall be in any material respect untrue, incomplete or otherwise misleading when made or deemed made; (iv) the Employee is indicted for, charged with, admits or confesses to, pleads guilty or no contest to, adversely settles respecting or is convicted of (A) any willful dishonesty or fraud (whether or not related to the Employer or any SGRP Company), (B) any material breach of any Applicable Law, (C) any assault or other violent crime, (D) any theft, embezzlement or willful destruction by the Employee of any asset or property of the Employer, any SGRP Company or any of their respective Representatives, customers or vendors, (E) any other misdemeanor involving moral turpitude, or (F) any other felony; (v) alcohol or drug abuse by the Employee; or (v) any other event or circumstance that constitutes cause for termination of an employee under Applicable Law and is not described in another clause of this subsection; provided, however, that Termination for Cause shall not be considered present unless both (A) the Employer provides written notice to the Employee of the existence of a Termination for Cause condition or other event described above and (B) the Employee does not remedy the condition or other event within thirty (30) days after receipt of such notice (but if SGRP's Board reasonably determines that such condition or other event is remedied, then the condition or other event shall be considered not to have occurred and not to be a basis for a Termination for Cause). Notwithstanding the foregoing: (1) the Employer shall have the right to suspend the Employee with pay during that remedy period if it reasonably determines that the needs of the business require it; and (2) in no event shall a condition for Termination for Cause exist based on the Employee's refusal to perform any of his duties if, based on advice of counsel, performance of such duties would violate any Applicable Law.

Section 3. **At Will Employment and Severance Termination.** (a) **Introduction.** Notwithstanding the potential severance and other benefits under this Agreement, the Employee acknowledges and agrees that the Employee's employment is "at will" and may be modified from time to time and terminated at any time (whether during a Protected Period or otherwise) by the Employer in its discretion, for any reason or no reason, and without notice or benefit of any kind, other than any benefit expressly provided under the circumstances pursuant to this Agreement. However, without in any way contradicting, limiting or modifying the "at will" nature of the Employee's employment, if within the Protected Period the Employee's employment with the Employer or other applicable SGRP Company is terminated (i) by such employer for any reason other than the Employee's death or a Termination For Cause (as reasonably determined by SGRP's Compensation Committee), or (ii) by the Employee for Good Reason, and, in the case of any payment or benefit provided hereunder or portion thereof that is deferred compensation subject to IRC §409A, if either such termination also constitutes a Separation from Service (each of which will be referred to as a "**Severance Termination**"), the provisions of this Section shall apply and the benefits provided by this Section shall be in lieu of any and all other severance or similar termination benefits that might otherwise apply (which other benefits are hereby waived by the Employee in the event such Severance Termination benefits apply).

(b) **Release, Confidentiality Agreement and Resignations Required for Severance Benefits.** As a condition precedent to the payment of any benefits under this Agreement in the event of a Severance Termination, the Employer may in its discretion require (within the 30 day period described below) the execution and delivery by the Employee of any one or more of a Release, Confidentiality Agreement and Resignation (as such terms are defined below); provided, however, that each Release, Confidentiality Agreement and Resignation shall expressly exclude and reserve, and shall not in any way affect, the Employee's rights under this Agreement and any other severance agreement and rights to indemnification (including advancement and defense) under the Employer's By-Laws and insurance policies and under applicable law. No Release, Confidentiality Agreement or Resignation shall be required unless the Employer gives (by hand or overnight delivery with a copy by email) to the Employee the requested Release, Confidentiality Agreement and/or Resignation signed by the Employer within the thirty (30) day period following the date of such Severance Termination. "**Release**" shall mean a mutual release agreement between the Employee and the Employer (on behalf of all of all SGRP Companies) dated and effective as of the date of the Severance Termination substantially in the same form as Exhibit A hereto. "**Confidentiality Agreement**" shall mean a Confidentiality and Non-Solicitation Agreement between the Employee and the Employer (with, among other things, a five year period of confidentiality and a three year period of non-solicitation following termination, but without any non-compete) dated and effective as of the date of the Severance Termination substantially in the same form as Exhibit B hereto. "**Resignation**" shall mean a confirmatory resignation letter from the Employee for each applicable SGRP Company (other than the Employer) dated and effective as of the date of the Severance Termination substantially in the same form as Exhibit C hereto.

(c) **Lump Sum Severance Payment; Severance Credit.** (i) If a Severance Termination has occurred, then, subject to subsection (b) of this Section, the Employer shall promptly (but not later than the Severance Payment Date) pay (or cause the applicable SGRP Company to promptly pay) to the Employee severance pay in a lump sum (without interest) an amount equal to the sum of the following amounts (collectively, the "**Severance Payment**"):

The product of the Employee's Daily Compensation times 183 days.

(ii) Except as otherwise provided in Section 1(f), above, the Employee acknowledges and agrees that the Severance Payment is in lieu of, and acceptance by the Employee of the Severance Payment shall constitute the Employee's release of any rights of the Employee to, all other salary, bonuses, severance or other compensation that may have been payable to the Employee after or respecting the Severance Termination date (other than the Unpaid Salary or any compensation payable under any separate severance agreement between the parties (each a "Severance Agreement"), and that the "Severance Payment" under (and as defined in) the Severance Agreement shall be credited against and reduce the amount of any Severance Payment due under this Agreement under the circumstances (*i.e.*, no double dipping). The Company acknowledges and agrees that the Severance Payment is in addition to (and not in limitation of) any and all unpaid salary and other compensation earned by and owed to the Employee for any period ending on or before the date of the Severance Termination (including any period ending on that date due to such termination) (the "**Unpaid Salary**").

(d) **Vacation Days.** If a Severance Termination has occurred, then, subject to subsection (b) of this Section, the Employer shall promptly (but not later than the Severance Payment Date) pay (or cause the applicable SGRP Company to promptly pay) to the Employee an amount equal to his or her accrued and unused vacation days (if any), computed based on the Employee's Annual Compensation, which the Employer shall pay promptly and in accordance with the applicable policy of the Employer (or if changed during the Protected Period, in accordance with the immediately preceding applicable policy of the Employer). The Employee acknowledges that personal days and sick days are not vacation days for this or any other purpose.

(e) **Insurance.** In addition, during the six-month period following the effective date of any Severance Termination, the Employee and his dependents shall continue to receive the insurance benefits received during the preceding year as well as any additional insurance benefits as may be provided to executive officers or their dependents during such period in accordance with the Employer's policies and practices. The Employee's required co-payments shall not exceed those payable by the other executive officers of the SPAR Group. In the event the Employee is eligible for and voluntarily enrolls in Medicare for any part of such six-month period and gives the Employer written notice thereof, the Employer will reimburse the Employee monthly in the same amount the Employer would have paid for the Employee's coverage under its group insurance plan. Any applicable COBRA time periods and rights shall commence to run upon the conclusion of (and not concurrently with) the provision of such insurance.

(f) **Stock Compensation Awards.** If a Severance Termination has occurred, then, subject to subsection (b) of this Section, each stock compensation award granted to the Employee that has not, by its express terms, vested shall be deemed to have vested on the date of any Severance Termination, and shall thereafter be exercisable for the maximum period of time allowed for exercise thereof under the terms of such option, which period shall be determined as if the Severance Termination were a permitted retirement (irrespective of age or subsequent employment) of the Employee for the purpose of interpreting the provisions of any of the Employer's stock compensation plans or awards to the Employee; provided, however, that if payment or settlement of any such stock compensation award at such time would result in a prohibited acceleration or deferral under IRC §409A, then such award shall be paid or settled at the time the award would otherwise have been paid or settled under the applicable plan or arrangement relating to such award absent such prohibited acceleration or deferral.

(g) **401k.** If a Severance Termination has occurred, then, subject to subsection (b) of this Section, on October 15 of the year following the year of the Severance Termination the Employer shall pay to the Employee an amount equal to the 401k matching contribution for the plan year that includes the Severance Termination in accordance with the Employer's 401(k) Plan as if the Employee had been employed for more than 1000 hours during the plan year and employed on the last day of the plan year, offset by any amounts that were actually contributed to the Employee's account in the Employer's 401k Plan as 401k matching contributions with respect to the plan year that includes the Severance Termination.

(h) **Illness not affecting Good Reason.** The Employee's right to terminate employment for Good Reason during the Protected Period shall not be affected by the Employee's illness or incapacity, whether physical or mental, unless the Employer shall at the time be entitled to terminate his or her employment by reason thereof.

(i) **Parachute Payments.** "Notwithstanding any other provision of this Agreement, or any other agreement, plan, or arrangement to the contrary, if any portion of any payment or benefit under this Agreement, or under any other agreement, plan, or arrangement (in the aggregate, "**Total Payments**"), would constitute an "excess parachute payment" under IRC §280G, and would, but for this Section 3.(i), result in the imposition on the Employee of an excise tax under IRC §4999 (the "**Excise Tax**"), then the Total Payments to be made to the Employee shall either be (a) delivered in full, or (b) delivered in a reduced amount that is One Dollar (\$1.00) less than the amount that would cause any portion of such Total Payments to be subject to the Excise Tax, whichever of the foregoing results in the receipt by the Employee of the greatest benefit on an after-tax basis (taking into account the Excise Tax, as well as the applicable federal, state, and local income and employment taxes, for which the Employee shall be deemed to pay at the highest marginal rate for the applicable calendar year). To the extent the foregoing reduction applies, then any such payment or benefit shall be reduced or eliminated by applying the following principles, in order: (1) the payment or benefit with the higher ratio of the parachute payment value to present economic value (determined using reasonable actuarial assumptions) shall be reduced or eliminated before a payment or benefit with a lower ratio; (2) the payment or benefit with the later possible payment date shall be reduced or eliminated before a payment or benefit with an earlier payment date; and (3) cash payments shall be reduced prior to non-cash benefits; provided that if the foregoing order of reduction or elimination would violate IRC §409A, then the reduction shall be made pro rata among the payment or benefits (on the basis of the relative present value of the parachute payments). The determination of whether the Excise Tax or the foregoing reduction will apply will be made by independent tax counsel selected and paid by the Employer (which may be regular counsel of the Employer).

(j) **Company's Obligations.** The Company shall (or shall cause the applicable SGRP Company to) pay to, or distribute to or for the benefit of, the Employee such amounts as are then due to the Employee under this Agreement and shall timely pay to, or distribute to or for the benefit of, the Employee in the future such amounts as become due to the Employee under this Agreement.

(k) **Extension of Benefits.** Except as otherwise specified in this Section, any extension of benefits following a Severance Termination shall be deemed to be in addition to, and not in lieu of, any period for benefits continuation provided for by Applicable Law at the Employer's, the Employee's or his dependents' expense, as applicable.

(l) **Temporary Suspension of Section's Benefits.** Notwithstanding any other provision of this Section, to the extent permitted under IRC §409A, in the event that the Employee's Termination For Cause is solely based on the Employee having been indicted for or charged with any one or more of the deeds described in clause (iv) of the definition of Termination For Cause and there is a bona fide dispute as to whether any such deed(s) occurred, the payments and benefits of this Section (other than those under subsections (c), (d) and (j) hereof respecting vacation pay, insurance and the like) shall be temporarily withheld until the bona fide dispute is considered settled, which settlement shall be deemed to occur at such time as either:

(i) the first to occur of (A) the final determination by an appropriate authority (including an arbitrator) that the Employee is not guilty or is acquitted of such deed(s), (B) the Employer's written acknowledgement that the Employee is not guilty or acquitted of such deed(s) or the substantive equivalent or any settlement with the Employee to any such effect, or (C) the passage of twelve months following such termination without the good faith prosecution (criminal or civil) of the Employee for or arbitration of such deed(s) (the first of which occurs being the "**Resolution Date**"), in any which case the termination shall be deemed a Severance Termination and, subject to subsection (b) of this Section, the Employee shall be entitled at such time, with (where applicable) payment or commencement, as applicable, to be made within ten business days after the Resolution Date but in no event later than the end of the calendar year containing the Resolution Date, to all the benefits of this Section as of the Severance Date , plus (y) interest at the prime rate per annum on the unpaid amounts outstanding from time to time from the Severance Date through the Resolution Date (the "**Resolution Period**"), plus (z) an extension of the Employee's benefit periods under subsections (d) and (i) of this Section and stock compensation award exercise period(s) under subsection (e) of this Section equal to the length of the Resolution Period; provided, however, that the extension of the extension of the Employee's stock compensation award exercise period(s) under subsection (e) of this Section shall not extend the exercise period beyond the original term of each stock option (determined without regard to early termination due to cessation of employment); or

(ii) the Employee admits or confesses to, pleads guilty or no contest to, adversely settles respecting or is convicted of such deed(s), in any which case the Employee shall not be entitled to any of the benefits of this Section, any salary or bonus pending such resolution, any of the benefits of subsection (c) hereof or any further payments or benefits hereunder other than benefits continuation provided for by Applicable Law.

(m) **Employee's Estate.** In the event the Employee shall die after a Severance Termination (including, without limitation, during the Resolution Period), this Agreement and the benefits of this Section (if any) shall inure to the benefits of the estate, heirs and legal representatives of the deceased Employee in accordance with his or her will or Applicable Law, as the case may be.

(n) **Withholding.** The Company shall be entitled to withhold from amounts to be paid to the Employee hereunder any federal, state or local withholding or other taxes or charges which it is from time to time required to withhold; provided, that the amount so withheld shall not exceed the minimum amount required to be withheld by law. The Employer shall be entitled to rely on an opinion of the independent tax counsel selected and paid by the Employer (which may be regular counsel of the Employer) if any question as to the amount or requirement of any such withholding shall arise.

(o) **IRC §409A Override; Voluntary Early Payment.** Notwithstanding anything to the contrary in this Agreement, (A) the Employer and the SGRP Companies do not warrant or guaranty compliance with IRC §409A, (B) the Employer and the SGRP Companies shall not be liable for any taxes should the Employee be assessed or otherwise become liable for any additional income tax, excise tax, penalty or interest as a result of any payment or provision of any benefit in violation of IRC §409A, (C) it is intended that any payment or benefit provided pursuant to or in connection with this Agreement that is considered to be deferred compensation subject to IRC §409A (and not exempt) shall be provided and paid in a manner, and at such time and in such form, as complies with the requirements of IRC §409A to avoid any unfavorable tax consequences, and (D) without limiting the generality of the foregoing, the following specific rules shall apply in connection therewith:

- (i) to the maximum extent permissible, any ambiguous terms of this Agreement shall be interpreted in a manner that avoids a violation of IRC §409;
- (ii) any bonus payments due hereunder that would be penalized under IRC §409A if paid later pursuant to the terms hereof shall instead be paid to the Employee by no later than 2 1/2 months after the end of the calendar year in which the Employee's rights to such bonus payments first vested for purposes of IRC §409A;
- (iii) if any deferred compensation is accelerated hereunder to an earlier payment time that would result in a prohibited acceleration under IRC §409A, then such amount shall instead be paid at the time the amount would otherwise have been paid absent such prohibited acceleration;
- (iv) subject to any applicable prohibition on acceleration of payment under IRC §409A, the Employer may, at any time and in its sole discretion, make a lump-sum payment of or all amounts, or any or all remaining amounts, due to the Employee under this Agreement;
- (v) all rights to payments and benefits hereunder shall be treated as rights to receive a series of separate payments and benefits for purposes of and to the fullest extent allowed by IRC §409A;
- (vi) the payments or provision of benefits that are considered to be deferred compensation subject to IRC §409A (*i.e.*, not exempt) in connection with the Employee's Separation from Service shall be delayed, to the extent applicable, until six months after the separation from service, or, if earlier, the Employee's death, if the Employee is a "specified employee" under IRC §409A (the "**409A Deferral Period**"); payments that are otherwise due to be made in installments or periodically during the 409A Deferral Period shall be accumulated and paid in a lump sum as soon as the 409A Deferral Period ends; payments that are due to be made in installments or periodically after the 409A Deferral Period shall be made as scheduled; any benefits that are required to be deferred under IRC §409A during the 409A Deferral Period may be provided during such period at the Employee's expense, with the Employee having a right to reimbursement from the Employer once the 409A Deferral Period ends; and payments and benefits that are due to be made or provided in installments or periodically after the 409A Deferral Period shall be made or provided as scheduled;
- (vii) if this Agreement provides for reimbursements that constitute deferred compensation for purposes of IRC §409A, in no event shall the reimbursements be paid later than the last day of the calendar year following the calendar year in which the related expense was incurred; and

(viii) if, after application of the foregoing rules and the other provisions of this Agreement (as and to the extent applicable) the Employee would still be reasonably likely to be assessed or otherwise become liable for any additional income tax, excise tax, penalty or interest as a result of any payment or provision of any benefit in violation of IRC §409A under any provision of this Agreement, then the Parties shall cooperate to correct such defects consistent with and to the extent permitted by the IRC §409A correction program(s).

Section 4. **Waivers of Notice, Etc.** Each Party hereby absolutely, unconditionally, irrevocably and expressly waives forever each and all of the following: (a) delivery or acceptance and notice of any delivery or acceptance of this Agreement; (b) notice of any action taken or omitted in reliance hereon; (c) notice of any nonpayment or other event that constitutes, or with the giving of notice or the passage of time (or both) would constitute, any nonpayment, nonperformance, misrepresentation or other breach or default under this Agreement; (d) notice of any material and adverse effect, whether individually or in the aggregate, upon the assets, business, cash flow, expenses, income, liabilities, operations, properties, prospects, reputation or condition (financial or otherwise) of a Party, its Representative or any other person; and (e) any other proof, notice or demand of any kind whatsoever with respect to any or all of a Party's obligations or promptness in making any claim or demand under this Agreement.

Section 5. **Mutual Consent to Governing Law.** To the greatest extent permitted by Applicable Law, this Agreement shall be governed by and construed in accordance with the federal Applicable Law of the United States of America, and to the extent not preempted by such federal Applicable Law, by the Applicable Law of the State of New York, in each case other than those conflict of law rules that would defer to the substantive laws of another jurisdiction. The preceding consents to governing law have been made by the Parties in reliance on Applicable Law, including (without limitation) Section 5-1401 of the General Obligations Law of the State of New York, as amended, as and to the extent applicable.

Section 6. **Mutual Consent to Arbitration and New York Jurisdiction, Etc.** (a) Any unresolved dispute or controversy under this Agreement other than any Arbitration Exclusion shall be settled exclusively by arbitration conducted by the American Arbitration Association ("AAA") in accordance with the AAA's Commercial Arbitration Rules then in effect ("**AAA Rules**") and held in Westchester County, New York. However, no Party shall be required to arbitrate any Arbitration Exclusion, and any Party may pursue any Arbitration Exclusion through any action, suit, proceeding or other effort independent and irrespective of any pending or possible arbitration. "**Arbitration Exclusion**" shall mean any injunctive or similar equitable relief, any defense or other indemnification by the other Party, the scope or applicability of this arbitration provision, any enforcement of any arbitration or court award or judgment in any jurisdiction or any appeal of any lower court or arbitration decision sought by a Party, and at the option of such seeking Party, any damages or other applicable legal or equitable relief reasonably related to any of the forgoing exclusions. Any Party may object to any proposed arbitrator that (in its reasonable judgment) is not a disinterested unrelated third party or does not have at least a basic knowledge of merchandising businesses, accounting practices and generally accepted accounting principles. The arbitrator(s) shall determine each claim or severable part thereof in accordance with the provisions of this Agreement, shall use supportable quantifiable calculations in determining amounts, shall not add to, detract from, or modify any provision of this Agreement, and shall not "split the difference" or use other similar allocation methods. Discovery will be strictly limited to documents of the Parties specifically applicable to the claims, excluding, however, those documents protected by attorney/client, accountant or other professional or work product privilege (which have not been waived).

(b) The Parties each hereby consents and agrees that any state or federal court sitting in White Plains, New York, each shall have non-exclusive personal jurisdiction and proper venue with respect to any unresolved dispute or controversy between the Parties under or related to this Agreement respecting any Arbitration Exclusion or other matter under this Agreement that is not subject to arbitration hereunder; provided, however, that such consent shall not deprive any Party of the right to appeal the decision of any such court to a proper appellate court located elsewhere or to voluntarily commence or join any action, suit or proceeding in any other jurisdiction having proper jurisdiction and venue.

(c) The preceding consents to the jurisdiction and venue of such arbitrations and courts have been made by the Parties in reliance (at least in part) on Section 5-1402 of the General Obligations Law of the State of New York, as amended (as and to the extent applicable), other Applicable Law, and the rules of the AAA. No Party will raise, and each Party hereby absolutely, unconditionally, irrevocably and expressly waives forever, any objection or defense to any such jurisdiction as an inconvenient forum, or to any deference to or delay for any arbitration respecting any counterclaim or other matter relating to any Arbitration Exclusion. Except as otherwise provided in this Agreement: (i) in any arbitration, each Party shall pay its own expenses in such matter, including the fees and disbursements of its own attorneys, and half of the fees and expenses of the AAA and the arbitrator(s) costs, as applicable in each case irrespective of outcome; and (ii) in any action, suit or proceeding (other than arbitration), the predominately losing Party shall pay the costs and expenses of the predominately winning Party, including the fees and disbursements of the Parties' respective attorneys and all court costs.

Section 7. **Notice.** Any notice, request, demand, service of process or other communication permitted or required to be given to a Party under this Agreement shall be in writing and shall be sent to the applicable Party at the address set forth on the signature page below (or at such other address as shall be designated by notice to the other Party and Persons receiving copies), effective upon actual receipt (or refusal to accept delivery) by the addressee on any business day during normal business hours or the first business day following receipt after the close of normal business hours or on any non-business day, by (a) FedEx (or other equivalent national or international overnight courier) or United States Express Mail, (b) certified, registered, priority or express United States mail, return receipt requested, (c) telecopy, or (d) messenger, by hand or any other means of actual delivery. The Employee also may use and rely on the accuracy of the address of the SGRP designated as its executive office in its most recent filing under the Securities Exchange Act as the Employer's address for notices hereunder. The Parties acknowledge and agree that such actual receipt will be presumed with, among other things, evidence of the signature by a Representative of, or adult in the same household as, the receiving Party on a return receipt, courier manifest or other courier's acknowledgment of delivery or receipt.

Section 8. **Interpretation, Headings, Etc.** In this Agreement: (a) the meaning of each capitalized term or other word or phrase defined in singular form also shall apply to the plural form of such term, word or phrase, and vice versa; each singular pronoun shall be deemed to include the plural variation thereof, and vice versa; and each gender specific pronoun shall be deemed to include the neuter, masculine and feminine, in each case as the context may permit or required; (b) any bold text, italics, underlining or other emphasis, any table of contents, or any caption, section or other heading is for reference purposes only and shall not affect the meaning or interpretation of this Agreement; (c) the word "event" shall include (without limitation) any event, occurrence, circumstance, condition or state of facts; (d) this Agreement includes each schedule and exhibit hereto, all of which are hereby incorporated by reference into this Agreement, and the words "hereof", "herein" and "hereunder" and words of similar import shall refer to this Agreement (including all schedules and exhibits hereto) and the applicable statement(s) of work as a whole and not to any particular provision of any such document; (e) the words "include", "includes" and "including" (whether or not qualified by the phrase "without limitation" or the like) shall not in any way limit the generality of the provision preceding such word, preclude any other applicable item encompassed by the provision preceding such word, or be deemed or construed to do so; (f) unless the context clearly requires otherwise, the word "or" shall have both the inclusive and alternative meaning represented by the phrase "and/or"; (g) each reference to any financial or reporting control or governing document or policy of the Employee's employer shall include those of its ultimate parent, SGRP or any Nasdaq or SEC rule or other Applicable Law, whether generically or specifically, shall mean the same as then in effect; and (h) each provision of this Agreement shall be interpreted fairly as to each Party irrespective of the primary drafter of such provision.

Section 9. **Survival of Agreements, Etc.** Each of the representations and warranties (as of the date(s) made or deemed made), covenants, waivers, releases and other agreements and obligations of each Party contained in this Agreement: (a) shall be absolute, irrevocable and unconditional, irrespective of (among other things) (i) the validity, legality, binding effect or enforceability of any of the other terms and provisions of this Agreement or any other agreement (if any) between the Parties, or (ii) any other act, circumstance or other event described in this Section; (b) shall survive and remain and continue in full force and effect in accordance with their respective terms and provisions following and without regard to (i) the execution and delivery of this Agreement and each other agreement (if any) between the Parties and the performance of any obligation of such Party hereunder or thereunder, (ii) any waiver, modification, amendment or restatement of any other term or provision of this Agreement or any other agreement (if any) between the Parties (except as and to the extent expressly modified by the terms and provisions of any such waiver, modification, amendment or restatement), (iii) any full, partial or non-exercise of any of the rights, powers, privileges, remedies and interests of a Party or any SGRP Company under this Agreement, any other agreement (if any) between the Parties or Applicable Law against such other Party or any other person or with respect to any obligation of such Party, which exercise or enforcement may be delayed, discontinued or otherwise not pursued or exhausted for any or no reason whatsoever, or which may be waived, omitted or otherwise not exercised or enforced (whether intentionally or otherwise), (iv) any extension, stay, moratorium or statute of limitations or similar time constraint under any Applicable Law, (v) any pledge, assignment, sale, conveyance or other transfer by the Employer (in whole or in part) to any other person of this Agreement or any other agreement (if any) between the Parties or any one or more of the rights, powers, privileges, remedies or interests of the Employer therein, (vi) any act or omission on the part of the Employer, any SGRP Company, any of their respective Representatives or any other person, (vii) any termination or other departure of the Employee from his or her employment, whether for cause or otherwise, or any dispute involving any aspect of such employment; or (viii) any other act, event, or circumstance that otherwise might constitute a legal or equitable counterclaim, defense or discharge of a contracting party, co-obligor, guarantor, pledgor or surety; in each case without notice to or further assent from the Employee or any other person (except for such notices or consents as may be expressly required to be given to such Party under this Agreement or any other agreement (if any) between the Parties); (c) shall not be subject to any defense, counterclaim, setoff, right of recoupment, abatement, reduction or other claim or determination that the Employee may have against the Employer, any SGRP Company, any of their respective Representatives or any other person; (d) shall not be diminished or qualified by the death, disability, dissolution, reorganization, insolvency, bankruptcy, custodianship or receivership of Party or any other person, or the inability of any of them to pay its debts or perform or otherwise satisfy its obligations as they become due for any reason whatsoever; and (e) with respect to any provision expressly limited to a period of time, shall remain and continue in full force and effect (i) through the specific time period(s) and (ii) thereafter with respect to events or circumstances occurring prior to the end of such time period(s).

Section 10. **Mutual Successors and Assigns, Assignment; Intended Beneficiaries.** All representations, warranties, covenants and other agreements made by or on behalf of each Party in this Agreement shall be binding upon the heirs, successors, assigns and legal representatives of such Party and shall inure to the benefit of the heirs, successors, assigns, and legal representatives of each other Party; provided, however, that nothing herein shall be deemed to authorize or permit the Employee to assign any rights or obligations under this Agreement to any other person, and the Employee agrees to not make any such assignment. The representations, agreements and other terms and provisions of this Agreement are for the exclusive benefit of the Parties hereto, and, except as otherwise expressly provided herein, no other person shall have any right or claim against any Party by reason of any of those provisions or be entitled to enforce any of those provisions against any Party. The provisions of this Agreement are expressly intended to benefit each of the members of the SPAR Group, who may enforce any such provisions directly, irrespective of whether the Employer participates in such enforcement. However, no SGRP Company (other than the Employer) shall have, or shall be deemed or construed to have, any obligation or liability to the Employee under this Agreement or otherwise.

Section 11. **Mutual Severability.** In the event that any provision of this Agreement shall be determined to be superseded, invalid, illegal or otherwise unenforceable (in whole or in part) pursuant to Applicable Law by a court or other governmental authority, the Parties agree that: (a) any such authority shall have the power, and is hereby requested by the Parties, to reduce or limit the scope or duration of such provision to the maximum permissible under Applicable Law or to delete such provision or portions thereof to the extent it deems necessary to render the balance of such Agreement enforceable; (b) such reduction, limitation or deletion shall not impair or otherwise affect the validity, legality or enforceability of the remaining provisions of this Agreement, which shall be enforced as if the unenforceable provision or portion thereof were so reduced, limited or deleted, in each case unless such reduction, limitation or deletion of the unenforceable provision or portion thereof would impair the practical realization of the principal rights and benefits of either Party hereunder; and (c) such determination and such reduction, limitation and/or deletion shall not be binding on or applied by any court or other governmental authority not otherwise bound to follow such conclusions pursuant to Applicable Law.

Section 12. **Mutual Waivers and Cumulative Rights.** Any waiver or consent respecting this Agreement shall be effective only if in writing and signed by the required Parties and then only in the specific instance and for the specific purpose for which given. No waiver or consent shall be deemed (regardless of frequency given) to be a further or continuing waiver or consent. No voluntary notice to or demand on any Party in any case shall entitle such Party to any other or further notice or demand. Except as expressly provided otherwise in this Agreement, (a) no failure or delay by any Party in exercising any right, power, privilege, remedy, interest or entitlement hereunder shall be deemed or construed to be a waiver thereof, (b) no single or partial exercise thereof shall preclude any other or further exercise or enforcement thereof or the exercise or enforcement of any other right, power, privilege, interest or entitlement, and (c) the rights, powers, privileges, remedies, interests and entitlements under this Agreement shall be cumulative, are not alternatives, and are not exclusive of any other right, power, privilege, remedy, interest or entitlement provided by this Agreement or Applicable Law.

Section 13. **Mutual Waiver of Jury Trial; All Waivers Intentional, Etc.** In any action, suit or proceeding in any jurisdiction brought by any Party hereto against any other Party, each Party hereby absolutely, unconditionally, irrevocably and expressly waives forever trial by jury. This waiver of jury trial and each other express waiver, release, relinquishment or similar surrender of rights (however expressed) made by a Party in this Agreement has been absolutely, unconditionally, irrevocably, knowingly and intentionally made by such Party.

Section 14. **Mutual Counterparts and Amendments.** This Agreement or any supplement, modification or amendment to or restatement of this Agreement may have been executed in two or more counterpart copies of the entire document or of signature pages to the document, each of which may have been executed by one or more of the signatories hereto or thereto and delivered by mail, courier, telecopy or other electronic or physical means, but all of which, when taken together, shall constitute a single agreement binding upon all of its signatories. This Agreement (i) may not be supplemented, modified, amended, restated, waived, extended, discharged, released or terminated orally, (ii) may only be supplemented, modified, amended or restated in a writing signed by all of the Parties hereto specifically referencing this Agreement, and (iii) may only be waived, extended, discharged, released or terminated in a writing signed by each Party against whom enforcement thereof may be sought.

Section 15. **Entire Agreement.** Each Party acknowledges and agrees that, in entering into this Agreement and the other Related Documents, it has not directly or indirectly received or acted or relied upon any representation, warranty, promise, assurance or other agreement, understanding or information (whether written, electronic, oral, express, implied or otherwise) from or on behalf of the other Party, any of its subsidiaries or other Affiliates, or any of their respective Representatives, respecting any of the matters contained in this Agreement or any other Related Document except for those expressly set forth in this Agreement and the other Related Documents. This Agreement (including all exhibits and schedules) and the other Related Documents contain the entire agreement and understanding of the Parties and supersede and completely replace all prior and other representations, warranties, promises, assurances and other agreements, understandings and information (including, without limitation, all letters of intent, term sheets, existing agreements, offers, requests, responses and proposals and any other severance or termination arrangement or policy of the Employer), whether written, electronic, oral, express, implied or otherwise, from a Party or between them with respect to the matters contained in this Agreement and the other Related Documents, as applicable.



**In Witness Whereof**, the Parties hereto have executed and delivered this Agreement (including all schedules and exhibits hereto) through their duly authorized signatories on the dates indicated below and intend to be legally bound by this Agreement as of the Effective Date.

**EMPLOYER:**

**SPAR Group, Inc., and  
SPAR Marketing Force, Inc.**

By: \_\_\_\_\_  
[ ▲ Officer's Signature ▲ ]  
Christiaan M. Olivier, CEO and President

Employer's Current Address:  
1910 Opdyke Court, Auburn Hills, MI 48326  
ATTN: Human Resources Department

Dated as of: August 4, 2020\_

**EMPLOYEE:**

**Fay DeVriese**  
[ ▲ Please Type or Print Full Name of Employee ▲ ]

\_\_\_\_\_  
[ ▲ Employee's Signature ▲ ]

Employee's Current Address:

662 Kingstone Court  
Oakland, MI 48363

Dated as of: August \_\_, 2020\_\_

**CONSULTING AGREEMENT and Mutual RELEASE AND WAIVER OF ALL CLAIMS**

**This Consulting Agreement and Mutual Release and Waiver of All Claims** (this "Agreement") is entered into by **James Segreto** ("Employee") and **SPAR Group, Inc.**, a Delaware corporation ("SGRP" or the "Corporation") and is dated and effective as of August 7, 2020 (the "Effective Date") Together, the Employee and SGRP may be referred to collectively as the "Parties" and the term "Party" may refer to any and each of them. Additionally, SGRP and all of its domestic and foreign subsidiaries will be referred to collectively as "SPAR Group" or the "Company". For clarity, SPAR Group and the Company include both SGRP and each direct or indirect subsidiary of SGRP at the applicable time. The subsidiaries of SGRP include those listed at the relevant time in Exhibit 21.1 to SGRP's most recent Annual Report on Form 10-K as filed with the SEC, a copy of which can be viewed at the Corporation's website (www.sparinc.com) under the tab/ sub-tab of Investor Relations/SEC Filings.

Background Information

The Employee has been employed as the Chief Financial Officer, Secretary and Treasurer of SGRP, executive, officer, employee and/or agent of SGRP and certain domestic and foreign subsidiaries of SGRP.

On July 15, 2020, the Employee gave notice that he was retiring from all of his positions (whether as an executive, officer, employee and/or agent or otherwise), as well as all of his employment, with SPAR Group, effective as of August 7, 2020, upon which retirement effective date (the "Separation Date"), the Employee ceased to be employed or engaged in any capacity by SPAR Group and ceased to be an executive, officer, employee and/or agent of each and every SPAR Group company, as applicable, without however, affecting any of the Continuing Payments (as hereinafter defined) or other Excluded Claims.

The Employee and SPAR Group desire to enter into this Agreement to provide for the Continuing Payments, provide for certain possible consulting services to the Company, except for the Continuing Payments and other Excluded Claims, to fully and mutually settle and resolve all possible matters and claims between them, and to adopt various provisions pertaining to the interpretation, enforcement and governance of this Agreement and other aspects of the engagement pursuant to the following terms, provisions and conditions.

Agreement

NOW, THEREFORE, in consideration of the foregoing, the mutual releases, promises, representations, covenants and agreements set forth in this Agreement and other good and valuable consideration (the receipt and adequacy of which is hereby acknowledged), the Parties hereto, intending to be legally bound, agree as follows:

1. Engagement, Duties and Term.

(a) Upon the terms and provisions and subject to the conditions set forth in this Agreement, the Company hereby engages the Consultant to provide consulting services to support and assist the Corporation's new Chief Financial Officer and General Counsel and the transition to the new Chief Financial Officer and other services mutually agreed upon, which services of the Consultant shall include (without limitation) such specific tasks and duties as from time to time are assigned to the Consultant by the management of the Company or its General Counsel and their authorized representative and accepted by the Consultant in his sole discretion. The Consultant shall diligently and faithfully perform all such assigned and accepted services, tasks and duties under the supervision and responsibility of management and the Consultant's other duties and obligations under this Agreement and the directions of any authorized representative (as and to the extent accepted by the Consultant in its sole discretion, collectively, the "Services"), in each case in accordance with all applicable Law, to the best of the Consultant's ability, and with the highest professional standards and integrity. The Consultant shall act (in performance of the Services) at all times in the best interests of the Company. However, the Company has and shall retain exclusive responsibility and liability for all its accruals, financial statements and SEC reports irrespective of the Consultant's assistance.

(b) The term of engagement under this Agreement shall begin on August 8, 2020 and shall continue through December 31, 2020 (the "Consulting Term"). The scheduled expiration of the Consulting Term may be extended for such period on such terms and conditions as the Parties hereto mutually agree in writing from time to time. Either Party may terminate the Consulting Term at any time on fifteen (15) days written notice. This Agreement is not intended, and shall not be construed to create any future engagement or retention term or period following scheduled expiration or earlier termination of the Consulting Term. Except for the corresponding extension of related payments, the expiration of the Consulting Term shall not in any way alter or affect the other provisions of this Agreement.

(c) Consulting time per week is to be limited to a maximum of the equivalent of two and one half (2.5) 7.5-hour days per week.

2. Consulting Fees and Expenses. For all services rendered by the Consultant during the Consulting Term, the Company shall compensate the Consultant as follows:

(a) In consideration of its consulting services, Company shall pay Consultant an amount equal to \$175.00 per hour of service billable in 30 minute increments (the "Consulting Fee") within thirty (30) days upon submission of a written invoice to Company by Consultant. For clarity, the Consultant will be responsible to all applicable taxes with wages as a 1099 reporting event.

(b) Whether or not any Services are performed, the Consultant will continue to be reimbursed for the expenses of his current Medicare and supplemental insurance coverages at the rate of \$1,305.00 per month until the end of the Consulting Term as and if extended ("Medical Coverage Reimbursements"). For clarity, this benefit is payable at least through December 31, 2020.

(c) The Company shall reimburse the Consultant for (or, at the Company's option, directly pay) all business travel and other out-of-pocket expenses reasonably incurred by the Consultant in the performance of the Services hereunder during the Consulting Term in accordance with the policies of the Company (the "Consulting Expenses"), provided, however, that all such expenses are authorized or approved in advance by the Company in writing. All reimbursable expenses shall be appropriately documented in reasonable detail by the Consultant upon submission of any request for reimbursement, and in a format and manner consistent with the SPAR Group's expense reporting policy, as well as applicable federal and state Tax record keeping requirements.

(d) The Consultant shall be entitled, as if he were an officer of the Corporation, to: (i) any advancement, defense, indemnification, reimbursement or similar provision or coverage under the Corporation's By-Laws or applicable law as in effect on July 15, 2020; and (ii) coverages under the Corporation's current D&O and similar insurance policies as renewed as of July 1, 2020.

3. Continuing Payments and Other Excluded Claims.

(a) The Employee shall be entitled to receive payment of each of the following from the Corporation (each of which is an "Employment Payment", "Continuing Payment" and one of the Excluded Claims, as hereinafter defined), irrespective of whether or not any Services are ever performed and whether or not the Consulting term is then continuing:

- (i) Payment by the Corporation of the Employee's regular compensation through August 7, 2020, at the Employee's existing salary rate and paid by the Corporation in accordance with the Corporation's payroll schedule as if he was still employed by the Corporation;
- (ii) Payment by the Corporation of the Employee's accrued six weeks of vacation pay from August 7, 2020, through September 18, 2020, at the Employee's existing salary rate, paid by the Corporation in accordance with the Corporation's payroll schedule as if he was still employed by the Corporation;
- (iii) Reimbursement by the Corporation of the Employee's unpaid business expenses incurred as an employee through August 7, 2020, in accordance with the Corporation's expense policies, documented through the Corporation's expense tools, and paid by the Corporation in accordance with the Corporation's payroll schedule as if he was still employed by the Corporation; and
- (iv) Payment by the Corporation of the remaining unpaid Employee's 2019 Deferred Bonus in accordance with his Delayed Payment Agreement with the Corporation effective as of March 27, 2020, as amended by his Amendment to the Delayed Payment Agreement with the Corporation dated and effective as of March 27, 2020 (as so amended, the "Deferred Bonus Agreement"), when and as required by such agreement.

(b) The Employee shall be entitled to receive payment of each of the following from the Corporation (each of which is a "Consulting Payment" and also is a "Continuing Payment" and one of the Excluded Claims) in accordance with this Agreement: (i) the Consulting Fees; (ii) the Consulting Expenses; and (iii) the Medical Coverage Reimbursements.

(c) "Continuing Payment" shall mean any Employment Payment or Consulting Payment.

(d) Notwithstanding anything to the contrary, the Employee has not waived or released any Excluded Claim, and the Employee has expressly retained each and every Excluded Claim. "Excluded Claim" shall mean any of the following (in whole or in part), or any right, entitlement, power, privilege, remedy, interest or Claim with respect thereto, whether now or hereafter existing:

(i) this Agreement;

(ii) any Consulting Payment;

(iii) any Employment Payment;

(iv) the Deferred Bonus Agreement;

(v) any outstanding Award (whether option, restricted stock or otherwise), which shall continue in accordance with their respective terms, except that each shall fully vest effective as of August 7, 2020 (an "Award" is defined in the applicable Stock Compensation Plan of the Corporation) or any related agreement (each an "Award Agreement");

(vi) the Employee's existing investments in and internet access to the Corporation's 401(k) Plan;

(vii) any advancement, defense, indemnification, reimbursement or similar provision or coverage under the Corporation's By-Laws or applicable law as in effect on July 15, 2020;

(viii) Continuing coverages under the Corporation's current D&O and similar insurance policies as renewed as of July 1, 2020;

(ix) any Employee Claim to the extent caused by the willful misconduct or fraud by the Company or any of its Representatives (other than the Employee) as finally determined pursuant to applicable law; or

(x) Any (A) unemployment and/or any state disability insurance benefits pursuant to the terms of applicable state law; (B) workers' compensation claims; (C) continued participation in certain SPAR Group benefit plans pursuant to the terms and conditions of the federal law known as COBRA and/or similar state or local law to the extent that any such laws would otherwise apply; (D) claim under any insurance policy; (E) benefit entitlements that were vested as of the date of the Employee's termination pursuant to the written terms of any company employee benefit plan or policy; (F) rights or claims that may arise after the Employee signs this Agreement; (G) rights that are not subject to waiver or are not subject to an unsupervised waiver as a matter of applicable law; and (H) this Agreement or respecting its enforcement.

(e) "Continuing Agreement" Shall mean the Deferred Bonus Agreement, any Award Agreement, or the Confidentiality Agreement (as defined below)

(f) For clarity, the Employee's Change in Control Severance Agreement, as amended (the "CICSA"), is NOT an Excluded Claim or a Continuing Agreement.

4. Certain Defined Terms: For the purposes of this Agreement:

(a) "Claim" shall mean any claim, demand, or Proceeding of any kind, nature or description (whether administrative, judicial or otherwise).

(b) "Losses" shall mean any and all losses, liabilities, damages, judgments, settlements, penalties, fines, costs and expenses of every kind, nature or description, including (without limitation) court costs and the fees, expenses and disbursements of attorneys, paralegals and other professionals.

(c) "Proceeding" shall mean any action, arbitration, case, complaint, hearing, investigation, mediation, suit or other proceeding, whether civil, criminal, administrative or investigative, whether pending, threatened or otherwise.

(d) "Related Party" shall mean each of the following: SPAR Administrative Services, Inc. (formerly known as SMSI and SPAR Management Services, Inc.), SPAR Business Services, Inc. (formerly known as SMS and SPAR Marketing Services, Inc.), SPAR Infotech, Inc., SR Services, Inc., their respective Representatives, and of their respective affiliates (other than the Company). For clarity SPAR Group, the Company and the Corporation Releasees do not include any Related Party.

(e) "Release Date" shall mean the later of August 7, 2020 (the Effective Date of this Agreement), or the end of the Consulting Term as and if extended.

(f) "Representative" of a referenced person shall mean any if its direct and indirect owners, parents, shareholders, partners, members, trustees, joint venturers, directors, executives, managers, officers, employees, contractors, insurers, agents or other representatives. For clarity, Representatives of SPAR Group and the Corporation Releasees do not include any Representative of any Related Party acting in such capacity or acting for or on behalf of any Related Party.

(g) "Statutory Rights" shall mean any federal, state, local or other statute, rule, regulation or executive or other order listed in Exhibit A hereto.

5. Employee's Waiver and Release of Claims. Except for (and in each case expressly excluding) each and every Excluded Claim: the Employee hereby and forever releases each and every company in the SPAR Group, as defined in this Agreement, and any and all of each of their past, present, and future assigns, successors, subsidiaries, divisions, and corporations, and any and all of each of their respective Representatives, as well as their heirs, executors, administrators, successors, assigns, and other personal or legal representatives, individually and in their respective corporate and personal capacities (together with each SPAR Group company, all hereinafter referred to in this paragraph and this Agreement collectively as "Corporation Releasees") from any and all legally waivable Claims, Losses (including the fees, expenses and disbursements of attorneys, paralegals and other professionals), duties, obligations or causes of action relating to any matters of any kind or nature, whether presently known or unknown, suspected or unsuspected, arising from any and all omissions, acts, facts, causes of action, Claims, liabilities, demands, debts, assessments, liens, suits, proceedings, judgments, or damages, known or unknown, liquidated or unliquidated, contingent or non-contingent, arising from or pertaining in any way to all events, facts or occurrences from the beginning of time through the Release Date (hereinafter each referred to an "Employee Claim"), arising under federal, state, or local law by Constitution, statute, local charter or ordinance, regulation, common law, public policy, contract (express and implied), or equity, that might have otherwise been asserted through the Effective Date of this Agreement, in each case to the fullest extent permitted by applicable law. This release of Employee Claims includes, but is not limited to, a release of any and all Claims and related Losses under any Statutory Rights other than any Excluded Claim.

6. Corporation's Waiver and Release of Claims. The Corporation, for itself and each of the other members of the SPAR Group, hereby and forever releases the Employee, and any and all of each of his past, present, and future heirs, executors, administrators, and other personal or legal representatives, individually and in their respective representative and personal capacities (together with the Employee, all hereinafter referred to in this paragraph and this Agreement collectively as "Employee Releasees"), from any and all legally waivable Claims, Losses (including the fees, expenses and disbursements of attorneys, paralegals and other professionals), complaints, duties, obligations or causes of action relating to any matters of any kind or nature, including (but not limited to) any right to recover attorney's fees or costs, whether presently known or unknown, suspected or unsuspected, arising from any and all omissions, acts, facts, causes of action, claims, liabilities, demands, debts, assessments, liens, suits, proceedings, judgments, or damages, known or unknown, liquidated or unliquidated, contingent or non-contingent, arising from or pertaining in any way to all events, facts or occurrences from the beginning of the world through the Release Date (hereinafter each referred to as a "Corporation Claim"), arising under federal, state, or local law by Constitution, statute, local charter or ordinance, or regulatory rule or regulation, common law, public policy, contract (express and implied), or equity, that might have otherwise been asserted through the Release Date, in each case to the fullest extent permitted by applicable law, and in each case excluding any Corporation Claim to the extent caused by the willful misconduct or fraud by the Employee as finally determined pursuant to applicable law. For clarity, disagreements over accruals, financial statements, accounting standards, disclosures or the like do not constitute misconduct or fraud. Each Party represents and warrants to the other that it does not currently know of any Corporation Claim involving any willful misconduct and knowing or fraud by the Employee.

7. Release of Unknown Claims. Except as specifically excepted in Section 3, 4, 5, or 6, above, this Agreement covers and includes all claims (including all Employee Claims but excluding all Excluded Claims) that the Employee may have against any and all of the Corporation Releasees, including SGRP, or that the Corporation may have against the Employee Releasees, to the fullest, in each case extent allowed by law, whether actually known or not known, and the Employee and the Corporation hereby waive any rights against the other Party they may have relating to any unknown injuries, claims, or potential claims, regardless of the fact that they are unknown to them.

8. Bar to Claims and Waiver of Any Right to Damages for Claims Brought by the Employee or Others on the Employee's Behalf.

(a) The Employee and the Corporation acknowledge and agree that this Agreement may be pled as a complete bar to any action, suit, or other proceeding by the Corporation or the Employee before any court, or adjudicative or administrative body or tribunal with respect to any of the released Employee Claims or Corporation Claims, respectively.

(b) However, nothing in this Agreement is intended to limit or impair in any way the Employee's right to file a charge with the U.S. Equal Employment Opportunity Commission ("EEOC") or comparable federal, state and local agencies, or to participate in any such charge filed with such agencies and to recover any appropriate relief in any such action. With respect to any charges or complaints that have been filed or may be filed concerning events or actions relating to the Employee's employment or the termination of that employment with SGRP (or any other SPAR Group entity by which the Employee was employed) and which occurred prior to the Effective Date of this Agreement, however, to the maximum extent permitted by applicable law, the Employee waives and releases any right (except for any Excluded Claim or related Losses) he may have to recover damages or monetary compensation, however characterized, in any lawsuit or proceeding brought by him, any administrative agency, or any other person on the Employee's behalf or that includes the Employee in any class or other representative or collective action, suit or other Proceeding. To the extent that the Employee is identified as a putative or actual member of a class or other representative or collective action (or other proceeding) seeking recovery based on one or more released Employee Claims, he must opt-out of such action, suit or other proceeding when first given an opportunity to do so and/or must otherwise decline to participate in any such action, suit or other proceeding. However, this Section is not intended to limit and does not limit the Employee from instituting or pursuing legal action for the purpose of enforcing this Agreement or any Excluded Claim or participating in any collective Proceeding the purpose of enforcing any Excluded Claim or related Losses (subject to the terms of this Agreement and the Deferred Bonus Agreement), nor does this Agreement affect his right to enforce any rights or Claims he may have in the future based on events occurring after the effective date of this Agreement.

9. Acknowledgment of Existing Officer Confidentiality, Non-Solicitation and Arbitration Agreement.

(a) The Employee acknowledges and agrees that he has executed, or will execute and deliver in connection herewith, the Corporation's current form (as revised 9-30-2019) of Officer Confidentiality, Non-Solicitation and Arbitration Agreement (the "Confidentiality Agreement"). The Employee executed the Confidentiality Agreement as of September 30, 2020. The Confidentiality Agreement amends, restates and completely replaces each prior Officer Confidentiality, Non-Solicitation and Arbitration Agreement, Confidentiality, Non-Solicitation and Non-Competition Agreement or similar agreement to which the Employee and the Corporation (or Company) may have been parties. The Employee acknowledges and agrees that: (i) the Confidentiality Agreement will continue in full force and effect according to its terms and it shall survive the termination of his employment with the Corporation, and (ii) he will honor and abide by the terms of the Confidentiality Agreement.

(b) Notwithstanding any other provision of this Agreement or the Confidentiality Agreement prohibiting the disclosure of trade secrets or confidential information, pursuant to the Defend Trade Secrets Act of 2016 ("DTSA"), the Employee understands and acknowledges that: (a) he will not be held criminally or civilly liable under the Confidentiality Agreement or any federal or state trade secret law for any disclosure of a trade secret that is made: (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law, or is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (b) if the Employee files a lawsuit or other court proceeding for alleged retaliation by the Corporation for reporting a suspected violation of law, the Employee may disclose the Corporation's trade secrets to his attorney and use the trade secret information in the court proceeding if he: (i) files any document containing the trade secret under seal; and (ii) does not disclose the trade secret, except pursuant to court order. Notwithstanding the foregoing, the Employee acknowledges and agrees that nothing in this Agreement shall limit, curtail or diminish the Corporation's statutory rights under the DTSA, any applicable state law regarding trade secrets, or common law.

10. Return of Confidential Information and other Property. The Employee acknowledges and agrees that all property pertaining to his employment, including but not limited to, all business, financial or other reports, books, documents, records and other information and property, shall be and remain the property of SPAR Group and will not be taken, used or appropriated by the Employee for any purpose; provided, however, that the Employee will retain his computer, hard drives, printer, cell phone and related equipment and paper and other supplies, which retained items are hereby assigned and transferred to the Employee by the Company. The Employee also may retain copies of all of his email (whether as sender or otherwise) and all documents that he received, reviewed or prepared or helped to prepare, which nevertheless may constitute Confidential Information under (and as defined in) the Confidentiality Agreement and accordingly may be subject to it. Except as otherwise provided herein, the Employee agrees to return to SPAR Group or destroy, within 10 days of the Release Date, all written, printed and electronic materials and documents constituting Confidential Information, or any other physical or personal property not transferred as provided above, which he received or prepared or helped to prepare or purchased (for whole or partial reimbursement) in connection with his employment or engagement in any capacity by SPAR Group. Such materials shall be returned by Federal Express or (as appropriate) U.P.S. to SPAR Group, Inc., 1910 Opdyke Court, Auburn Hills, MI 48326, ATTN: Kori Belzer, COO. The Employee represents that, except as may be expressly permitted by law or by express written permission from the Chairman of the Governance Committee or Chief Financial Officer of SGRP, he will not retain any copies, duplicates, reproductions, or excerpts of these materials or documents and will delete or destroy any electronically stored copies he may have. SGRP will provide a federal express number and/or a U.P.S. number which the Employee can use to return any materials or property.

11. Non-Admission. The Parties acknowledge and agree that the provisions of this Agreement: (a) do not constitute an admission of any liability, wrongdoing or obligation by any Party; (b) may not be used as evidence in any Proceeding, except an action to enforce this Agreement; and (c) do not amend or limit any existing Excluded Claim.

12. Mutual Non-Disparagement and Cooperation.

(a) The Employee shall not, directly or indirectly, publish or communicate defamatory and/or disparaging remarks about, or in any way damage or impair the reputation, business practices, or goodwill of SPAR Group or any of its Representatives acting in such capacity or the products and services of SPAR Group.

(b) The Corporation shall not, and no current Representative of the Corporation shall, directly or indirectly, publish or communicate defamatory and/or disparaging remarks about, or in any way damage or impair the reputation, business practices, or goodwill of the Employee or any of his Representatives.

(c) The term "disparaging" means a public communication of a lack of integrity, the commission of unlawful acts, or any other statement or writing which would tend to discredit the person about whom the communication is made. A public communication is one made to any individual or entity other than a tax, financial or legal advisor, or an family member.

(d) The Corporation agrees to provide a neutral reference regarding Employee in response to any employment inquiry concerning Employee. The reference will include only his name, start date, end date and last position held.

(e) This Section does not, in any way, restrict or impede the Employee or the Corporation or the Company from exercising protected rights to the extent that such rights cannot be waived by agreement or from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that such compliance does not exceed that required by the law, regulation or order, or from making disclosures which are otherwise expressly permitted by this Agreement or the Confidentiality Agreement. To the extent that any person is compelled by subpoena, judicial order or other legal process to provide testimony to any litigant or governmental, administrative, regulatory, or judicial authority in a Proceeding, nothing in this Section or any other provision of this Agreement or the Confidentiality Agreement shall prohibit such person from providing truthful testimony in response to such subpoena, judicial order or other legal process. In addition, the recitation or use of any document or other evidence or fact in any inquiry or proceeding respecting any enforcement of this Agreement by a Party or inquiry by the Internal Revenue Service, Securities and Exchange Commission, Nasdaq and/or any federal, state or local agency, or regulatory body shall not violate this Section or any other provision of this Agreement or the Confidentiality Agreement.

13. Mutual Cooperation.

(a) The Parties agree to cooperate with each other in formally removing the Employee as an officer, director or other Representative of the members of the SPAR Group, including prompt preparation (at the Company's expense) and execution of all related documents.

(b) As part of the Services and subject to payment of the applicable Consulting Fees and reimbursement of the Consulting Expenses: the Employee also agrees to reasonably fully cooperate in good faith with the Company concerning any past, present, or future legal matter as to which he has, or could reasonably be expected to have, knowledge through his former positions with SPAR Group including, without limitation, being available, upon reasonable notice, to meet with the Corporation regarding matters in which he has been involved and any contract matters or audits; to prepare for, attend and participate in any proceeding (including, without limitation, depositions, consultation, discovery or trial); to provide affidavits; to assist with any audit, inspection, proceeding or other inquiry; and to act as a witness in connection with any litigation or other legal Proceeding affecting the Corporation. In addition to his Consulting Fees, the Employee shall be entitled to reimbursement of reasonable travel expenses and other costs incurred in association with his obligations under this Section 10(d). To the extent that (i) the Corporation or its attorneys request in writing that Employee provide cooperation pursuant to this Section 10(d), and (ii) the written request for cooperation relates to matters that are not otherwise subject to indemnification pursuant to Section 30 below, then the Corporation will reimburse Employee for his reasonable attorneys' fees to the extent it is reasonably necessary for Employee to retain independent counsel in order to reasonably comply with his cooperation obligations hereunder.

14. Filing and Disclosure of Agreement and/or Agreement-Related Information by SGRP. The Employee understands and expressly agrees that SGRP will have to file the description (substantially in the form previously filed) of the Employee's departure from the SPAR Group and this Agreement with the Securities and Exchange Commission and that doing so is not a violation of this Agreement. In addition, the recitation or use of any document or other evidence or fact in any inquiry or proceeding respecting any enforcement of this Agreement by a Party or inquiry by the Internal Revenue Service, the Securities and Exchange Commission, and/or Nasdaq shall not violate this Agreement.

15. Severability. In the event that any provision of this Agreement shall be determined to be superseded, invalid, illegal or otherwise unenforceable (in whole or in part) pursuant to applicable law by a court or other governmental authority, the Parties agree that: (a) any such authority shall have the power, and is hereby requested by the Parties, to reduce or limit the scope or duration of such provision to the maximum permissible under applicable law or to delete such provision or portions thereof to the extent it deems necessary to render the balance of such Agreement enforceable; (b) such reduction, limitation or deletion shall not impair or otherwise affect the validity, legality or enforceability of the remaining provisions of this Agreement, which shall be enforced as if the unenforceable provision or portion thereof were so reduced, limited or deleted, in each case unless such reduction, limitation or deletion of the unenforceable provision or portion thereof would impair the practical realization of the principal rights and benefits of either Party hereunder; provided that if any provision of the release of claims in Section 2(a) herein is held to be invalid and the Employee proceeds with any claim within the scope of Section 2(a) against any of the Corporation Releasees, then the Employee agrees to return all consideration paid to him under Section 1 hereof, and the Corporation will be relieved from any further obligation to provide the Employee with any further compensation, benefit, or consideration described in this Agreement; (c) such determination and such reduction, limitation and/or deletion shall not be binding on or applied by any court or other governmental authority not otherwise bound to follow such conclusions pursuant to applicable law; and (d) upon the written request of SGRP, the Employee agrees to promptly execute a substantially similar release, waiver or covenant that counsel to SGRP advises should be legal and enforceable before the same tribunal.

16. Non-Waiver. Any waiver or consent respecting this Agreement shall be effective only if in writing and signed by the required Parties (which in the case of SGRP shall require the signature of one of its authorized Executives) and then only in the specific instance and for the specific purpose for which given. No waiver or consent shall be deemed (regardless of frequency given) to be a further or continuing waiver or consent. No voluntary notice to or demand on any Party in any case shall entitle such Party to any other or further notice or demand. Except as expressly provided otherwise in this Agreement, (a) no failure or delay by any Party in exercising any right, power, privilege, remedy, interest or entitlement hereunder shall be deemed or construed to be a waiver thereof, (b) no single or partial exercise thereof shall preclude any other or further exercise or enforcement thereof or the exercise or enforcement of any other right, power, privilege, interest or entitlement, and (c) the rights, powers, privileges, remedies, interests and entitlements under this Agreement shall be cumulative, are not alternatives, and are not exclusive of any other right, power, privilege, remedy, interest or entitlement provided by this Agreement or applicable law.

17. Integration and Complete Agreement. (a) Each Party acknowledges and agrees that, in entering into this Agreement, it or he has not directly or indirectly received or acted or relied upon any representation, warranty, promise, assurance or other agreement, understanding or information (whether written, electronic, oral, express, implied or otherwise) from or on behalf of the other Party, any other Party's subsidiaries or other Affiliated Entities, or any other Party's respective representatives, respecting any of the matters contained in this Agreement except for those expressly set forth in this Agreement. This Agreement, along with the Continuing Agreements (which, except as amended by this Agreement, remains in full force and effect according to its terms), contains the entire agreement and understanding of the Parties and supersedes and completely replaces all prior and other representations, warranties, promises, assurances and other agreements, understandings and information (including, without limitation, all existing agreements, offers and proposals), whether written, electronic, oral, express, implied or otherwise, from a Party or between them with respect to the matters contained in this Agreement or any Continuing Agreement; provided, however, that except to the extent any express provision of this Agreement is inconsistent or conflicts with any provision of any of the following (in which case the applicable provision of this Agreement shall control, govern and be given effect), this Agreement does not, is not intended, and shall not be deemed or construed to void, modify, supersede or preclude application to the Employee of the SGRP Policies (including the Corporation's Employee Policy Manual and the SGRP Ethics Code) or any applicable SGRP Employee Benefit, which may be modified, supplemented, rescinded, or revised from time to time as the Corporation deems necessary or appropriate in its sole discretion.



18. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Employee, his heirs, executors, administrators and beneficiaries, successors and assigns, and shall be binding upon and inure to the benefit of each of the SPAR Group companies and each of their subsidiaries and Affiliated Entities and each of their successors and assigns. Each Employee Releasee, and each SPAR Group company, and each of their subsidiaries and Affiliated Entities, and any other Corporation Releasee, is an express third party beneficiary of this Agreement.

19. Amendment. This Agreement may not be altered or modified except in writing signed by both the Employee and the Chief Executive Officer or Chief Financial Officer of SGRP as authorized by SGRP's Governance Committee.

20. No Other Consideration. No other consideration has been or will be furnished or paid to the Employee or to his attorneys, other than as set forth in this Agreement.

21. The Employee Has Read and Had an Opportunity to Consult Counsel Regarding the Agreement. The Employee acknowledges and agrees that he has read this Agreement and has had an opportunity to ask questions and consult with an attorney of his choice regarding the contents and significance of this Agreement before signing this Agreement. The Employee understands the contents and significance of this Agreement and he enters into this Agreement **voluntarily and of his own free will**.

22. No Complaints, Charges, Grievances, or Actions. The Employee represents that he has not filed any charges, grievances, complaints, lawsuits or other claims against any of the Corporation Releasees, including SGRP.

23. No Reliance on Representations. The Employee affirms that in making this Agreement he is not relying on, and has not relied on, any representation or statements made by SGRP or its attorneys with respect to the facts involved in the dispute underlying this Agreement or with regard to his rights or asserted rights. The Employee fully understands and warrants that if any fact on which he relied in executing this Agreement is found hereafter to be other than or different from the facts now believed by him to be true, the Employee expressly accepts and assumes the risk of such possible difference in fact and acknowledges that this Agreement shall be and remain effective notwithstanding any such difference in fact.

24. Terms of Agreement Not Construed Against Drafting Party and Related Provisions. This Agreement shall be interpreted in accordance with the plain meaning of its terms and not strictly for or against any of the Parties. The Parties hereto agree that the rule of construction to the effect that any ambiguities are to be construed against the drafting Party shall not be employed in any interpretation of this Agreement. Each provision of this Agreement shall be interpreted so as to render it effective and valid. Similarly, captions to the various paragraphs of this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

25. Counterparts, Multiple Originals, and Related Provisions. The Parties agree that this Agreement may be executed in duplicate and/or in separate counterparts of the entire Agreement or of signature pages to the Agreement, each of which may have been executed by one or more of the Parties hereto and delivered by mail, courier, telecopy or other electronic or physical means, with these duplicate agreements or separate executed counterparts, taken together, forming a single binding agreement on all Parties. The Parties also agree that, so long as each of the Parties executes this Agreement, copies of this Agreement, including photocopies, scanned PDF copies, and facsimile copies, including signed duplicates and/or counterparts, shall be deemed to constitute an original and may be used in lieu of an original for any purpose, and shall be fully enforceable against a signing Party.

26. Section 409A. This Agreement is intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A") or an exemption thereunder and shall be construed and administered in accordance with Section 409A. Notwithstanding any other provision of this Agreement, payments provided under this Agreement may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, each installment payment provided under this Agreement shall be treated as a separate payment. Any payments to be made under this Agreement upon a termination of employment shall only be made upon a "separation from service" under Section 409A. Notwithstanding the foregoing, SGRP makes no representation or warranty that any of the payments and or benefits provided under this Agreement comply with Section 409A, and in no event shall SGRP be liable for all or any portion of any taxes, penalties, interest or other expenses ("409A Liability") that may be incurred by the Employee on account of any non-compliance with Section 409A except to the extent (and in the proportion) such 409A Liability is incurred by the Employee due to SGRP's willful or grossly negligent breach of this Agreement.

27. Applicable Law. To the greatest extent permitted by applicable law, this Agreement shall be governed by and construed in accordance with the applicable federal law of the United States of America, and to the extent not preempted by such federal law, by the applicable law of the State of Delaware in the case of Section 30 (Indemnification), or by the applicable law of the State of New York in the case of any other provisions of this Agreement, in each case other than those conflict of law rules that would defer to the substantive laws of another jurisdiction. Without affecting the right of any other Corporation Releasees to seek enforcement of this Agreement, the Parties each hereby consent and agree that any state or federal court sitting in Westchester County, New York, shall have exclusive personal jurisdiction and proper venue with respect to any unresolved dispute or controversy between the Parties arising out of or in connection with the Employee's employment by SGRP or any of its subsidiaries; provided, however, that the foregoing shall not deprive any Party of the right to appeal the decision of any such court to a proper appellate court located elsewhere; and further provided that any dispute, claim or controversy arising out of or related to this Agreement (other than the Corporation bringing an action for injunctive relief in which the Corporation alleges that the Employee breached the [2016 Agreement--to be fixed] and/or any of the covenants set forth in Sections 6, 7, or 10 hereof) or any breach of this Agreement, shall be submitted to and decided by binding arbitration in Westchester County, New York. Arbitration shall be administered under the rules of the American Arbitration Association ("AAA") in accordance with the American Arbitration Association's Employment Arbitration Rules in effect at such time and any requirements imposed by New York law. Any arbitral award determination shall be final and binding upon the Parties and may be entered as a judgment in a court of competent jurisdiction.

28. Waiver of Jury Trial. The Parties further agree that, to the greatest permitted by applicable law, any action, suit or proceeding relating to or otherwise arising out of or in connection with the Employee's employment by SGRP or any of its subsidiaries shall be resolved by a bench trial and not a jury trial, and each Party hereby absolutely, unconditionally, irrevocably and expressly waives forever trial by jury. This waiver of jury trial and each other express waiver, release, relinquishment or similar surrender of rights (however expressed) made by a Party in this Agreement has been absolutely, unconditionally, irrevocably, knowingly and intentionally made by such Party.

29. Attorney Fees for Enforcement. Except for any legal action to determine the validity of the Age Discrimination in Employment Act of 1967 release provisions of this Agreement, for which no attorney fees will be awarded, and except for any legal action arising out of the tax consequences of the Relocation Reimbursement Payment (as provided in Section 1) if any Party to this Agreement or any of the Corporation Releasees or Employee Releasees brings any claim, action, or suit or initiates any arbitration relating to or arising out of this Agreement or any alleged breach of this Agreement (including one seeking to recover based on any released Employee Claim) or otherwise arising out of or in connection with the Employee's employment by SGRP or any of its subsidiaries, the substantially prevailing Party shall be entitled to reimbursement from the non-prevailing Party for his, her, or its costs, expenses, and reasonable attorneys' fees incurred in such claim, suit, action, or arbitration, as well as all other remedies.

30. Indemnification. (a) To the maximum extent permitted by Delaware law and the By-Laws of the Corporation as in effect on the Effective Date (the "By-Laws"), but excluding any dispute arising out of this Agreement or its enforcement or any dispute between Employee and SPAR Group, the Corporation at its own expense shall, upon written demand from the Employee, indemnify, reimburse, hold harmless and defend the Employee, with counsel selected by the Corporation (and reasonably acceptable to the Employee) and otherwise in accordance with the procedures established in the By-Laws, from and against any and all claims, losses and expenses (as more fully provided in the By-Laws, including reasonable attorneys' fees and the advancement of reasonable attorneys' fees and expenses) arising out of or incurred or sustained in connection with any action, suit, proceeding or investigation to which the Employee or his legal representatives may be made a party by reason of him having been a director, executive, officer, employee or agent of the Corporation, any subsidiary, or any of their respective affiliates or employee benefit plans; in each case excluding any and all claims, losses and expenses to the extent (and in the proportion) attributable to any act or omission of the Employee not involving Proper Conduct. "Proper Conduct" shall mean any action or conduct of the Employee if all of the following are true with respect thereto: (i) the Employee acted in good faith, (ii) the Employee acted in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and its subsidiaries, (iii) with respect to any criminal proceeding, the Employee had no reasonable cause to believe such action or conduct was unlawful, and (iv) such action or conduct would not have otherwise disqualified the Employee from receiving indemnification from the Corporation under Delaware law. Employee shall be entitled to coverage under all director, executive and officer liability insurance policies maintained from time to time by the Corporation or any subsidiary in accordance with their respective terms respecting his former employment and positions with them. The provisions of this Section are in addition to, and shall not be deemed exclusive of, any other rights to which the Employee seeking indemnification may have under any by-law, agreement, vote of stockholders or directors, or otherwise.

31. Survival. The provisions of this Agreement shall survive the execution and delivery hereof, the making of the Continuing Payments, the expiration of the of Consulting Term and the expiration of the restrictive periods in the Confidentiality Agreement and shall continue in full force and effect thereafter in accordance with such provisions for the duration the applicable statutes of limitation.

32. Notice. Notices provided for in this Agreement shall be in writing and shall be delivered personally or sent by registered and/or certified mail, return receipt requested, or by overnight carrier to the Parties at the addresses set forth below (or such other addresses as specified by the Parties by like notice), and shall be effective upon receipt or refusal of receipt:

If to the Employee, to:

James R. Segreto  
126 Middleton Place  
Bronxville, NY 10708  
*Telephone*: 914 572 7207  
*Jsegreto817@gmail.com*

If to the Corporation, to:

SPAR Group, Inc.  
1910 Opdyke Court  
Auburn Hills, MI 48326  
ATTN: Kori Belzer, COO  
*Telephone*: 248.364.8498  
Email: *kbelzer@sparinc.com*

IN WITNESS WHEREOF, and in consideration of the mutual covenants and agreement herein contained and other good and valuable consideration (the receipt and adequacy of which is hereby acknowledged by the Parties), the Parties hereto, intending to be legally bound, have executed this Consulting Agreement and Mutual Release, and Waiver of All Claims as of the Execution Date and intend it to be effective as of the Effective Date and Release Date.

THE PARTIES ACKNOWLEDGE THAT THEY HAVE READ THE FOREGOING CONSULTING AGREEMENT AND MUTUAL RELEASE AND WAIVER OF ALL CLAIMS, FULLY UNDERSTAND IT AND HAVE VOLUNTARILY SIGNED THIS AGREEMENT ON THE DATE INDICATED, SIGNIFYING THEIR ASSENT TO, AND WILLINGNESS TO BE BOUND BY ITS TERMS.

**EMPLOYER:**

**SPAR Group, Inc., and  
SPAR Marketing Force, Inc.**

**EMPLOYEE:**

**James R Segreto**

By: \_\_\_\_\_  
[ ▲ Officer's Signature ▲ ]

\_\_\_\_\_ [ ▲ Employee's Signature ▲ ]

Employer's Current Address:  
1910 Opdyke Court, Auburn Hills, MI 48326  
ATTN: Human Resources Department

Employee's Current Address:  
126 Middleton Place  
Bronxville, NY 10708

EXHIBIT A

Statutory Rights

Any Claims or rights (other than any Excluded Claim) arising under:

- (a) any state or federal statute, regulation or executive order (as amended through the Effective Date) relating to employment, discrimination, fair employment practices, or other terms and conditions of employment, including but not limited to the Age Discrimination in Employment Act and Older Workers Benefit Protection Act (29 U.S.C. § 621 et seq.), the Civil Rights Acts of 1866 and 1871 and Title VII of the Civil Rights Act of 1964 and the Civil Rights Act of 1991 (42 U.S.C. § 2000e et seq.), the Equal Pay Act (29 U.S.C. § 201 et seq.), the Americans With Disabilities Act (42 U.S.C. § 12101 et seq.), the New York State Human Rights Law, the New York City Human Rights Law, the New York State Civil Rights Law, the New York State Corrections Law, the Elliott-Larsen Civil Rights Act (Mich. Comp. Laws §§ 37.2101-37.2804), the Persons with Disabilities Civil Rights Act (Mich. Comp. Laws §§ 37.1101-37.1607), the Michigan Occupational Safety and Health Act (Mich. Comp. Laws §§ 408.1001-408.1094), the Internet Privacy Protection Act (Mich. Comp. Laws §§ 37.271-37.278), the Florida Civil Rights Act (Fla. Stat. §§ 760.01-760.11), and any similar New York, Michigan, Florida or other state or federal statute;
- (b) any state or federal statute, regulation or executive order (as amended through the Effective Date) relating to leaves of absence, layoffs or reductions-in-force, wages, hours, or other terms and conditions of employment, including but not limited to the Fair Credit Reporting Act (15 U.S.C. § 1681 et seq.), the National Labor Relations Act (29 U.S.C. § 151 et seq.), the Family and Medical Leave Act (29 U.S.C. § 2601 et seq.), the Employee Retirement Income Security Act of 1974 (29 U.S.C. § 1000 et seq.), COBRA (29 U.S.C. § 1161 et seq.), the Worker Adjustment and Retraining Notification Act (29 U.S.C. § 2101 et seq.), the Fair Labor Standards Act (29 U.S.C. §§ 201 et seq.), the New York State Labor Law, the New York City Earned Sick Time Act, the Michigan Payment of Wages and Fringe Benefits Act (Mich. Comp. Laws §§ 408.471-408.490), the Bullard-Plawecki Employee Right to Know Act (Mich. Comp. Laws §§ 423.501-423.512), the Social Security Number Privacy Act (Mich. Comp. Laws §§ 445.81-445.87), the Sales Representatives Commission Act (Mich. Comp. Laws § 600.2961), the Florida Minimum Wage Act (Fla. Stat. § 448.110), Article X, Section 24 of the Florida Constitution, the Florida Workers' Compensation Retaliation provision (Fla. Stat. § 440.205), and any similar New York, Michigan, Florida or other state or federal statute;
- (c) any state or federal common law theory, including, without limitation, wrongful discharge, breach of express or implied contract, promissory estoppel, unjust enrichment, breach of a covenant of good faith and fair dealing, violation of public policy, defamation, interference with contractual relations, intentional or negligent infliction of emotional distress, invasion of privacy, misrepresentation, deceit, fraud or negligence or any claim to attorneys' fees under any applicable statute or common law theory of recovery;
- (d) any state or federal statute, regulation or executive order (as amended through the Effective Date) relating to whistleblower protections, violation of public policy, or any other form of retaliation or wrongful termination, including but not limited to the Sarbanes-Oxley Act of 2002, NY Lab. Law §§ 740-741, the Whistleblowers' Protection Act (Mich. Comp. Laws §§ 15.361-15.369), the Florida Whistleblower Protection Act (Fla. Stat. §§ 448.101-448.105), and any similar New York, Michigan, Florida or other state or federal statute; or
- (e) any other local, state and/or federal law.



**SPAR Group Announces New Chief Financial Officer  
Promotes Independent Board Members to Chairman & Vice Chairman**

WHITE PLAINS, N.Y., August 19, 2020 -- SPAR Group, Inc. (Nasdaq:SGRP), a leading supplier of retail merchandising, business technology and other marketing services in 10 countries throughout North America, Latin America, Asia Pacific and Africa, today announced that Fay DeVriese will join the company as chief financial officer (CFO). Ms. DeVriese will succeed Jim Segreto, who is retiring following a successful 23-year career at SPAR Group. Ms. DeVriese will lead SPAR Group's financial operations and regional finance teams. Mr. Segreto will continue to work with the Company as a consultant and assist through the transition.

"I am very pleased to welcome Fay to the SPAR Group family. She is a proven senior financial executive and leader, and will play a vital role in our success," commented Arthur H. Baer, chairman of the board of directors of SPAR Group. "On Behalf of the board and the rest of our team at SPAR, I would also like to express our sincere appreciation for Jim's contribution and dedication to SPAR over the past 23 years. He has been instrumental in building very strong financial functions to support our business growth. We wish him all the best on his well-deserved retirement."

Ms. DeVriese joins SPAR with more than 25 years of global experience in corporate and business accounting and finance. Most recently she served as Chief Financial Officer at Letica Corporation and has served in financial leadership roles at DSM Engineering Plastics, Eaton Corporation, Continental Automotive Systems and Motorola. Ms. DeVriese is a CPA, licensed in the State of New York. She earned a BBA from the State University of New York.

Separately, the Company announced Arthur H. Baer, has been appointed to chairman of the board of directors of SPAR Group and that Igor Novgorodtsev, has been appointed to vice chairman.

Mr. Baer joined the board on September 3, 2019 as an independent board member and continues to serve as chairman of the Audit Committee and serves on the Governance Committee. Prior to his retirement, he most recently served as President of the \$4 billion Europe/Middle East/ Africa operations for Arrow Electronics. He was also director and Audit Committee Chair for Seneca Foods, Inc for 20 years, Dean of the College of Business and Administration at Drexel University, and Town Mayor and County Executive in Columbia County New York.

Mr. Novgorodtsev was appointed as an independent board member on May 28, 2020 and serves as chairman of the Compensation Committee and serves on the Audit and Governance Committees. He is the CEO and founder of FlashAlert, low-latency market news service, and Managing Director of Lares Capital LLC, an investment fund. He brings to the board extensive knowledge and experience in international finance, capital markets and technology.

**About SPAR Group**

SPAR Group, Inc. is a diversified international merchandising and marketing services Company and provides a broad array of services worldwide to help companies improve their sales, operating efficiency and profits at retail locations. The Company provides merchandising and other marketing services to manufacturers, distributors and retailers worldwide and coordinates the operations through the use of multi-lingual proprietary technology which drives the logistics, communication and reporting for global operations and customers. SPAR works primarily in mass merchandiser, office supply, value, grocery, drug, independent, convenience, home improvement and electronics stores; as well as providing furniture and other product assembly services, audit services, in-store events, technology services and marketing research. The Company has supplied projects and product services in the United States since certain of its predecessors were formed in 1979 and internationally since the Company acquired its first international subsidiary in Japan, in May of 2001. Product services include restocking and adding new products, removing spoiled or outdated products, resetting categories "on the shelf" in accordance with client or store schematics, confirming and replacing shelf tags, setting new sale or promotional product displays and advertising, replenishing kiosks, providing in-store event staffing and providing assembly services in stores, homes and offices. Audit services include price audits, point of sale audits, out of stock audits, intercept surveys and planogram audits. Other merchandising services include whole store or departmental product sets or resets (including new store openings), new product launches, in-store demonstrations, special seasonal or promotional merchandising, focused product support and product recalls. The Company currently does business in ten countries that encompass approximately 50% of the total world population through its operations in the United States, Canada, Japan, South Africa, India, China, Australia, Mexico, Brazil and Turkey. For more information, please visit the SPAR Group's website at <http://www.sparinc.com>.

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## Forward Looking Statements

This Press Release contains "forward-looking statements" within the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, made by, or respecting, the Company and its subsidiaries, and this Press Release has been filed by the Company with the SEC. "Forward-looking statements" are defined in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and other applicable federal and state securities laws, rules and regulations, as amended (together with the Securities Act and the Exchange Act, "Securities Laws").

All statements (other than those that are purely historical) are forward-looking statements. Words such as "may," "will," "expect," "intend," "believe," "estimate," "anticipate," "continue," "plan," "project," or the negative of these terms or other similar expressions also identify forward-looking statements. Forward-looking statements made by the Company in this Current Report may include (without limitation) statements regarding: risks, uncertainties, cautions, circumstances and other factors ("Risks"); and the potential negative effects of the novel coronavirus and COVID-19 pandemic on the Company's business, the Company's potential non-compliance with applicable Nasdaq director independence, bid price or other rules, the departure of the Company's CEO and CFO, the integration and suitability of the Company's new CFO, the likely hood of finding and hiring a suitable replacement CEO for the Company, the Company's cash flow or financial condition, the Company's cash flow later this year, or the pursuit or achievement of the Company's five corporate objectives (growth, customer value, employee development, greater productivity & efficiency, and increased earnings per share), building upon the Company's strong foundation, leveraging compatible global opportunities, growing the Company's client base and contracts, continuing to strengthen its balance sheet, growing revenues and improving profitability through organic growth, new business development and strategic acquisitions, and continuing to control costs.

You should carefully review and consider the Company's forward-looking statements (including all risk factors and other cautions and uncertainties) and other information made, contained or noted in or incorporated by reference into this Current Report, but you should not place undue reliance on any of them. The results, actions, levels of activity, performance, achievements or condition of the Company (including its affiliates, assets, business, clients, capital, cash flow, credit, expenses, financial condition, income, liabilities, liquidity, locations, marketing, operations, performance, prospects, sales, strategies, taxation or other achievement, results, Risks, trends or condition) and other events and circumstances planned, intended, anticipated, estimated or otherwise expected by the Company (collectively, "Expectations"), and our forward-looking statements (including all Risks) and other information reflect the Company's current views about future events and circumstances. Although the Company believes those Expectations and views are reasonable, the results, actions, levels of activity, performance, achievements or condition of the Company or other events and circumstances may differ materially from our Expectations and views, and they cannot be assured or guaranteed by the Company, since they are subject to Risks and other assumptions, changes in circumstances and unpredictable events (many of which are beyond the Company's control). In addition, new Risks arise from time to time, and it is impossible for the Company to predict these matters or how they may arise or affect the Company. Accordingly, the Company cannot assure you that its Expectations will be achieved in whole or in part, that it has identified all potential Risks, or that it can successfully avoid or mitigate such Risks in whole or in part, any of which could be significant and materially adverse to the Company and the value of your investment in the Company's common stock.

These forward-looking statements reflect the Company's Expectations, views, Risks and assumptions only as of the date of this Current Report, and the Company does not intend, assume any obligation, or promise to publicly update or revise any forward-looking statements (including any Risks or Expectations) or other information (in whole or in part), whether as a result of new information, new or worsening Risks or uncertainties, changed circumstances, future events, recognition, or otherwise.