



Item 1.01                      Entry into a Material Definitive Agreement

SPAR Marketing Force, Inc., a Nevada corporation (“SMF”) and an indirect subsidiary of the registrant, SPAR Group, Inc. (“SGRP”, or the “Corporation”), and SPAR Marketing Services, Inc., a Nevada corporation (“SMS”) that is wholly owned by each of Mr. Robert G. Brown and Mr. William H. Bartels, each an officer, director and significant shareholder of SGRP, is party to that certain Amended and Restated Field Service Agreement dated as of January 1, 2004 (as amended, the “Field Agreement”), pursuant to which SMF engaged SMS to perform Merchandising Services from time to time on a cost plus 4.00% basis (the “Plus Compensation”).

SMF and SMS entered into that certain First Amendment to Amended and Restated Field Service Agreement dated September 30, 2008, and effective as of September 24, 2008 (the “First Amendment”). The First Amendment amends the Field Agreement to (i) confirm the previous partial reduction of the Plus Compensation by \$100,000 at June 30, 2008, and (ii) partially reduce the Plus Compensation by \$400,000 at September 30, 2008, all in order to (among other things) facilitate operation of SMF’s business. In return, the First Amendment amends the Field Agreement to provide that SMF will pay an early termination fee of \$300,000 to SMS in the event SMF terminates or elects to not renew the Field Agreement prior to December 31, 2010.

SGRP’s Audit Committee and Board of Directors each reviewed and approved this affiliated transaction, including (without limitation) the terms of the First Amendment and the affiliated relationship of the parties.

Item 1.02                      Termination of a Material Definitive Agreement

SMF and SMS are parties to a Master Lease Agreement dated as of November 1, 2004 (the “Existing SMF Master Agreement”), pursuant to which those parties entered into Equipment Schedules 001, 002, 003 and 004 dated as of November 1, 2004, January 4, 2005, January 31 2005, and March 24, 2005, respectively (each an “Existing SMF Equipment Schedule” and collectively the “Existing SMF Equipment Schedules”) with respect to the 412 units of Equipment listed therein (the “SMF Leased Equipment”). SPAR Canada Company, a Nova Scotia corporation and an indirect subsidiary of SGRP (“SCC”), and SMS are parties to a Master Lease Agreement dated as of January 4, 2005 (the “Existing SCC Master Agreement”), pursuant to which those parties entered into the Equipment Schedule dated as of January 4, 2005 (the “Existing SCC Equipment Schedule”) with respect to the 61 units of Equipment listed therein (the “SCC Leased Equipment”), the Existing SMF Master Agreement as modified by the Existing SMF Equipment Schedules may be referred to individually as the “Existing SMF Equipment Lease”, and the Existing SCC Master Agreement as modified by the Existing SCC Equipment Schedules may be referred to individually as the “Existing SCC Equipment Lease”.

SMF, SCC and SMS entered into a Bill of Sale and Lease Termination Under Certain Schedules to Master Equipment Leases by and among SMF, SCC and SMS dated September 30, 2008, and effective as of September 24, 2008 (the “Bill of Sale”). Pursuant to the Bill of Sale, SMF exercised its option to purchase the SMF Leased Equipment under the Existing SMF Equipment Lease and (with the consent of SCC) purchased the SCC Leased Equipment (together with the SMF Leased Equipment, the “Equipment”), for a total purchase price of \$500,000 for the 473 hand held computer units purchased, based on an independently determined fair market value of \$1057.08 per unit, and terminated the lease terms of such Equipment under the Existing Equipment Leases.

SGRP’s Audit Committee and Board of Directors each reviewed and approved this affiliated transaction, including (without limitation) the terms of the Bill of Sale and the affiliated relationship of the parties.

Item 3.02                      Unregistered Sale of Equity Securities

On March 28, 2008, SGRP filed a “Certificate of Designation of Series “A” Preferred Stock of SPAR Group, Inc.” (the “Preferred Designation”), creating a series of 3,000,000 shares of Preferred Stock designated as “Series A Preferred Stock” with a par value of \$0.01 per share (the “Preferred Stock”), which designation had been approved by the Board on March 27, 2008.

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The Preferred Designation provides that each share of Preferred Stock is to be issued at a value equal to the closing bid price of SGRP's common stock (the "Common Stock") immediately preceding the day SGRP and the purchaser(s) entered into a binding commitment to issue and acquire Preferred Stock. The Preferred Stock will accrue a 10% dividend payable in either cash (when permitted by law and Nasdaq and authorized by the Board) or common stock when authorized by the Board (valued at the current market price of a share of common stock at the time paid but not less than the initial purchase price of a share of such preferred). All accrued and unpaid dividends and potential dividends must be paid to the holders of the Preferred Stock before any dividends can be paid to the holders of the Common Stock. The face value (purchase price) of the Preferred Stock and all accrued and unpaid dividends and potential dividends must be paid to the holders of the Preferred Stock before any liquidating distributions can be made to the holders of the Common Stock. The consent of all of the holders of the Preferred Stock is required for SGRP to make any changes in the Preferred Designation or issue any other class of preferred stock senior to or pari passu with the Preferred Stock.

The Preferred Stock is redeemable, at the discretion of SGRP only, for a cash redemption price equal to its face value (purchase price) plus all accrued and unpaid dividends and potential dividends. Each share of Preferred Stock is convertible into one share of Common Stock at the rate of one to one at the option of the holder, which option would be exercisable for so long as the Preferred Stock is outstanding (even if SGRP has elected to redeem). Such a conversion also requires that SGRP satisfy all accrued and unpaid dividends and potential dividends at the same time. The Preferred Stock votes with the Common Stock (no class voting) and have voting rights equal to one vote per share of Preferred Stock.

On September 30, 2008, effective as of September 24, 2008, the Board also authorized the issuance of 465,116 shares of Preferred Stock to SP/R Inc. Defined Benefit Pension Plan, acting through Robert G. Brown, its Trustee, WHB Services, Inc. Defined Benefit Trust, acting through William H. Bartels, its Trustee, and WHB Services, Inc. Investment Savings Trust, acting through William H. Bartels, its Trustee (each a "Purchaser", and collectively, the "Purchasers"), who are affiliates of Mr. Robert G. Brown and Mr. William H. Bartels, at a purchase price of \$0.86 per share (\$500,000 in total). SGRP and the Purchasers have entered into the Series A Preferred Stock Subscription Agreement dated September 30, 2008, and effective as of September 24, 2008 (the "New Subscription Agreement"), to issue and purchase an aggregate of 465,116 shares of Preferred Stock at \$0.86 per share, which was the closing bid price of SGRP's Common Stock for the most recent trading day available immediately preceding such effective date (which was the date on which the Purchasers agreed to purchase those shares).

SGRP's Audit Committee and Board of Directors each reviewed and approved this affiliated transaction, including (without limitation) the terms of the New Subscription Agreement and the affiliated relationship of the parties. The offer and sale of such Preferred Stock have not been registered under the Securities Act or other securities laws, as they were a non-public offer and sale made in reliance upon (among other things) Section 4 (2) of the Securities Act.

On March 31, 2008, SGRP, Mr. Brown, Mr. Bartels and SPAR Management Services, Inc. ("SMSI"), an affiliate of SGRP wholly owned by Mr. Brown and Mr. Bartels, entered into a Subscription Agreement to issue and purchase 89,286 shares of Preferred Stock at \$1.12 per share which listed Mr. Brown and Mr. Bartels as the purchasers of such Preferred Stock rather than listing SMSI as the record purchaser of such Preferred Stock and Mr. Brown and Mr. Bartels as prospective indirect (i.e., beneficial) owners. On September 30, 2008, SGRP, Mr. Brown, Mr. Bartels and SMSI entered into an Amended and Restated Series A Preferred Stock Subscription Agreement effective as of March 31, 2008 (the "Restated Subscription Agreement"), to more accurately reflect the parties intentions that SMSI would pay for and acquire record ownership of those shares.

SGRP's Audit Committee and Board of Directors each reviewed and approved this affiliated transaction, including (without limitation) the terms of the Restated Subscription Agreement and the affiliated relationship of the parties. The offer and sale of such Preferred Stock have not been registered under the Securities Act or other securities laws, as they were a non-public offer and sale made in reliance upon (among other things) Section 4 (2) of the Securities Act.

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Item 9.01.

Financial Statements and Exhibits.

(a) Exhibits:

- 10.1 First Amendment to Amended and Restated Field Service Agreement between SPAR Marketing Services, Inc., a Nevada corporation ("SMS"), and SPAR Marketing Force, Inc., a Nevada corporation ("SMF"), dated September 30, 2008, and effective as of September 24, 2008 (the "First Amendment"), as filed herewith.
  - 10.2 Bill of Sale and Lease Termination Under Certain Schedules to Master Equipment Leases by and among SMF, SPAR Canada Company, a Nova Scotia corporation, and SMS dated September 30, 2008, and effective as of September 24, 2008 (the "Bill of Sale"), as filed herewith.
  - 10.3 Series A Preferred Stock Subscription Agreement by and among SGRP, SP/R Inc. Defined Benefit Pension Plan, acting through Robert G. Brown, its Trustee, WHB Services, Inc. Defined Benefit Trust, acting through William H. Bartels, its Trustee, and WHB Services, Inc. Investment Savings Trust, acting through William H. Bartels, its Trustee, affiliates of Mr. Robert G. Brown and Mr. William H. Bartels, dated September 30, 2008, and effective as of September 24, 2008, as filed herewith.
  - 10.4 Amended and Restated Series A Preferred Stock Subscription Agreement by and among SGRP, Robert G. Brown, William H. Bartels and SPAR Management Services, Inc., a Nevada corporation ("SMSI"), dated September 30, 2008, and effective as of March 31, 2008, 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: October 6, 2008

By: /s/ James R. Segreto  
James R. Segreto  
Chief Financial Officer

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EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
10.1	<u><a href="#">First Amendment to Amended and Restated Field Service Agreement between SPAR Marketing Services, Inc., a Nevada corporation (“SMS”), and SPAR Marketing Force, Inc., a Nevada corporation (“SMF”), dated September 30, 2008, and effective as of September 24, 2008 (the “First Amendment”), as filed herewith.</a></u>
10.2	<u><a href="#">Bill of Sale and Lease Termination Under Certain Schedules to Master Equipment Leases by and among SME, SPAR Canada Company, a Nova Scotia corporation, and SMS dated September 30, 2008, and effective as of September 24, 2008 (the “Bill of Sale”), as filed herewith.</a></u>
10.3	<u><a href="#">Series A Preferred Stock Subscription Agreement by and among SGRP, SP/R Inc. Defined Benefit Pension Plan, acting through Robert G. Brown, its Trustee, WHB Services, Inc. Defined Benefit Trust, acting through William H. Bartels, its Trustee, and WHB Services, Inc. Investment Savings Trust, acting through William H. Bartels, its Trustee, affiliates of Mr. Robert G. Brown and Mr. William H. Bartels, dated September 30, 2008, and effective as of September 24, 2008, as filed herewith.</a></u>
10.4	<u><a href="#">Amended and Restated Series A Preferred Stock Subscription Agreement by and among SGRP, Robert G. Brown, William H. Bartels and SPAR Management Services, Inc., a Nevada corporation (“SMSI”), dated September 30, 2008, and effective as of March 31, 2008, as filed herewith.</a></u>

**FIRST AMENDMENT  
TO  
AMENDED AND RESTATED FIELD SERVICE AGREEMENT**

**Introduction**

This First Amendment to Amended and Restated Field Service Agreement, dated as of September 30, 2008, effective as of September 24, 2008 (this "Amendment"), is by and between SPAR Marketing Services, Inc., a Nevada corporation ("SMS"), and SPAR Marketing Force, Inc., a Nevada corporation (the "Company"). SMS and the Company may be referred to individually as a "Party" and collectively as the "Parties".

**Recitals**

SMS and the Company are parties to a Amended and Restated Field Service Agreement dated as of January 1, 2004 (the "Existing Field Agreement"), and as amended by this Amendment, and as the same may be supplemented, modified, amended, restated or replaced from time to time in the manner provided therein, the "Field Agreement"), pursuant to which the Company engaged SMS to perform Merchandising Services from time to time on a cost plus 4.00% basis. Capitalized terms used and not otherwise defined or amended in this Amendment shall have the meanings respectively assigned to them in the Existing Field Agreement.

In order to (among other things) facilitate operation of their respective businesses, the Company has requested that SMS, and SMS has agreed that it will, partially reduce its 4.00% spread over cost, all upon the terms and provisions and subject to the conditions hereinafter set forth.

**Agreement**

In consideration of the foregoing, the mutual covenants and agreements hereinafter set forth and other good and valuable consideration (the receipt and adequacy of which are hereby acknowledged by SMS), the parties hereto hereby agree as follows:

Section 1. Amendment to Existing Field Agreement. The Existing Field Agreement is hereby amended as follows, effective as of the date first written above:

(a) The definitions of "Agreement" is hereby amended and restated as follow:

"Agreement" shall mean this Amended and Restated Field Service Agreement, together with all schedules and exhibits hereto, as amended by the First Amendment to Amended and Restated Field Service Agreement, dated as of September 30, 2008, effective as of September 24, 2008, and as the same may be supplemented, modified, amended or restated from time to time in the manner provided herein.

(b) SMS hereby agrees with the Company that the 4.00% of Service Costs due to it under Section 3(b) of the Existing Field Agreement (the "Plus Compensation") (i) has been partially reduced by agreement in the amount of \$100,000 at June 30, 2008, which is hereby confirmed, and (ii) will be partially reduced by \$400,000 at September 30, 2008.

(c) In consideration of the reductions in the Plus Compensation confirmed and made hereunder, the Company hereby agrees that it will pay to SMS a termination fee of \$300,000 (in addition to paying all Service Compensation and other amounts then due under the Field Agreement) in the event the Company terminates or elects to not renew the Field Agreement prior to December 31, 2010.

Section 2. Counterparts. This Amendment may be signed in two or more counterpart copies of the entire document or of signature pages to the document, each of which may be executed by one or more of the parties hereto and any of which may be sent by teletype, pdf file or other electronic means, but all of which, when taken together, shall constitute a single agreement binding upon all of the parties hereto.

Section 3. Governing Law, Etc. This Amendment (i) is an agreement among the parties hereto, and (ii) shall be governed by and construed in accordance with the applicable provisions of Sections 6 through 17 (as well as any applicable definitions or interpretive provisions appearing elsewhere) of the Field Agreement, which provisions are hereby incorporated herein by reference, as if this Amendment were the "Agreement" referred to in those incorporated provisions.

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Section 4. Agreement to Continue as Amended. The Existing Field Agreement, as supplemented, modified and amended by this Amendment, shall remain and continue in full force and effect after the date hereof.

Section 5. Entire Agreement. This Amendment and the Existing Field Agreement as amended hereby contain the entire agreement of the Parties and supersede and completely replace all prior and other communications, discussions and other representations, warranties, promises, assurances, agreements and understandings (oral, implied or otherwise) between the Parties, with respect to the matters contained herein and therein.

**In Witness Whereof**, the parties hereto have executed and delivered this Amendment as of the date first written above.

**SPAR Marketing Services, Inc.,**  
a Nevada corporation

**SPAR Marketing Force, Inc.,**  
a Nevada corporation

By: /s/ Robert G. Brown  
\_\_\_\_\_  
Robert G. Brown  
Chairman, Chief Executive Officer and President

By: /s/ James R. Segreto  
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James R. Segreto  
Chief Financial Officer

**BILL OF SALE AND LEASE TERMINATION**  
**UNDER**  
**CERTAIN SCHEDULES TO MASTER EQUIPMENT LEASES**

**Introduction**

This Bill of Sale and Lease Termination Under Certain Schedules to Master Equipment Leases, dated September 30, 2008, and effective as of September 24, 2008 (this "Bill of Sale"), is by and between, **SPAR Marketing Force, Inc.**, a Nevada corporation (the "Assignee" or "SMF"), **SPAR Canada Company**, a Nova Scotia corporation ("SPAR Canada" or "SCC"), and **SPAR Marketing Services, Inc.**, a Nevada corporation (the "Lessor"). The Assignee and SPAR Canada may be referred to individually as a "Lessee" and collectively as the "Lessees", and the Lessees and the Lessor may be referred to individually as a "party" and collectively as the "parties".

**Recitals**

The Assignee and the Lessor are parties to a Master Lease Agreement dated as of November 1, 2004 (the "Existing SMF Master Agreement"), pursuant to which those parties entered into Equipment Schedules 001, 002, 003 and 004 dated as of November 1, 2004, January 4, 2005, January 31, 2005, and March 24, 2005, respectively (each an "Existing SMF Equipment Schedule" and collectively the "Existing SMF Equipment Schedules") with respect to the 412 units of Equipment listed therein (the "SMF Leased Equipment"). SPAR Canada and the Lessor are parties to a Master Lease Agreement dated as of January 4, 2005 (the "Existing SCC Master Agreement"), pursuant to which those parties entered into the Equipment Schedule dated as of January 4, 2005 (the "Existing SCC Equipment Schedule") with respect to the 61 units of Equipment listed therein (the "SCC Leased Equipment"). The Existing SMF Master Agreement as modified by the Existing SMF Equipment Schedules may be referred to individually as the "Existing SMF Equipment Lease", the Existing SCC Master Agreement as modified by the Existing SCC Equipment Schedules may be referred to individually as the "Existing SCC Equipment Lease", the Existing SMF Master Agreement and the Existing SCC Master Agreement may be referred to individually as an "Existing Master Agreement" and collectively as the "Existing Master Agreements", the Existing SMF Equipment Schedules and the Existing SCC Equipment Schedule may be referred to individually as an "Existing Equipment Schedule" and collectively as the "Existing Equipment Schedules", and the Existing SMF Equipment Lease and the Existing SCC Equipment Lease may be referred to individually as an "Existing Equipment Lease" and collectively as the "Existing Equipment Leases". Capitalized terms used and not otherwise defined or amended in this Bill of Sale shall have the meanings respectively assigned to them in the Existing Master Agreements.

The Assignee has exercised its option to purchase the SMF Leased Equipment under the Existing SMF Equipment Lease, and with the consent of SPAR Canada, the Assignee has agreed to purchase the SCC Leased Equipment (together with the SMF Leased Equipment, the "Equipment"), all at the agreed upon fair market value of \$1057.08 per hand held unit, the Lessor has agreed to sell all such Equipment to the Assignee, and the parties have agreed to terminate the lease terms of such Equipment under the Existing Equipment Leases, all upon the terms and provisions and subject to the conditions hereinafter set forth.

**Agreement**

In consideration of the foregoing, the mutual covenants and agreements hereinafter set forth and other good and valuable consideration (the receipt and adequacy of which are hereby acknowledged by the parties), the parties hereto hereby agree as follows:

Section 1. **Bill of Sale respecting the Equipment.** (a) In consideration of \$1057.08 for each hand held unit included in the Equipment, for a total of \$500,000.00 for the 473 units of the Equipment covered hereby (the "Sale Price"), and effective as of the close of business on September 24, 2008 (the "Transfer Effective Time"), the Lessor by these presents hereby bargains, sells, conveys, assigns, transfers, sets over and delivers ("Transfers") to the Assignee and its successors and assigns forever, all "AS IS", "WHERE IS" and without any representation or warranty by or recourse to the Lessor (except for the representations expressly made below), all of the Lessor's right, title and interest in and to any and all of the Equipment, including (without limitation) any and all accessions and additions thereto and remaining warranties (if any) with respect thereto, TO HAVE AND TO HOLD all such assets hereby transferred, assigned or conveyed unto the Assignee and its successors and assigns forever.

(b) SPAR Canada hereby (i) acknowledges and approves such purchase and sale, (ii) absolutely, unconditionally and irrevocably waives any and all rights and claims respecting the SCC Leased Equipment, including (without limitation) any right it may have had to purchase or continue to lease the SCC Leased Equipment, and (iii) agrees to hold such Equipment for the benefit and at the direction of the Assignee pursuant to such arrangements as they may make.

(c) The Assignee hereby (i) acknowledges and confirms that it and SPAR Canada (its sister corporation) already have possession of all the units of Equipment covered hereby pursuant to the Existing Equipment Leases, (ii) acknowledges and confirms that it and SPAR Canada, as the sole holders and users of the Equipment, are the only parties in a position to determine the existence and condition of each unit of Equipment, (iii) acknowledges and confirms that it has received acceptable assurances from SPAR Canada with respect to the existence and acceptable existing condition of each unit of SCC Leased Equipment, and (iv) acknowledges, confirms and accepts the existence and acceptable existing condition of each unit of Equipment.

(d) The Lessor represents and warrants to the Assignee that, upon the Existing Equipment Lease Terminations (as hereinafter defined) and immediately prior to the Transfer Effective Time: (i) the Lessor is the sole owner of all of the Equipment, with good and marketable title thereto; and (ii) the Equipment will be delivered free and clear of all claims, liens, security interests and charges of every nature.

(e) Except for the Lessor's express representations and warranties described in subsection (c) of this Section, the Transfers of the Equipment are made (i) "AS IS", (ii) without any representation or warranty of any kind or nature whatsoever by the Lessor, whether express or implied (either in fact, by operation of law or otherwise), including (without limitation) no warranty as to merchantability, fitness or usefulness for a particular purpose, title, interference, infringement or conformance to any specifications, and (iii) without any recourse whatsoever to the Lessor, all of which are hereby acknowledged and confirmed by the Lessees.

Section 2. Termination of Existing Equipment Lease Terms. Effective immediately prior to the Transfer Effective Time, the respective Terms of the Existing Equipment Leases shall be deemed terminated in respect of the Equipment leased thereunder with the mutual consent of the parties (the "Existing Equipment Lease Terminations"), without, however, in any way affecting any of the rent payment or other obligations of the applicable Lessee thereunder accruing through the date of the Existing Equipment Lease Terminations.

Section 3. Counterparts. This Bill of Sale may be signed in two or more counterpart copies of the entire document or of signature pages to the document, each of which may be executed by one or more of the parties hereto and any of which may be sent by telecopy, pdf file or other electronic means, but all of which, when taken together, shall constitute a single agreement binding upon all of the parties hereto.

Section 4. Governing Law, Etc. This Bill of Sale (i) is an agreement among the parties hereto, and (ii) shall be governed by and construed in accordance with the applicable terms and provisions of Sections 17, 19 through 22, 24, and 30 through 41 (as well as any applicable definitions or interpretive provisions appearing elsewhere) of the Existing Master Agreement, which provisions are hereby incorporated herein by reference, as if this Bill of Sale were the "Lease" referred to in those incorporated provisions.

Section 5. Existing Master Agreement to Continue. The Existing Master Agreements and any equipment schedules pertaining to equipment not included in the Equipment hereunder shall remain and continue in full force and effect after the date hereof.

Section 6. Entire Agreement. This Bill of Sale contains the entire agreement of the parties and supersedes and completely replaces all prior and other communications, discussions and other representations, warranties, promises, assurances, agreements and understandings (oral, implied or otherwise) between the parties, with respect to the matters contained herein.

**In Witness Whereof**, the parties hereto have executed and delivered this Bill of Sale as of the date first written above.

**SPAR Canada Company,**  
a Nova Scotia corporation  
and a Lessee

**SPAR Marketing Force, Inc.,**  
a Nevada corporation  
and the Assignee and a Lessee

**SPAR Marketing Services, Inc.,**  
a Nevada corporation  
and the Lessor

By: /s/ James R. Segreto  
James R. Segreto  
Chief Financial Officer

By: /s/ James R. Segreto  
James R. Segreto  
Chief Financial Officer

By: /s/ Robert G. Brown  
Robert G. Brown  
Executive Officer and President

**SERIES A PREFERRED STOCK  
SUBSCRIPTION AGREEMENT**

This **Series A Preferred Stock Subscription Agreement** (this "Agreement") is dated September 30, 2008, and effective as of September 24, 2008, by and among **SPAR Group, Inc.**, a Delaware corporation (the "Corporation"), and each of **SP/R Inc. Defined Benefit Pension Plan**, acting through **Robert G. Brown, its Trustee**, **WHB Services, Inc. Defined Benefit Trust**, acting through **William H. Bartels, its Trustee**, and **WHB Services, Inc. Incentive Savings Trust**, acting through **William H. Bartels, its Trustee** (each a "Purchaser", and collectively, the "Purchasers").

Section 1. Purchase and Sale of the Preferred Shares. Subject to the terms and conditions of this Agreement, each Purchaser subscribes for and hereby purchases and acquires from the Corporation, severally and not jointly, and the Corporation hereby sells and issues to each Purchaser, the number of shares of the Corporation's Series A Preferred Stock, par value \$0.01 per share, specified for such Purchaser (collectively, the "Preferred Shares"), at a purchase price of \$0.86 per Share:

- (a) 284,237 Preferred Shares to the SP/R Inc. Defined Benefit Pension Plan at an individual total purchase price of \$244,444.44;
- (b) 137,320 Preferred Shares to the WHB Services, Inc. Defined Benefit Trust at an individual total purchase price \$118,095.00; and
- (c) 43,559 Preferred Shares to the WHB Services, Inc., Incentive Savings Trust at an individual total purchase price \$37,460.56.

Each Purchaser shall pay to the Corporation such individual total purchase price in immediately available funds as payment in full for all such Preferred Shares being purchased by it.

Section 2. Representations and Covenants of the Corporation. In order to induce them to enter into this Agreement, the Corporation represents and warrants the following to each Purchaser: (a) the Corporation is and will continue to be a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware; (b) the Corporation has and will maintain full and unrestricted power, authority and legal capacity, and it has been duly authorized and empowered, to the extent necessary to execute and deliver this Agreement and make this Agreement enforceable against it; (c) the Corporation has obtained and will maintain all qualifications, authorizations, approvals and waivers, and it has satisfied and will continue to satisfy all other applicable legal, governance and contractual requirements, to the extent necessary to execute and deliver this Agreement and make this Agreement enforceable against it; (d) this Agreement has been duly executed and delivered by the Corporation, and, upon its execution by the Purchasers, shall constitute the legal, valid and binding obligation of the Corporation, enforceable in accordance with its terms, except to the extent that its enforcement is limited by bankruptcy, insolvency, reorganization or other laws relating to or affecting the enforcement of creditors' rights generally and by general principles of equity; (e) the authorized capital stock of the Corporation is 50,000,000 shares, consisting of (i) 47,000,000 shares of common stock, par value \$.01 per share, and (ii) 3,000,000 shares of preferred stock, par value \$.01 per share; (f) the holder's conversion rights, Corporation's redemption rights, payment and liquidation preferences over common, and other terms, provisions and conditions respecting the Preferred Shares are stated in the Series A Preferred Stock Designation as filed with the Delaware Secretary of State on March 28, 2008 (the "Series A Designation"); and (g) upon issuance in accordance with the terms of this Agreement, the Preferred Shares will be duly and validly authorized and issued and fully paid and nonassessable.

Section 3. Representations and Warranties of the Purchaser. In order to induce it to enter into this Agreement, each Purchaser represents and warrants (as to itself only) the following to the Corporation as of the date hereof: (a) the Purchaser has and will maintain full and unrestricted power, authority and legal capacity to the extent necessary to execute and deliver this Agreement and make this Agreement enforceable against it; (b) the Purchaser has obtained and will maintain all qualifications, authorizations, approvals and waivers, and it has satisfied and will continue to satisfy all other applicable legal, governance and contractual requirements, to the extent necessary to execute and deliver this Agreement and make this Agreement enforceable against it; (c) this Agreement has been duly executed and delivered by the Purchaser, and, upon its execution by the Corporation, shall constitute the legal, valid and binding obligation of the Purchaser, enforceable in accordance with its terms, except to the extent that its enforcement is limited by bankruptcy,

insolvency, reorganization or other laws relating to or affecting the enforcement of creditors' rights generally and by general principles of equity; (d) the Purchaser's trustee has knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Preferred Shares; (e) the Purchaser understands that an investment in the Corporation represents a high degree of risk and there is no assurance that the Corporation's business or operations will be successful; (f) as the Purchaser's trustee is an officer and director of the Corporation, the Purchaser's trustee regularly receives and reviews information pertaining to the Corporation, including (without limitation) the Corporation's Annual Report on Form 10-K for the Fiscal Year ended December 31, 2007 (the "2007 Annual Report"), the Purchaser's trustee has received all of the information that it requested in connection with the decision to purchase the Preferred Shares, the Purchaser's trustee has independently reviewed and evaluated the 2007 Annual Report, the Series A Designation, and other information provided by the Corporation in connection with the decision to purchase the Preferred Shares, the Purchaser's trustee has had an opportunity to ask questions and receive answers from the Corporation regarding the business, properties, prospects and financial condition of the Corporation, and all such questions have been answered to the full satisfaction of the Purchaser's trustee; (g) the Purchaser has considered carefully the risks attendant to an investment in the Corporation and the Preferred Shares (including, without limitation, the Risk Factors described in the 2007 Annual Report), and that, as a consequence of such risks, the Purchaser understands it could lose its entire investment in the Preferred Shares; (h) the Purchaser further understands that (i) neither the offering nor the sale of the Preferred Shares has been registered under the Securities Act of 1933, as amended (the "Securities Act") or any applicable state laws in reliance upon exemptions from the registration requirements of such laws, (ii) the Preferred Shares must be held by it indefinitely unless the sale or transfer thereof is subsequently registered under the Securities Act and any applicable state laws, or an exemption from such registration requirements is available, and (iii) the Corporation will rely upon the representations and warranties made by the Purchaser in this Agreement in order to establish such exemptions from the registration requirements of the Securities Act and any applicable state laws; (i) the Preferred Shares are being acquired for investment for the Purchaser's own account for the benefit of itself and (indirectly) its beneficiary, and not as a nominee or agent and not with a view to the resale, transfer or distribution of all or any part of the Preferred Shares to any other person within the meaning of the Securities Act; (j) the Purchaser has no present intention of selling, transferring or distributing any of the Preferred Shares, or granting any participation in any of the Preferred Shares, to any other person within the meaning of the Securities Act; and (k) the Purchaser does not have any contracts, understandings, agreements or arrangements to sell, transfer or distribute any of the Preferred Shares, or grant any participation in any of the Preferred Shares, to any other person within the meaning of the Securities Act.

Section 4. Further Assurances. The parties will, upon reasonable request, execute and deliver all such further assignments, endorsements and other documents as may be necessary in order to implement and perfect the purchase by the Purchasers of the Preferred Shares.

Section 5. Successors and Assigns; No Third Party Benefits; Headings, Etc. The representations, warranties, covenants and other agreements made by or on behalf of each party in this Agreement shall be binding upon the successors, permitted assigns, heirs and legal representatives of such party and shall inure to the benefit of the successors, permitted assigns, heirs and legal representatives of each other party. The provisions of this Agreement are for the exclusive benefit of the parties hereto, and, except as otherwise expressly provided herein, no other person (including creditors of any party hereto) 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 section headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

Section 6. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, (a) to the extent applicable, the General Corporation Law and Article 8 of the Uniform Commercial Code of the State of Delaware, each as amended, and (b) to the extent that such Delaware laws are not applicable, the applicable law of the State of New York other than those conflict of law rules that would defer to the substantive laws of any other jurisdiction.

Section 7. Counterparts and Amendments. This Agreement or any amendment hereto may have been executed in two or more counterparts of the entire document or its signatures pages, any of which may have been delivered by telecopy, pdf or other electronic means, and all of which, when taken together, shall constitute a single agreement binding upon all of the parties hereto. Except for a party's consent or waiver hereunder (which need only be signed by it), each and every supplement, modification and amendment respecting this Agreement shall be in writing and signed by all of the parties hereto.

Section 8. Entire Agreement. This Agreement contains the entire agreement of the parties, and supersedes and completely replaces all prior and other communications, discussions and other representations, warranties, promises, assurances, agreements and understandings (whether written, oral, express, implied or otherwise) between the parties, with respect to the matters contained in this Agreement.

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

**SP/R Inc. Defined Benefit Pension Plan**

By: /s/ Robert G. Brown  
Robert G. Brown, Trustee

**WHB Services, Inc. Defined Benefit Trust**

By: /s/ William H. Bartels  
William H. Bartels, Trustee

**WHB Services, Inc. Incentive Savings Trust**

By: /s/ William H. Bartels  
William H. Bartels, Trustee

**SPAR Group, Inc.**

By: /s/ James R. Segreto  
James R. Segreto, Chief Financial Officer

**AMENDED AND RESTATED SERIES A PREFERRED STOCK  
SUBSCRIPTION AGREEMENT**

**This Amended and Restated Series A Preferred Stock Subscription Agreement** (this "Agreement") dated September 30, 2008, and effective as of March 31, 2008, by and among **SPAR Group, Inc.**, a Delaware corporation (the "Corporation"), each of **Robert G. Brown** and **William H. Bartels** (each a "Shareholder", and collectively, the "Shareholders"), and **SPAR Management Services, Inc.**, a Nevada corporation wholly owned by the Shareholders ("SMSI"). The Corporation, the Shareholders and SMSI (collectively, the "Parties") are each parties to that certain Series A Preferred Stock Subscription Agreement dated as of the 31<sup>st</sup> day of March, 2008 (as the same may be supplemented, modified, amended, restated or replaced from time to time in the manner provided therein, the "Existing Subscription Agreement"). The Parties desire to amend, restate and completely replace the Existing Subscription Agreement in order to clarify and correct certain matters contained therein.

Section 1. Purchase and Sale of the Preferred Shares. Subject to the terms and conditions of this Agreement, SMSI subscribes for and hereby purchases and acquires from the Corporation, and the Corporation hereby sells and issues SMSI, 89,286 shares of the Corporation's Series A Preferred Stock, par value \$0.01 per share (collectively, the "Preferred Shares"), at a purchase price of \$1.12 per Share, and the Corporation hereby acknowledges receipt from SMSI of the aggregate purchase price of \$100,000.32 (the "Purchase Price"), as payment in full for all such Preferred Shares. Each of the Shareholders hereby acknowledge and agree that, through their proportional ownership of SMSI, they will indirectly (i.e., beneficially) own the Preferred Shares in the following amounts specified for each Shareholder:

- (a) 54,564 of Preferred Shares issued to SMSI are for the indirect benefit of Robert G. Brown, and
- (b) 34,722 of Preferred Shares issued to SMSI are for the indirect benefit of William H. Bartels.

Section 2. Representations and Covenants of the Corporation. In order to induce them to enter into this Agreement, the Corporation represents and warrants the following to each Shareholder: (a) the Corporation is and will continue to be a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware; (b) the Corporation has and will maintain full and unrestricted power, authority and legal capacity, and it has been duly authorized and empowered, to the extent necessary to execute and deliver this Agreement and make this Agreement enforceable against it; (c) the Corporation has obtained and will maintain all qualifications, authorizations, approvals and waivers, and it has satisfied and will continue to satisfy all other applicable legal, governance and contractual requirements, to the extent necessary to execute and deliver this Agreement and make this Agreement enforceable against it; (d) this Agreement has been duly executed and delivered by the Corporation, and, upon its execution by the Shareholders and SMSI, shall constitute the legal, valid and binding obligation of the Corporation, enforceable in accordance with its terms, except to the extent that its enforcement is limited by bankruptcy, insolvency, reorganization or other laws relating to or affecting the enforcement of creditors' rights generally and by general principles of equity; (e) the authorized capital stock of the Corporation is 50,000,000 shares, consisting of (i) 47,000,000 shares of common stock, par value \$.01 per share, and (ii) 3,000,000 shares of preferred stock, par value \$.01 per share; (f) the holder's conversion rights, Corporation's redemption rights, payment and liquidation preferences over common, and other terms, provisions and conditions respecting the Preferred Shares are stated in the Series A Preferred Stock Designation as filed with the Delaware Secretary of State on March 28, 2008 (the "Series A Designation"); and (g) upon issuance in accordance with the terms of this Agreement, the Preferred Shares will be duly and validly authorized and issued and fully paid and nonassessable.

Section 3. Representations and Warranties of Shareholders and SMSI. In order to induce it to enter into this Agreement, each of the Shareholders and SMSI represents and warrants (as to itself only) the following to the Corporation as of the date hereof: (a) each Shareholder and SMSI has and will maintain full and unrestricted power, authority and legal capacity to the extent necessary to execute and deliver this Agreement and make this Agreement enforceable against it; (b) SMSI has obtained and will maintain all qualifications, authorizations, approvals and waivers, and he has satisfied and will continue to satisfy all other applicable legal, governance and contractual requirements, to the extent necessary to execute and deliver this Agreement and make this Agreement enforceable against it; (c) this Agreement has been duly executed and delivered by the Shareholders and SMSI, and, upon its execution by the Corporation, shall constitute the legal, valid and binding obligation of the Shareholders and SMSI, enforceable in accordance with its terms, except to the extent that its enforcement is limited by bankruptcy, insolvency, reorganization

or other laws relating to or affecting the enforcement of creditors' rights generally and by general principles of equity; (d) the Shareholders are the sole stockholders of SMSI and have knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of SMSI's investment in the Preferred Shares; (e) the Shareholders understand that an investment by SMSI in the Corporation represents a high degree of risk and there is no assurance that the Corporation's business or operations will be successful; (f) as an officer and director, each Shareholder regularly receives and reviews information pertaining to the Corporation, including (without limitation) the Corporation's Annual Report on Form 10-K for the Fiscal Year ended December 31, 2007 (the "2007 Annual Report"), each Shareholder has received all of the information that he requested in connection with the decision to cause SMSI to purchase the Preferred Shares, each Shareholder has independently reviewed and evaluated the 2007 Annual Report, the Series A Designation, and other information provided by the Corporation in connection with the decision to purchase the Preferred Shares, each Shareholder has had an opportunity to ask questions and receive answers from the Corporation regarding the business, properties, prospects and financial condition of the Corporation, and all such questions have been answered to the full satisfaction of the Shareholders and SMSI; (g) the Shareholders have considered carefully the risks attendant to an investment in the Corporation and the Preferred Shares (including, without limitation, the Risk Factors described in the 2007 Annual Report), and that, as a consequence of such risks, each Shareholder understands SMSI could lose its entire investment in the Preferred Shares; (h) each Shareholder further understands that (i) neither the offering nor the sale of the Preferred Shares has been registered under the Securities Act of 1933, as amended (the "Securities Act") or any applicable state laws in reliance upon exemptions from the registration requirements of such laws, (ii) the Preferred Shares must be held by SMSI indefinitely unless the sale or transfer thereof is subsequently registered under the Securities Act and any applicable state laws, or an exemption from such registration requirements is available, and (iii) the Corporation will rely upon the representations and warranties made by SMSI in this Agreement in order to establish such exemptions from the registration requirements of the Securities Act and any applicable state laws; (i) the Preferred Shares are being acquired for investment for SMSI's own account for the benefit of itself and (indirectly) its Shareholders, and not as a nominee or agent and not with a view to the resale, transfer or distribution of all or any part of the Preferred Shares to any other person within the meaning of the Securities Act; (j) SMSI has no present intention of selling, transferring or distributing any of the Preferred Shares, or granting any participation in any of the Preferred Shares, to any other person within the meaning of the Securities Act; and (k) SMSI does not have any contracts, understandings, agreements or arrangements to sell, transfer or distribute any of the Preferred Shares, or grant any participation in any of the Preferred Shares, to any other person within the meaning of the Securities Act.

Section 4. Further Assurances. The parties will, upon reasonable request, execute and deliver all such further assignments, endorsements and other documents as may be necessary in order to implement and perfect the purchase by SMSI of the Preferred Shares.

Section 5. Successors and Assigns; No Third Party Benefits; Headings, Etc. The representations, warranties, covenants and other agreements made by or on behalf of each party in this Agreement shall be binding upon the successors, permitted assigns, heirs and legal representatives of such party and shall inure to the benefit of the successors, permitted assigns, heirs and legal representatives of each other party. The provisions of this Agreement are for the exclusive benefit of the parties hereto, and, except as otherwise expressly provided herein, no other person (including creditors of any party hereto) 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 section headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

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Section 8. Entire Agreement. This Agreement contains the entire agreement of the parties, and supersedes and completely replaces all prior and other communications, discussions and other representations, warranties, promises, assurances, agreements and understandings (whether written, oral, express, implied or otherwise) between the parties, with respect to the matters contained in this Agreement.

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

**SPAR Management Services, Inc.**

By: /s/ Robert G. Brown  
Name: Robert G. Brown  
Title: Chairman, Chief Executive Officer and President

/s/ Robert G. Brown  
Robert G. Brown

/s/ William H. Bartels  
William H. Bartels

**SPAR Group, Inc.**

By: /s/ James R. Segreto  
Name: James R. Segreto  
Title: Chief Financial Officer