

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): July 10, 2013

SPAR Group, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation)

0-27824  
(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: (914) 332-4100

(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))

### **Item 1.01 Entry into a Material Definitive Agreement.**

On July 10, 2013, we, SPAR Group, Inc. ("we", "SGRP" or the "Registrant"), entered into the Fourth Agreement of Amendment to Revolving Loan and Security Agreement And Other Documents (the "Fourth Amendment") with Sterling National Bank ("Sterling"), a copy of which is attached hereto as Exhibit 10.1 and is hereby incorporated herein by reference. The Fourth Amendment amends, effective as of July 1, 2013, the Revolving Loan and Security Agreement effective July 6, 2010, as amended (as amended, the "Loan Agreement"), among SGRP and certain of its domestic subsidiaries as borrowers and Sterling as Agent and Lender.

The Fourth Amendment (among other things) extended the scheduled term of the Loan Agreement to July 6, 2016, eliminated the requirement for a "closed lock box" so that collections no longer automatically pay down the loans under the Loan Agreement (giving SGRP more flexibility respecting its cash flow), and reduced the interest rate on those loans to the Agent's floating Prime Rate (as defined in the Loan Agreement) minus one half of one percent (1/2%) per annum (which is a reduction of 0.75% per annum over the previous rate).

#### **Information Not "Filed"**

The information in Item 1.01, shall, to the greatest extent permitted by applicable law, not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section. Such information, to the extent deemed or determined to have been not "filed" under applicable law, shall not be deemed incorporated by reference in any filing by us under the Securities Act of 1933, as amended (the "Securities Act"), except as shall be expressly set forth by specific reference in such a filing.

#### **Forward Looking Statements**

Statements contained in this Report and the attached Release, and any statements that may be made in such conference call, include "forward-looking statements" within the meaning of Section 27A of the Securities Act, Section 21E of the Exchange and other applicable federal and state securities laws, rules and regulations, each as amended (together with the Securities Act and Exchange Act, collectively, "Securities Laws"). Forward looking statements are also included in SGRP's Annual Report on Form 10-K for the fiscal year ended December 31, 2012, as filed with the Securities and Exchange Commission (the "SEC") on April 2, 2013 (the "Annual 2012 Report"), SGRP's Proxy Statement for its 2013 Annual Meeting of Stockholders as filed with the SEC on April 19, 2013 (the "2013 Proxy Statement"), in SGRP's Quarterly Reports on Form 10-Q as filed with the SEC from time to time after the Annual Report (each a "Quarterly Report"), and the Company's other filings with the SEC under applicable Securities Laws (including this Report, SGRP's Annual Report, Proxy Statement and Quarterly Report(s), each a "SEC Report"). The Company's SEC Reports are available on the Company's website at <http://investors.sparinc.com>.

Forward looking statements include (without limitation) any statements relating to anticipated, prospective or desired customers, acquisitions, growth or markets, trends, updates, or other anticipated, estimated, expected or desired assets, business, capital, cash flow, credit, expenses, financial condition, income, liabilities, liquidity, locations, marketing, operations, profits, prospects, sales, strategies, taxation, valuation or other achievement, results, risks or condition. You can identify forward-looking statements in such information by the Company's use of terms such as "may", "will", "expect", "intend", "believe", "estimate", "anticipate", "continue" or similar words or variations or negatives of those words.

You should carefully consider all forward-looking statements, risk factors and the other risks, cautions and information noted in this Report, the Company's 2012 Annual Report and the Company's other SEC Reports that could cause the Company's actual assets, business, capital, cash flow, credit, expenses, financial condition, income, liabilities, liquidity, locations, marketing, operations, prospects, sales, strategies, taxation or other achievement, results, risks or condition to differ materially from those anticipated by the Company and described in the information in the Company's forward-looking statements, whether express or implied, as the Company's anticipations are based upon the Company's plans, intentions, expectations and best estimates and (although the Company believe them to be reasonable) involve known and unknown risks, uncertainties and other factors that could cause them to fail to occur or be realized or to be materially and adversely different from those the Company anticipated.

Although the Company believes that its plans, intentions, expectations and estimates reflected or implied in such forward-looking statements are reasonable, the Company cannot assure you that such plans, intentions, expectations or estimates will be achieved in whole or in part, that the Company has identified all potential risks, or that the Company can successfully avoid or mitigate such risks in whole or in part. You should carefully review the risk factors described in Item 1A – "Risk Factors" in the Company's 2012 Annual Report and any other risks, cautions or information contained in or incorporated by reference into any applicable SEC Report. All forward-looking and other statements and information attributable to the Company or persons acting on its behalf are expressly subject to and qualified by all such risk factors and other risks, cautions and information.

You should not place undue reliance on the Company's forward-looking statements and similar information because the matters they describe are subject to known and unknown risks, uncertainties and other unpredictable factors, many of which are beyond its control. The Company's forward-looking statements, risk factors and other risks, cautions and information (whether contained in this Quarterly Report or other applicable SEC Report) are based on the information currently available to the Company and speak only as of the date specifically referenced, or if no date is referenced, then as of December 31, 2012, in the case of the 2013 Proxy Statement or the last day of the period covered thereby in the case of any other applicable SEC Report. New risks and uncertainties 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. Over time, the Company's actual assets, business, capital, cash flow, credit, expenses, financial condition, income, liabilities, liquidity, locations, marketing, operations, prospects, sales, strategies, taxation or other achievements, results, risks or condition will likely differ from those expressed or implied by the Company's forward-looking statements, and such difference could be significant and materially adverse to the Company and the value of your investment in the Company's Common Stock.

The Company does not intend or promise, and the Company expressly disclaims any obligation, to publicly update or revise any forward-looking statements, risk factors or other risks, cautions or information statements (in whole or in part), whether as a result of new information, future events or recognition or otherwise, except as and to the extent required by applicable law.



EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
10.1	Fourth Agreement of Amendment to Revolving Loan and Security Agreement And Other Documents, effective as of July 1, 2013, by and among Sterling National Bank, as "Lender" and "Agent", and SPAR Group, Inc., National Assembly Services, Inc., SPAR Group International, Inc., SPAR Acquisition, Inc., SPAR Trademarks, Inc., and SPAR Marketing Force, Inc., as "Borrower", as attached hereto.

**FOURTH AGREEMENT OF AMENDMENT**  
**TO**  
**REVOLVING LOAN AND SECURITY AGREEMENT**  
**AND OTHER DOCUMENTS**

This Fourth Agreement of Amendment to Revolving Loan and Security Agreement And Other Documents ("Fourth Agreement of Amendment") shall be effective as of July 1, 2013, and is by and among **STERLING NATIONAL BANK**, having offices at 500 Seventh Avenue, New York, N.Y. 10018-4502 ("**Sterling**"), and any other entity becoming a Lender pursuant to the Loan Agreement (defined below) are collectively referred to as the "**Lenders**" and individually as a "**Lender**;" and Sterling as the Agent for the Lenders as well as acting for the benefit of Lenders ("**Agent**"); **SPAR Group, Inc.**, a Delaware corporation ("**SGRP**"), **National Assembly Services, Inc.**, a New Jersey corporation, **SPAR Group International, Inc.**, **SPAR Acquisition, Inc.**, **SPAR Trademarks, Inc.**, and **SPAR Marketing Force, Inc.**, each a Nevada corporation (together with SGRP, either separately, jointly, or jointly and severally, "**Borrower**"); all currently having an address at 333 Westchester Avenue, South Building, Suite 204, White Plains, N.Y. 10604.

**RECITALS**

A. Borrower has executed and delivered (i) a certain Secured Revolving Loan Note dated July 6, 2010 in the original maximum principal sum of Five Million Dollars (\$5,000,000.00), as subsequently amended to Six Million Five Hundred Thousand Dollars (\$6,500,000.00), as amended (the "Note"), payable to the order of Agent.

B. In connection with the execution and delivery of the Note and to secure payment and performance of the Note and other obligations of Borrower to Agent, the Agent and Borrower have executed, among other things, a Revolving Loan and Security Agreement effective July 6, 2010, as amended ("Loan Agreement").

C. In addition to the foregoing documents, the Borrower and Agent have executed or delivered other collateral agreements, certificates and instruments perfecting or otherwise relating to the security interests created. For purposes of convenience, the Note, Loan Agreement and related collateral agreements, certificates and instruments (as amended) are collectively referred to as the "Loan Documents."

D. Borrower has requested and Agent has agreed to a modification of the loan evidenced by the Note subject to the Loan Documents.

E. In addition, Agent and Borrower wish to clarify certain of their rights and duties to one another as set forth in the Loan Documents.

**NOW, THEREFORE**, in consideration of the promises, covenants and understandings set forth in this Fourth Agreement of Amendment and the benefits to be received from the performance of such promises, covenants and understandings, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**AGREEMENTS**

1. Agent and Borrower reaffirm, consent and agree to all of the terms and conditions of the Loan Documents as binding, effective and enforceable according to their stated terms, except to the extent that such Loan Documents are hereby expressly modified by this Fourth Agreement of Amendment.

2. In the case of any ambiguity or inconsistency between the Loan Documents and this Fourth Agreement of Amendment, the language and interpretation of this Fourth Agreement of Amendment is to be deemed binding and paramount.

3. The Loan Agreement is hereby amended as follows:

---

- (i) The address of the Borrower in Tarrytown, N.Y., in the first paragraph on page 1, in **Section 11.5(c)** and anywhere else it may appear in the Loan Agreement or any schedule or exhibit thereto is hereby amended and restated to read as follows:

SPAR Group, Inc., 333 Westchester Avenue, South Building, Suite 204, White Plains, New York 10604

The Borrower does not intend to change any address of the Borrower in Michigan or any person at the Borrower to whom attention is directed.

- (ii) The last sentence in **Subsection 1.1(a)** is hereby amended and restated to read as follows:

The full amount of outstanding principal and interest on account of the Revolving Loan is to be payable on the earlier of (i) July 6, 2016, (ii) as provided in Article 14 of this Agreement or (iii) upon a Default as provided in this Agreement.

- (iii) **Subsection 1.3(a)** is hereby amended and restated to read as follows:

**1.3(a)** Interest accrues on the Revolving Loan at Agent's floating Prime Rate (as that term is defined in the Loan Agreement) minus one half of one percent (1/2%) per annum.

- (iv) **Section 1.5(a)** is hereby deleted in its entirety with no material to be placed in its stead.

- (v) **Section 1.5(b)** is amended and restated to read as follows:

Subject to Section 1.1(a), the Borrower may repay the Revolving Loan from time to time, in whole or in part, without any premium or penalty, and the principal balance of the Revolving Loan will be reduced and availability for additional advances will be increased accordingly. Without limiting any other permitted manner of payment, the Borrower from time to time may direct that payments (in good collected funds) be made to the Agent through deducting the payment amount directed by the Borrower from any account maintained by the Borrower with the Agent.

- (vi) **Section 1.5(c)** is hereby deleted in its entirety with no material to be placed in its stead.

- (vii) **Section 1.9(l)** is hereby amended and restated as follows:

**1.9(l)** Agent and Borrower have entered into account agreements with respect to each depository account and Borrower has established cash balances in such demand deposit accounts at Agent. Borrower will maintain an aggregate average monthly balance in the depository accounts of at least \$375,000.00.

- (viii) **Subsections 5.9(b)** and **(d)** are amended and restated to read as follows:

**5.9(b)** The Borrower is a "United States person(s)" and does not intend to apply the proceeds of the Revolving Loan directly or indirectly to the "acquisition" of "stock" of a "foreign issuer" or "debt obligation" of a "foreign obligor" in violation of (and as such terms are defined) in the United States Interest Equalization Tact Act, or to take or permit any other action which would subject Agent to the tax imposed by said Act.

**5.9(d)** The Revolving Loan has been requested by Borrower for working capital and other business purposes (and not for personal, household or family purposes) and to retire indebtedness owed to Webster Business Credit Corporation (it being understood, however, that any funds available for any Permitted Non-Borrower Transfer may have been and hereafter may be used for the purpose of repaying the Revolving Loan, reborrowed thereafter in accordance with the terms and conditions of this Agreement under Subsection 1.1(a) and used for any Permitted Non-Borrower Transfer).

(ix) **Subsection 6.7(h)** is hereby amended and restated to read as follows:

**6.7(h)** On a monthly basis (and more frequently as desired by Borrower with the written consent of the Agent), reports and supporting documents evidencing the Borrower's sales, credits, remittances and collections and all other adjusting entries in form and substance satisfactory to Agent.

(x) The first sentence of **Subsection 6.14(a)** is hereby amended and restated to read as follows:

If a Default has occurred and remains uncured and the Agent has given written notice to the Borrower to do so, then upon receipt of any or all proceeds of the Collateral, the Borrower is to pay such proceeds directly to Agent.

(xi) **Subsection 6.20(f)** is hereby amended and restated to read as follows:

**(f) Unused Line Fee.** Borrower is to pay Agent, for the ratable benefit of Lenders, an annual unused line fee equal to .125% of the difference between the Borrowing Base and the amount of advances outstanding on account of the Revolving Loan, payable monthly in arrears. The unused line fee is deemed earned in full on the date when same is due and payable hereunder and is not subject to rebate or pro ration upon termination of this Agreement for any reason. For the purposes of this subsection, the amount of advances outstanding on account of the Revolving Loan shall be deemed to include the unadvanced face amount of each Letter of Credit.

(xii) Clause (ii) of **Section 7.1** is hereby amended and restated to read as follows:

(ii) SPAR Group International, Inc. or any Foreign Subsidiary may acquire assets or the business of another corporation, partnership or entity organized and operating outside the United States provided that the funds utilized therefor are not derived from the proceeds of Collateral and are derived solely from any one or more of the operations or debt of the Borrower's Foreign Subsidiaries, any Permitted Non-Borrower Transfer (as defined in Section 7.12) or any Approved Subordinated Debt (it being understood, however, that any funds may have been and hereafter may be transferred to a Borrower by a Foreign Subsidiary or the litigation proceeds described in Section 6.14(d) may be used for the purpose of repaying the Revolving Loan and reborrowed thereafter in accordance with the terms and conditions of this Agreement); when reborrowed, such funds are not to be deemed proceeds of Collateral if segregated or used by the Borrower for the purposes of a Permitted Non-Borrower Transfer and are not subject to any use restrictions provided in this Agreement. Prior to any transfer or acquisition set forth above, the Borrower shall submit to Agent a Compliance Certificate based upon the pro forma analysis of the effect of such transfer or acquisition.

(xiii) The last sentence of **Section 7.12** is hereby amended and restated to read as follows:

Further notwithstanding the foregoing, SGRP or any Domestic Subsidiary which is a Borrower may make any payment to or transfer any property or assets to any Foreign Subsidiary (each a "Permitted Non-Borrower Transfer") provided that (a) the Borrower is in compliance with Sections 7.15, 7.16, 7.17 and 7.19 at the time of any such payment or transfer; (b) the aggregate amount of such payment or transfer does not exceed \$1,500,000 at any time; and (c) excluding the \$1,500,000 set forth in (b) above, any additional funds utilized therefor are (i) derived from the litigation proceeds described in Section 6.14(d) or (ii) are not derived from the proceeds of Collateral and are derived solely from any one or more of the operations or debt of the Borrower's Foreign Subsidiaries (it being understood, however, that any such funds may have been and hereafter may be transferred to a Borrower by a Foreign Subsidiary or the litigation proceeds described in Section 6.14(d) may be used for the purpose of repaying the Revolving Loan and reborrowed thereafter in accordance with the terms and conditions of this Agreement; when reborrowed, such funds are not to be deemed proceeds of Collateral if segregated or used by the Borrower for the purposes of a Permitted Non-Borrower Transfer and are not subject to the use restrictions provided in this Agreement).

- (xiv) The following sentence is added to the end of **Section 7.15**:

For the sake of clarity, the GAAP or other determinations in this Agreement respecting the Borrower on a combined basis do not include any Foreign Subsidiary, while those respecting SPAR Group, Inc., and its Subsidiaries on a consolidated basis include all Foreign Subsidiaries, in each case except to the extent specifically provided otherwise.

- (xv) **Section 7.17** is hereby amended and restated to read as follows

Neither the Borrower (on a combined basis) nor SPAR Group, Inc., and its Subsidiaries (on a consolidated basis) is to create or suffer to exist its combined or consolidated indebtedness to tangible net worth ratio, the numerator of which being Indebtedness and the denominator of which being Tangible Net Worth, to be greater than (a) 3.0 to 1 for the Borrower on a combined basis and (b) 4.0 to 1 for SPAR Group, Inc., and its Subsidiaries on a consolidated basis. The term “Indebtedness” is to be determined on a combined basis for the Borrower or consolidated basis for SGRP and its Subsidiaries, as applicable, in accordance with GAAP and includes all items which should be and are included on the balance sheet in determining total liabilities, whether demand, installment, contingent, secured, unsecured, guaranteed, endorsed or assumed.

- (xvi) **Section 7.19** is hereby amended and restated to read as follows:

**Section 7.19** Borrower Fixed Charge Coverage Ratio

The Borrower is not to cause or permit its combined Fixed Charge Coverage Ratio to be less than 1.0 to 1.0 as of the last day of each fiscal quarter for the twelve month period then ended. The term “Fixed Charge Coverage Ratio” is to be determined for the Borrower on a combined basis in accordance with GAAP and means and includes with respect to any fiscal period the ratio of (a) (i) EBITDA of Borrower on a combined basis, minus (ii) Non-Financed Capital Expenditures made by the Borrower on a combined basis during such period (including, without limitation, expenditures for software) to (b) the Fixed Charges of the Borrower on a combined basis during such period. “EBITDA” means (on a combined basis for the Borrower) for the applicable period the sum of (i) earnings of Borrower on a combined basis before interest and taxes for such period plus (ii) depreciation expenses of Borrower on a combined basis for such period, plus (iii) amortization expenses of Borrower on a combined basis for such period, plus (iv) cash received during such period by Borrower from Foreign Subsidiaries as recorded through intercompany, less (v) other income and/or expense of Borrower on a combined basis for such period related to extraordinary litigation, less (vi) allocation of Borrower expenses during such period to the Foreign Subsidiaries as recorded through intercompany. “Non-Financed Capital Expenditures” means capital expenditures by Borrower on a combined basis during the applicable period not financed with proceed of purchase money financing permitted in Section 7.4. “Fixed Charge” means the sum (without duplication) for the Borrower on a combined basis during the applicable period of (i) all interest payments made on the Revolving Loan hereunder, plus (ii) all dividends or other distributions to stockholders (if permitted by Agent) and other payments made or paid with respect to any indebtedness for money borrowed (excluding the principal amount of Revolving Advances but including all payments made on capitalized leases) during such period, plus (iii) income or franchise taxes paid in cash during such period, plus (iv) all capital contributions and/or loans made by any Borrower to any Foreign Subsidiary during such period which are otherwise permitted by this Agreement.

(xvii) The first sentence in **Subsection 14.1** is hereby amended and restated to read as follows:

The Revolving Loan terminates July 6, 2016, and automatically renews on each anniversary thereof for successive one (1) year periods thereafter in the absence of a Default and notice of non-renewal from Agent, unless (a) terminated earlier pursuant to Section 10.1 hereof, (b) terminated by Agent by not less than ninety (90) days written notice of termination prior to a Termination Date or (c) terminated by Borrower pursuant to Section 14.2 hereof, whichever termination occurs first. "Termination Date" shall mean the earliest date on which the Revolving Loan (i) is not so automatically renewed, (ii) is so terminated pursuant to Section 10.1, or (c) is so terminated by Agent or Borrower.

(xviii) **Section 14.2(iii)** is hereby deleted in its entirety with no material to be placed in its stead.

(xix) The definitions of "Domestic Subsidiary" and "Foreign Subsidiary" in **Exhibit D** are hereby amended and restated to read as follows:

"Domestic Subsidiary" shall mean any Subsidiary of SGRP organized in a state or territory of the United States of America, whether wholly or partially owned, and whether now existing or hereafter acquired or created, but excluding SPAR Canada, Inc. and National Merchandising Services, LLC, and excluding each Inactive Subsidiary. Although SPAR Canada Inc., is a Nevada corporation, and National Merchandising Services, LLC, is a Nevada limited liability company, each is classified as a Foreign Subsidiary for the purposes of this Agreement and the other Loan Documents.

"Foreign Subsidiary" means SPAR Canada, Inc., a Nevada Corporation, National Merchandising Services, LLC, a Nevada limited liability company, or any direct or indirect Subsidiary of SGRP organized in any jurisdiction outside of the United States, whether wholly or partially owned, and whether now existing or hereafter acquired or created. Although SPAR Canada Inc., is a Nevada corporation, and National Merchandising Services, LLC, is a Nevada limited liability company, each is classified as a Foreign Subsidiary for the purposes of this Agreement and the other Loan Documents.

(xx) In the definition of "Permitted Investment" in **Exhibit D**, the following new clauses (d) and (e) are hereby inserted immediately before the closing period:

(d) any Permitted Non-Borrower Transfer; or

(e) any extension, renewal or replacement of any such investment.

4. Borrower represents and warrants that there are no Defaults or events of Default pursuant to or defined in any of the Loan Documents, and that all warranties and covenants which have been made or performed by Borrower in connection with the Loan Documents were true and complete in all material respects when made or performed.

5. All representations, warranties and covenants made by Borrower to Agent in the Loan Documents are true and complete in all material respects as if hereby repeated and (except as and to the extent limited to reference dates) first made expressly in this Fourth Agreement of Amendment.

6. Except as otherwise provided herein, the Loan Documents shall continue in full force and effect, in accordance with their respective terms. The parties hereto hereby expressly confirm and reaffirm all of their respective liabilities, obligations, duties and responsibilities under and pursuant to said Loan Documents as amended hereby and consent to the terms of this Fourth Agreement of Amendment. Capitalized terms used in this Fourth Agreement of Amendment which are not otherwise defined or amended herein have the meaning ascribed thereto in the Loan Documents.

7. The parties agree to sign, deliver and file any additional documents and take any other actions that may reasonably be required by Agent including, but not limited to, affidavits, resolutions, or certificates for a full and complete consummation of the matters covered by this Fourth Agreement of Amendment.

8. This Fourth Agreement of Amendment is binding upon, inures to the benefit of, and is enforceable by the heirs, personal representatives, successors and assigns of the parties. This Fourth Agreement of Amendment is not assignable by Borrower without the prior written consent of Agent; provided, however, that this Agreement shall be deemed to be assigned with any assignment of the Loan Agreement consented to by Agent.

9. To the extent that any provision of this Fourth Agreement of Amendment is determined by any court or legislature to be invalid or unenforceable in whole or part either in a particular case or in all cases, such provision or part thereof is to be deemed surplusage. If that occurs, it does not have the effect of rendering any other provision of this Fourth Agreement of Amendment invalid or unenforceable. This Fourth Agreement of Amendment is to be construed and enforced as if such invalid or unenforceable provision or part thereof were omitted.

10. This Fourth Agreement of Amendment may only be changed or amended by a written agreement signed by all of the parties. By the execution of this Fourth Agreement of Amendment, Agent is not to be deemed to consent to any future renewal or extension of the Revolving Loan or Loan Documents.

11. This Fourth Agreement of Amendment is governed by and is to be construed and enforced in accordance with the laws of New York as though made and to be fully performed in New York (without regard to the conflicts of law rules of New York that would defer to the substantive laws of any other jurisdiction).

12. The parties to this Fourth Agreement of Amendment acknowledge that each has had the opportunity to consult independent counsel of their own choice, and that each has relied upon such counsel's advice concerning this Fourth Agreement of Amendment, the enforceability and interpretation of the terms contained in this Fourth Agreement of Amendment and the consummation of the transactions and matters covered by this Fourth Agreement of Amendment.

13. The Borrower agrees to pay all reasonable attorneys' fees incurred by Agent in connection with this Fourth Agreement of Amendment (in addition to those otherwise payable pursuant to the Loan Agreement), which fees are to be paid as of the execution hereof.

**THE BORROWER, FOR ITSELF, ITS SUBSIDIARIES (IF ANY) AND AGENT HEREBY WAIVE ALL RIGHTS TO A TRIAL BY JURY IN ANY LITIGATION RELATING TO THIS FOURTH AGREEMENT OF AMENDMENT OR THE DEBT AS AN INDUCEMENT TO THE EXECUTION OF THIS FOURTH AGREEMENT OF AMENDMENT.**

-Remainder of this page intentionally left blank-

*[signatures appear on the following page]*



**ACKNOWLEDGMENT**

**STATE OF NEW YORK**

**SS.:**

**COUNTY OF WESTCHESTER**

,

**BE IT REMEMBERED**, that on this 10th day of July, 2013, before me, the subscriber, personally appeared **JAMES R. SEGRETO** who, I am satisfied, is the person who signed the within document as Chief Financial Officer, Treasurer and Secretary of **SPAR GROUP, INC., NATIONAL ASSEMBLY SERVICES, INC., SPAR GROUP INTERNATIONAL, INC., SPAR ACQUISITION, INC., SPAR TRADEMARKS, INC.,** and **SPAR MARKETING FORCE, INC.**, the corporations ("Corporations") named therein and this person thereupon acknowledged that he is authorized to sign the within document on behalf of the Corporations and that the said document made by the Corporations was signed, sealed and delivered by this person as such officer and is the voluntary act and deed of the Corporations, made by virtue of authority from their Board(s) of Directors.

*/s/ Marc Pedalino*

---

**Marc Pedalino, Notary Public**