

by specific reference in such a filing.

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: May 27, 2004

By: /s/ Charles Cimitile

Charles Cimitile
Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description
3.1	The Amended and Restated By-Laws of SPAR Group, Inc., adopted on May 18, 2004.
3.2	The Amended and Restated Charter of the Audit Committee of the Board of Directors of SPAR Group, Inc., adopted on May 18, 2004.
3.3	The Charter of the Compensation Committee of the Board of Directors of SPAR Group, Inc., adopted on May 18, 2004.
3.4	The Charter of the Governance Committee of the Board of Directors of SPAR Group, Inc., adopted on May 18, 2004.
3.5	SPAR Group Inc. Statement of Policy Respecting Stockholder Communications with Directors, adopted on May 18, 2004.
3.6	SPAR Group Inc. Statement of Policy Regarding Director Qualifications and Nominations, adopted on May 18, 2004.

THE
 AMENDED AND RESTATED
 BY-LAWS
 of
 SPAR Group, Inc.

A Delaware Corporation

Adopted as of: May 18, 2004

TABLE OF CONTENTS

Section -----	Title -----	Page ----
ARTICLE I.	CERTIFICATE, BY-LAWS, Agent and OFFICES	1
Section 1.01.	Certificate of Incorporation.....	1
Section 1.02.	By-Laws and Restatement.....	1
Section 1.03.	Registered Agent.....	1
Section 1.04.	Registered Office.....	1
Section 1.05.	Chief Executive Office.....	1
Section 1.06.	Other Offices.....	1
ARTICLE II.	Meetings of Shareholders.....	1
Section 2.01.	Annual Meetings.....	1
Section 2.02.	Special Meetings.....	2
Section 2.03.	Notice of Meeting.....	2
Section 2.04.	Quorum and Manner of Participation; Treasury Stock.....	2
Section 2.05.	Adjournments.....	2
Section 2.06.	Inspectors.....	2
Section 2.07.	Voting.....	3
Section 2.08.	Proxies.....	3
Section 2.09.	Action by Written Consent.....	3
Section 2.10.	List of Shareholders.....	3
Section 2.11.	Stockholder Proposals and Nominations.....	4
ARTICLE III.	Board.....	5
Section 3.01.	Number.....	5
Section 3.02.	Power5	
Section 3.03.	Term of Office.....	5
Section 3.04.	Vacancies and Additional Directorships.....	5
Section 3.05.	Meetings.....	5
Section 3.06.	Quorum, Manner of Participation and Voting.....	5
Section 3.07.	Action by Written Consent.....	6
Section 3.08.	Resignation of Directors.....	6
Section 3.09.	Removal of Directors.....	6
Section 3.10.	Compensation of Directors.....	6
ARTICLE IV.	Committees of the Board.....	6

Section 4.01.	Standing Committees, Designation of Additional Committees, Etc.....	6
Section 4.02.	Committee Charters, Powers, Etc.....	6
Section 4.03.	Appointment and Term.....	7
Section 4.04.	Committee Chairman.....	7
Section 4.05.	Meetings, Notices and Records.....	7
Section 4.06.	Quorum, Manner of Participation and Voting.....	7
Section 4.07.	Action by Written Consent.....	8
Section 4.08.	Resignations.....	8
Section 4.09.	Removal.....	8
Section 4.10.	Vacancies.....	8
Section 4.11.	Compensation.....	8

TABLE OF CONTENTS

Section	Title	Page
-----	-----	-----
ARTICLE V.	Officers.....	8
Section 5.01.	Positions, Election, Executives, Etc.....	8
Section 5.02.	Term of Office, Resignation and Removal.....	8
Section 5.03.	Vacancies.....	9
Section 5.04.	General Authority, Etc.....	9
Section 5.05.	The Chairman.....	9
Section 5.06.	The Vice Chairman.....	9
Section 5.07.	The Chief Executive Officer.....	9
Section 5.08.	The Chief Financial Officer.....	9
Section 5.09.	The President.....	10
Section 5.10.	Senior, Executive and other Vice Presidents.....	10
Section 5.11.	Assistant or other Vice Presidents.....	10
Section 5.12.	The Secretary.....	11
Section 5.13.	Assistant Secretaries.....	11
Section 5.14.	The Treasurer.....	11
Section 5.15.	The Controller.....	12
Section 5.16.	Assistant Treasurers.....	12
Section 5.17.	Compensation of Officers.....	12
Section 5.18.	Surety Bonds.....	12
ARTICLE VI.	INDEMNIFICATION.....	12
Section 6.01.	Certain Defined Terms.....	12
Section 6.02.	Persons Indemnified.....	14
Section 6.03.	Notice of Proceeding.....	14
Section 6.04.	Defense Counsel.....	14
Section 6.05.	Right to Indemnification, Etc.....	14
Section 6.06.	Right to Advancement of Expenses.....	14
Section 6.07.	Determination of Right to Indemnification.....	14
Section 6.08.	Indemnification on Success.....	15
Section 6.09.	Payment Claims to Recover Losses and Expenses.....	15
Section 6.10.	Suits Brought by an Indemnatee.....	15
Section 6.11.	Suits on Payment Claims, Etc.....	15
Section 6.12.	Indemnification Enforcement Expenses.....	15
Section 6.13.	Indemnatee's Proper Conduct.....	15
Section 6.14.	Continuation of Rights.....	15
Section 6.15.	Non-Exclusivity of Rights.....	15
Section 6.16.	Insurance.....	15
Section 6.17.	Indemnification of Officers, Employees and Agents of the Corporation.....	16
Section 6.18.	Savings Clause.....	16
Section 6.19.	Changes in Indemnification Rights.....	16
Section 6.20.	Contractual and Beneficial Rights.....	16
ARTICLE VII.	Shares.....	16
Section 7.01.	Certificates.....	16

TABLE OF CONTENTS

Section -----	Title -----	Page ----
Section 7.02.	Use of Pre-Signed Certificates.....	16
Section 7.03.	Subscriptions.....	16
Section 7.04.	Transfer of Shares.....	16
Section 7.05.	Returned Certificates.....	17
Section 7.06.	Lost Stock Certificates.....	17
ARTICLE VIII.	Record Dates and Dividends.....	17
Section 8.01.	Record Dates.....	17
Section 8.02.	Dividends.....	17
ARTICLE IX.	Miscellaneous Corporate Powers and Restrictions.....	17
Section 9.01.	Execution of Instruments Generally.....	17
Section 9.02.	Transactions with Interested Parties.....	18
Section 9.03.	Deposits.....	18
Section 9.04.	Checks, Notes, Etc.....	18
Section 9.05.	Proxies.....	18
Section 9.06.	Fiscal Year.....	18
Section 9.07.	Corporate Seal.....	18
ARTICLE X.	Amendments and Interpretation.....	19
Section 10.01.	Amendments.....	19
Section 10.02.	Notices, Electronic Messages, Copies, Etc.....	19
Section 10.03.	Number and Gender.....	19
Section 10.04.	Section and Other Headings.....	19
Section 10.05.	Severability.....	19
Section 10.06.	Conflicting Provisions of the Certificate of Incorporation and Applicable Law.....	19
Section 10.07.	Applicable Law.....	19
Section 10.08.	Non-Exclusive Provisions.....	19

TABLE OF DEFINITIONS

Section	Term
4.01	Additional Committee.....
10.07	Applicable Law.....
4.02	Additional Committee Charter.....
5.14	Assistant Secretary.....
5.17	Assistant Treasurer.....
5.12	Assistant Vice President.....
4.01	Audit Committee.....
4.02	Audit Committee Charter.....
1.02	Board.....
1.02	By-Laws.....
1.01	Certificate.....
5.04	Chairman.....
5.07	Chief Executive Officer.....
5.08	Chief Financial Officer.....
4.01	Committee.....
4.04	Committee Chairman.....
4.02	Committee Charter.....
4.01	Compensation Committee.....
4.02	Compensation Committee Charter.....
5.16	Controller.....
1.01	Corporation.....
6.01	DGCL.....
10.02	Electronic Delivery.....

6.01	Entity.....
5.01	Executive.....
5.10	Executive Vice President.....
6.06	Expense Advances.....
6.01	Expenses.....
6.01	Final Decision.....
4.01	Governance Committee.....
4.02	Governance Committee Charter.....
6.01	Indemnification Rights.....
6.01	Indemnatee.....
6.01	Losses.....
7.06	Lost Stock Certificate.....
6.09	Payment Claims.....
10.02	Physical Delivery.....
5.09	President.....
6.01	Proceeding.....
6.01	Proper Conduct.....
6.01	Reimbursement Agreement.....
6.01	Representative.....
1.02	Restatement Date.....
5.13	Secretary.....
5.10	Senior Vice President.....
1.06	SPAR Group.....
5.15	Treasurer.....
5.06	Vice Chairman.....
5.11	Vice President.....

Amended and Restated
BY-LAWS

of

SPAR Group, Inc.

Dated and Effective as of May 18, 2004

ARTICLE I.

CERTIFICATE, BY-LAWS, Agent and OFFICES

Section 1.01. Certificate of Incorporation. SPAR Group, Inc., a Delaware corporation formerly known as PIA Merchandising Services, Inc. (the "Corporation"), was formed pursuant to a Certificate of Incorporation filed on November 29, 1995, with the Secretary of State of the State of Delaware (as the same may have been and hereafter may be supplemented, modified, amended or restated from time to time in the manner provided therein and under Applicable Law, the "Certificate").

Section 1.02. By-Laws and Restatement. The Corporation, through the action of its Board of Directors (the "Board"), has adopted these amended and restated by-laws for the Corporation (as the same may be supplemented, modified, amended, restated or replaced from time to time in the manner provided herein, these "By-Laws"), dated and effective as of May 18, 2004 (the "Restatement Date"). These By-Laws, the Audit Committee Charter, the Compensation Committee Charter and the Governance Committee Charter together amend, restate and completely replace all previous by-laws and committee charters of the Corporation, effective as of the Restatement Date.

Section 1.03. Registered Agent. The registered agent of the Corporation shall be as set forth in the Certificate on the Restatement Date and as hereafter may be made, revoked or changed from time to time by the Corporation's in the manner permitted by Applicable Law.

Section 1.04. Registered Office. The registered office of the Corporation in the State of Delaware shall be located at the office of the registered agent of the Corporation in the State of Delaware and may be changed by the Board or registered agent from time to time in the manner permitted by Applicable Law.

Section 1.05. Chief Executive Office. The chief executive office of the Corporation shall be located in Westchester County, New York, or in such other place as may be designated from time to time by the Board or Chairman.

Section 1.06. Other Offices. The Corporation and its direct and indirect subsidiaries (together with the Corporation, collectively, the "SPAR Group") also may have such other offices at such other places, within or without the State of Delaware or State of New York, as from time to time may have been (a) approved by the Board or (b) required by the business of the SPAR Group and approved by an Executive of the Corporation.

ARTICLE II.

Meetings of Shareholders

Section 2.01. Annual Meetings. The annual meeting of the stockholders of the Corporation for the election of directors and for the transaction of such other business as properly may come before such meeting shall be held on such date and at such time and place within or without the State of Delaware as may be designated by the Board from time to time.

Section 2.02. Special Meetings. Special meetings of the stockholders for any proper purpose or purposes may be called at any time by the Board, the Chairman, the Vice Chairman or the Chief Executive Officer to be held on such date and at such time and place (within or without the State of Delaware) as the person or persons calling the meeting shall direct. A special meeting of the stockholders also may be called by the Secretary or any Assistant Secretary at the direction of the Board, the Chairman, the Vice Chairman or the Chief Executive Officer. A special meeting of the stockholders shall be called promptly by the Chairman, the Vice Chairman, the Chief Executive Officer or the Secretary whenever such officer receives Physical Delivery of the written request for such a meeting from stockholders owning one-fourth (25%) of the shares of the Corporation then issued and outstanding and entitled to vote on matters to be submitted to stockholders at the meeting. Any such written request by the stockholders shall state a proper purpose or purposes for the meeting, to which other purposes may be added by the Board, the Chairman, the Vice Chairman or the Chief Executive Officer (or by the Secretary or Assistant Secretary at the direction of any of them) in submitting notice of the special meeting to the stockholders. At any special meeting, however called, only such business as is related to the purpose or purposes set forth in the notice to stockholders may be transacted.

Section 2.03. Notice of Meeting. Written notice of every meeting of stockholders stating the place, date and hour of the meeting shall be signed by the Chairman, the Vice Chairman, the Chief Executive Officer or the Secretary, or by any other officer authorized to do so by the Board or these By-Laws. Such notice shall be given, either personally, by Physical Delivery or (to the extent the recipient has consented specifically thereto as required by the DGCL) Electronic Delivery, to each stockholder of record entitled to vote at such meeting not less than ten (10) nor more than sixty (60) days before the meeting, except as otherwise provided by Applicable Law. Notice of a special meeting also shall state the purpose or purposes for which the meeting is called (which may include the election of directors if so stated) and the person or persons calling the meeting. A notice sent by Physical Delivery shall be directed to a stockholder's address listed in the records of the Corporation, which may be changed by a written notice to the Secretary of a new address. Notice need not be given to any stockholder who submits a signed waiver of notice, in person or by proxy, either before or after the meeting. The attendance of any stockholder at a meeting, in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by such stockholder.

Section 2.04. Quorum and Manner of Participation; Treasury Stock.

(a) Except as otherwise provided by the Certificate or Applicable Law: the presence at any meeting, in person or by proxy, of the holders of record of a majority of the shares then issued and outstanding and entitled to vote shall be necessary and sufficient to constitute a quorum for the transaction of business; and a quorum present at the commencement of a meeting shall not be broken by a subsequent withdrawal of one or more stockholders. For purposes of the foregoing, two or more classes or series of stock shall be considered a single class if the holders thereof are entitled to vote together as a single class at the meeting.

(b) Any one or more stockholders may participate in a meeting of the stockholders by means of a telephone conference or other electronic communication allowing all persons participating in the meeting to hear each other. Participation by such means shall constitute presence in person at a meeting.

(c) Shares of the capital stock of the Corporation owned by the Corporation or any of its direct or indirect subsidiaries shall not be entitled to vote and shall not be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the Corporation or any of its subsidiaries to vote any of the capital stock of the Corporation held by it in any fiduciary capacity for any officer, employee or other unrelated person or the right of the Corporation to count such shares for quorum purposes.

Section 2.05. Adjournments. In the absence of a quorum, the stockholders holding a majority of the shares entitled to vote and present at the time and place of any meeting, in person or by proxy, or, if no stockholder entitled to vote is present in person or by proxy, any officer entitled to preside or act as secretary of such meeting, may adjourn the meeting from time to time without notice, other than the announcement at the meeting of the date, time and place of the adjourned meeting, until a quorum is present. However, if the adjournment is for more than thirty (30) days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 2.06. Inspectors. The Board, in advance of any stockholders' meeting, may appoint one or more inspectors to act at the meeting or any adjournment thereof. If inspectors are not so appointed, the person presiding at a stockholders' meeting may, and on the request of any stockholder entitled to vote thereat shall, appoint one or more inspectors. In case any person appointed fails to appear or act, the vacancy may be filled by appointment made by the Board in advance of the meeting or at the meeting

by the person presiding thereat. Each inspector shall execute faithfully the duties of inspector at such meeting with strict impartiality and according to the best of his ability, and if requested to do so before entering upon the discharge of his duties, each inspector shall give or sign an oath to do so. If inspectors have been designated, the inspectors (or if there are no inspectors, the secretary of the meeting) shall determine the number of shares outstanding and the voting power of each, the shares represented at the meeting, the existence of a quorum and the validity and effect of proxies, and the inspectors shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the result, and do such other things as are proper to conduct the election or vote with fairness to all stockholders. On request of the person presiding at the meeting or any stockholder entitled to vote thereat, the inspectors shall make a report in writing of any challenge, question or matter determined by them and execute a certificate of any fact found by them. Any report or certificate made by them shall be prima facie evidence of the facts stated and of the vote as certified by them.

Section 2.07. Voting. Except as otherwise provided by the Certificate or Applicable Law: (a) each stockholder shall be entitled to one vote for each share of the Corporation's stock entitled to vote on the matter registered in his name on the books of the Corporation on the applicable record date, as determined in accordance with Section 7.01 of these By-Laws; and (b) at any meeting of stockholders at which a quorum is present, (i) directors shall be chosen by a plurality of the votes cast, (ii) directors may be removed by the

votes of a majority of the shares then entitled to vote for directors, and (iii) all other questions brought before the stockholders shall be determined by a majority of the votes cast. For purposes of the foregoing, two or more classes or series of stock shall be considered a single class if the holders thereof are entitled to vote together as a single class at the meeting.

Section 2.08. Proxies.

(a) Any stockholder entitled to vote may vote by proxy, provided that the instrument authorizing such proxy to act is dated and has been signed by the stockholder or by his duly authorized attorney, officer, director, employee or agent, who may affix such signature by any reasonable means (including facsimile). A proxy need not be sealed, witnessed or acknowledged. A proxy shall expire six months after it is created unless it is coupled with an interest or it expressly provides for a longer period (which in any event may not exceed seven years from the date of its creation). A proxy shall be presumed to be revocable unless it expressly provides otherwise. Proxies may be delivered to the Secretary before the meeting begins or to the secretary of the meeting or the inspectors of election at the meeting.

(b) A duly executed proxy may be made irrevocable by an express statement to that effect if, and only so long as, it is coupled with an interest sufficient under Applicable Law to support an irrevocable power. A proxy may be made irrevocable regardless of whether the interest with which it is coupled is an interest in the stock itself or an interest in the Corporation generally.

(c) A stockholder may authorize another person or persons to act for him as proxy by transmitting, or authorizing the transmission of, an email, fax, tested telex, cable, telegram or other reliable electronic transmission (i) to the person who will be the holder of the proxy, or (ii) to a firm that solicits proxies or similar agent who is authorized by the person who will be the holder of the proxy to receive the transmission. Any such email, fax, tested telex, cable, telegram or other reliable electronic transmission must either set forth or be submitted with information from which it can be determined that such email, fax, tested telex, cable, telegram or other reliable electronic transmission was authorized by the stockholder. If it is determined that the email, fax, tested telex, cable, telegram or other reliable electronic transmission is valid, the persons appointed by the Corporation to count the votes of stockholders and determine the validity of proxies and ballots or other persons making those determinations must specify the information upon which they relied.

Section 2.09. Action by Written Consent. Any action required or permitted to be taken by the stockholders may be taken without any meeting, vote or notice if authorized (whether before or after such action) in a written consent or consents signed by those stockholders entitled to vote on such action having sufficient shares to have authorized it in a duly convened meeting at which all stockholders entitled to vote were present and voted. Notice of any action so authorized shall be given promptly to any stockholder not signing any such consent, but failure to give that notice shall not affect the validity of the consent. Written consents of the stockholders shall be filed with the minutes of the Corporation.

Section 2.10. List of Shareholders. At least ten days before every meeting of stockholders, the officer in charge of the Corporation's stock ledger shall prepare and make, or cause to be prepared and made, a complete list of all of the stockholders of the Corporation entitled to vote at the meeting, which list shall be arranged in alphabetical order and show each stockholder's address and the number of shares registered in the name of each stockholder; provided, however, that if there have been no

changes in the stockholders of record since the last list was prepared, a new list need not be prepared. This list shall be opened to the examination of any stockholder for any purpose germane to the meeting, and shall be made available by the Corporation during normal business hours, for a period of at least ten days prior to the meeting, either at the place where the meeting is to be held or any other place designated within the city where the meeting is to be held that may have been designated in the notice to stockholders. This list also shall be produced and made available throughout the meeting of stockholders and may be inspected by any stockholder present. No such list need be prepared if the actions to be taken at an annual meeting instead are approved by the written

consent of the stockholders.

Section 2.11. Stockholder Proposals and Nominations. If and for so long as any shares of capital stock issued by the Corporation are listed for trading on any securities exchange or registered under Section 12 of the Securities Exchange Act of 1934, as amended, the following provisions shall apply:

(a) At an Annual Meeting, only such business shall be conducted, only such nominees for director shall be considered, and only such proposals shall be acted upon, as shall have been brought before the Annual Meeting: (i) by any stockholder of the Corporation (acting in his or her capacity as stockholder) who complies with the notice procedures set forth in this Section 2.11 of these By-Laws; or (ii) by, or at the direction of, the Board.

(b) For any business, nominee or proposal to be properly brought before an Annual Meeting by a stockholder (acting in his or her capacity as stockholder), such stockholder must have given timely written notice thereof by Physical Delivery to the Secretary of the Corporation. To be timely, a stockholder's notice must be delivered to, or received at, the principal executive offices of the Corporation not less than 120 calendar days in advance of the date of the Corporation's proxy statement released to stockholders in connection with the previous year's annual meeting of stockholders except that if no annual meeting was held in the previous year or the date of the annual meeting has been changed by more than thirty (30) calendar days from the date contemplated at the time of the previous year's proxy statement, a proposal shall be received by the Corporation a reasonable time before the solicitation is made.

(c) A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the Annual Meeting (i) a brief description of the business, nominee or proposal desired to be brought before the Annual Meeting and the reasons for considering the same at the Annual Meeting, (ii) the name and address, as they appear on the Corporation's books, of the stockholder proposing such business and any other stockholders known by such stockholder to be supporting such proposal, (iii) the class and number of shares of the Corporation's stock which are beneficially owned by the stockholder on the date of such stockholder notice and by any other stockholders known by such stockholder to be supporting such proposal on the date of such stockholder notice, and (iv) any financial interest of such stockholder (or any affiliate or family member of such stockholder), whether current or at any time within the past three years, in such business, nominee or proposal. In addition, if the notice is a nomination of a candidate for director, the stockholder's notice also must contain (A) the proposed nominee's name and qualifications, including five year employment history with employer names and a description of the employer's business, whether such individual can read and understand basic financial statements, and board memberships (if any), (B) the reason for such recommendation, (C) the number of shares of stock of the Corporation that are beneficially owned by such nominee, (D) a description of any business or other relationship, whether current or at any time within the past three years, between such nominee (or any affiliate or family member of such nominee) and either the Company, any of its directors or officers, its auditor, or any of its customers or vendors, and (E) a description of any financial or other relationship, whether current or at any time within the past three years, between the stockholder (or any affiliate or family member of such stockholder) and such nominee (or any affiliate or family member of such nominee).

(d) If the Governance Committee determines in advance of the Annual Meeting, or if it has not passed on the proposal, if the presiding officer of the Annual Meeting determines at the Annual Meeting, that a stockholder proposal was not made in accordance with the terms of this Section 2.11, such officer shall so declare at the Annual Meeting and any such proposal shall not be acted upon at the Annual Meeting.

(e) This Section 2.11 shall not prevent the consideration and approval or disapproval at the Annual Meeting of reports of officers, Directors and Committees of the Board or any other matter that comes before the meeting with the consent of the Board, but, in connection with any such report on a stockholder's proposal, no business shall be acted upon at such Annual Meeting unless stated, filed and received as herein provided.

ARTICLE III.

Board

Section 3.01. Number. The number of directors that shall constitute the whole Board shall be fixed from time to time by resolution of the Board or stockholders (any such resolution of either the Board or stockholders being subject to any later resolution of either of them), but in no event shall the number of directors be less than one or more than fifteen.

Section 3.02. Power. To the extent not inconsistent with the Certificate, these By-Laws or Applicable Law, the Board may adopt such policies, rules and regulations for the conduct of its meetings, the exercise of its powers and the management of the business of the Corporation as it may deem necessary or desirable. In addition, the Board may exercise all powers of the Corporation and carry out all lawful acts not required to be exercised or done by the stockholders under the Certificate, these By-Laws or Applicable Law.

Section 3.03. Term of Office. Each director (whether elected at an annual meeting, to fill a vacancy or otherwise) shall continue in office until his successor shall have been duly elected and qualified or until his earlier death, resignation or removal in the manner provided in these By-Laws or Applicable Law.

Section 3.04. Vacancies and Additional Directorships. If any vacancy shall occur among the directors by reason of death, resignation, or removal, with or without cause, or as the result of an increase in the number of directors, the directors then in office shall continue to act and may fill any such vacancy by a vote of the majority of directors then in office (including any director resigning as of a future date), though less than a quorum, or by the sole remaining director, or any such vacancy may be filled by a vote of the stockholders.

Section 3.05. Meetings.

(a) A meeting of the Board shall be held for organization and for the transaction of such other business as may properly come before the meeting, within thirty (30) days after each annual election of directors.

(b) The Board by resolution may provide for the holding of regular meetings and may fix the time and place at which such meetings may be held, which may be within or without the State of Delaware. Notice of regular or scheduled meetings shall not be required to be given, provided that, whenever the time or place of regular or scheduled meetings shall be first fixed or later changed, notice of such action shall be sent to each director who was not present at the meeting at which such action was taken at his residence or usual place of business by (i) Electronic Delivery not later than two (2) days before the day on which the new or changed meeting is to be held or (ii) Physical Delivery not later than five (5) days before the day on which the new or changed meeting is to be held.

(c) Special meetings of the Board may be called by the Chief Executive Officer or any director. Except as otherwise required by Applicable Law, notice of each special meeting shall be sent to each director at his residence or usual place of business by (i) Electronic Delivery not later than two (2) days before the day on which the meeting is to be held or (ii) Physical Delivery not later than five (5) days before the day on which the meeting is to be held. That notice shall state the place (which may be within or without the State of Delaware), date and time of such meeting, but need not state the purposes for the meeting unless otherwise required by the Certificate, these By-Laws or Applicable Law.

(d) Notice of any meeting need not be given to any director who attends such meeting in person without protesting the lack of notice or who shall waive notice thereof, before, at or after such meeting, by email, fax, tested telex, cable, telegram or other reliable electronic transmission or other writing.

Section 3.06. Quorum, Manner of Participation and Voting.

(a) At each meeting of the Board the presence of a majority of its members then in office (but not less than one-third of the entire board) shall be necessary and sufficient to constitute a quorum for the transaction of business. In the absence of a quorum, a majority of those present at the time and place of any meeting may adjourn the meeting from time to time until a

quorum shall be present and the meeting may be held as adjourned without further notice or waiver.

(b) Any one or more members of the Board may participate in a meeting of the Board by means of a telephone conference or other electronic communication allowing all persons participating in the meeting to hear each other. Participation by such means shall constitute presence in person at a meeting.

5

(c) Except as otherwise provided by the Certificate or Applicable Law, each director shall be entitled to one vote, and all questions brought before the directors shall be determined by a majority of the votes cast at any meeting at which a quorum is present.

Section 3.07. Action by Written Consent. Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board consent in writing to the action. Written consents by the Board shall be filed with the minutes of the Board.

Section 3.08. Resignation of Directors. Any director may resign at any time by giving written notice of such resignation to the Board (in care of the Corporation) and to the Chief Executive Officer, the Secretary or any other Executive. Any such resignation shall take effect on the date specified in such notice, or if no effective date is specified, upon receipt and acceptance thereof by the Board or any such officer.

Section 3.09. Removal of Directors. Any director or directors may be removed from office, either with or without cause, with the approval of stockholders required by Section 2.07 hereof at any special meeting of the stockholders, duly held as provided in these By-Laws, or by their written consent as provided in these By-Laws. At such a meeting or in such consent a successor or successors may be elected by a plurality of the votes cast or represented, or if any such vacancy is not so filled, it may be filled by the directors as provided in Section 3.04 hereof.

Section 3.10. Compensation of Directors. Directors shall receive such reasonable compensation for their services as directors, whether in the form of salary or a fixed fee for attendance at meetings, with reimbursement of expenses, if any, as the Board from time to time may determine. Except as otherwise provided in these By-Laws, any Committee Charter or Applicable Law, any director may serve the Corporation in any other capacity and receive compensation for that service.

ARTICLE IV.

Committees of the Board

Section 4.01. Standing Committees, Designation of Additional Committees, Etc. The Board shall have standing committees for audit matters (the "Audit Committee"), compensation matters (the "Compensation Committee") and governance matters (the "Governance Committee"), and from time to time may have such other committees as the Board, in any meeting duly held or action duly taken as provided in these By-Laws, may create (each an "Additional Committee", and together with the Audit Committee, Compensation Committee and Governance Committee, each a "Committee").

Section 4.02. Committee Charters, Powers, Etc. (a) Contemporaneously with the adoption of these By-Laws, the Board has adopted (i) the Amended and Restated Charter of the Audit Committee of the Board of Directors of SPAR Group, Inc., Dated (as of) May 18, 2004 (as the same may be supplemented, modified, amended, restated or replaced from time to time in the manner provided therein, the "Audit Committee Charter"), (ii) the Charter of the Compensation Committee of the Board of Directors of SPAR Group, Inc., Dated (as of) May 18, 2004 (as the same may be supplemented, modified, amended, restated or replaced from time to time in the manner provided therein, the "Compensation Committee Charter"), and (iii) the Charter of the Governance Committee of the Board of Directors of SPAR Group, Inc., Dated (as of) May 18, 2004 (as the same may be supplemented, modified, amended, restated or replaced from time to time in the manner provided therein, the "Governance Committee Charter"). The Audit Committee, Compensation

Committee and Governance Committee shall have the duties, power and authority respectively granted to them in the Audit Committee Charter, Compensation Committee Charter and Governance Committee Charter.

(b) Each Additional Committee shall have the duties, power and authority provided in the resolution or action creating such Committee or any charter adopted for such Committee by the Board (such resolution, action or charter, as adopted, and as the same may be supplemented, modified, amended, restated or replaced from time to time in the manner provided herein for these By-Laws, will each be referred to as an "Additional Committee Charter").

(c) Each Audit Committee Charter, Compensation Committee Charter, Governance Committee Charter and Additional Committee Charter (each a "Committee Charter"), except to the extent specifically provided otherwise therein, shall be governed by and construed and amended in accordance with these By-Laws as if such Committee Charter were part of these By-Laws.

6

(d) In addition, except as otherwise provided by the Certificate, these By-Laws, the applicable Committee Charter or Applicable Law, each Committee in the exercise and performance of its specific duties, power and authority shall have and may exercise any and all duties, power and authority of the Board reasonably incidental thereto and may make rules for the conduct of its own business.

Section 4.03. Appointment and Term. Except as otherwise provided in any applicable Committee Charter, each Committee shall consist of one or more directors, and any advisory Committee also may have one or more non-directors as members. Each member shall serve a term of office of one year, unless otherwise fixed from time to time by the Board, subject to earlier termination and removal as provided in this Section, or until his or her successor shall be duly elected and qualified. The Board, in any meeting duly held or action duly taken as provided in these By-Laws, at any time may (a) appoint a person to be a member of any Committee, and (b) remove any Committee member, either with or without cause. Any Committee member who ceases to be a member of the Board automatically shall simultaneously cease to be a member of each applicable Committee. The Board may designate one or more directors as alternate members of any Committee, who, in the order specified by the Board, may replace any absent or disqualified member or members at any meeting of the Committee.

Section 4.04. Committee Chairman. The Board, in any meeting duly held or action duly taken as provided in these By-Laws, at any time may (a) appoint a chairman of any Committee (each a "Committee Chairman") from among the Committee's members who also are directors of the Corporation, and (b) remove any Committee Chairman, either with or without cause, and whether appointed by the Board or the Committee. If the Board has not appointed a Committee Chairman, the members of a Committee may designate its Committee Chairman by majority vote of the full Committee membership. Any Committee Chairman who ceases to be a member of the Board or Audit Committee automatically shall simultaneously cease to be Chairman of the Audit Committee.

Section 4.05. Meetings, Notices and Records. (a) Each Committee may provide for the holding of regular meetings and may fix the time and place at which such meetings may be held. Notice of regular or scheduled meetings shall not be required to be given, provided that whenever the time or place of regular or scheduled meeting shall be first fixed or later changed, notice of such action shall be sent to each Committee member who was not present at the meeting at which such action was taken at his residence or usual place of business by (i) Electronic Delivery not later than one (1) day before the day on which the new or changed meeting is to be held or (ii) Physical Delivery not later than two (2) days before the day on which the new or changed meeting is to be held.

(b) Special meetings of each Committee shall be held upon call by or at the direction of its chairman, or by or at the direction of any of its members, any other director or the Chief Executive Officer or Chief Financial Officer, at the time and place specified in the respective notices or waivers of notice thereof. Notice of each special meeting of a Committee shall be mailed to each member of such Committee, the other members of the Board, the Chairman, the Chief Executive Officer and the Chief Financial Officer, in each case to such person at his residence or usual place of business by (i) Electronic Delivery not later than one (1) day before the day on which the meeting is to be held or

(ii) Physical Delivery not later than two (2) days before the day on which the meeting is to be held. That notice shall state the place (which may be within or without the State of Delaware), date and time of such meeting, but need not state the purpose(s) for the meeting unless otherwise required by the Certificate, these By-Laws or Applicable Law.

(c) Notice of any meeting of a Committee need not be given to any Committee member who shall attend the meeting in person or who shall waive notice thereof by email, fax, tested telex, cable, telegram or other reliable electronic transmission or other writing. Notice of any adjourned meeting need not be given.

(d) The notice of a meeting may provide, or the Committee may request, that members of the Corporation's senior management or others attend a meeting of the Committee and provide pertinent information as may be necessary or desirable and readily available.

Section 4.06. Quorum, Manner of Participation and Voting.

(a) At each meeting of any Committee the presence of a majority, but not less than two, of its members then in office shall be necessary and sufficient to constitute a quorum for the transaction of business. In the absence of a quorum, a majority of the members present at the time and place of any meeting may adjourn the meeting from time to time and until a quorum shall be present.

(b) Any one or more members and guests of any Committee may participate in a meeting of the Committee by means of a telephone conference or other electronic communication equipment

7

allowing all persons participating in the meeting to hear each other. Participation by such means shall constitute presence in person at a meeting.

(c) Except as otherwise provided by the Certificate or Applicable Law, each member of a Committee shall be entitled to one vote, and all questions brought before the Committee shall be determined by a majority of the votes cast at any meeting at which a quorum is present.

(d) Each Committee shall maintain minutes or other records of its meetings and activities, which shall be maintained with the minutes of the Board, and shall report the same to the Board as and when requested.

Section 4.07. Action by Written Consent. Any action required or permitted to be taken by any Committee may be taken without a meeting if all members of the Committee consent in writing to the action (whether before or after such action). Written consents by the members of a Committee shall be filed with the minutes of the Board.

Section 4.08. Resignations. Any member of a Committee may resign at any time by giving written notice of such resignation to the Board, the Chairman, the Chief Executive Officer, the Chief Financial Officer and the Secretary (or any Assistant Secretary). Any such resignation shall take effect on the date specified in such notice, or if no effective date is specified, upon receipt and acceptance thereof by such person(s). Resignation from a Committee shall not constitute resignation as a director, but resignation as a director shall be deemed to be a simultaneous resignation from all Committees.

Section 4.09. Removal. The Board, in any meeting duly held or action duly taken as provided in these By-Laws, at any time may remove any member from any Committee, either with or without cause, and may appoint the successor Committee member(s). If any vacancy created by such removal is not so filled, it may be filled later at any time by the Board.

Section 4.10. Vacancies. If any vacancy shall occur in any Committee by reason of death, resignation, disqualification, removal or otherwise, the remaining members of such Committee, though less than a quorum, shall continue to act until such vacancy is filled by the Board. The Board may appoint a successor to fill any such vacancy in any meeting duly held or action duly taken as provided in these By-Laws.

Section 4.11. Compensation. Committee members shall receive such reasonable compensation for their services as Committee members, whether in the form of salary or a fixed fee for attendance at meetings, with reimbursement of expenses, if any, as the Board from time to time may determine in its discretion. Nothing contained in these By-Laws, however, shall be construed to preclude any Committee member from serving the Corporation in any other capacity and receiving compensation for that service.

ARTICLE V.

Officers

Section 5.01. Positions, Election, Executives, Etc. The officers of the Corporation shall consist of a Chairman, a Vice Chairman, a Chief Executive Officer, a Chief Financial Officer, a President, a Secretary, a Treasurer and a Controller, who shall each be elected or appointed by the Board, and such other officers (including, without limitation, one or more Senior Vice Presidents, Executive Vice Presidents, Vice Presidents, Assistant Vice Presidents, Assistant Secretaries, and Assistant Treasurers) as from time to time may be elected by the Board or appointed by the Executive or other officer(s) authorized to make such appointments by the Board or these By-Laws. Any two or more offices may be held by the same person, and any officer also may serve as a director of the Corporation. However, no officer other than the Chairman or Vice Chairman must be a director of the Corporation. The Chairman, Vice Chairman, Chief Executive Officer, Chief Financial Officer, President, Secretary, Treasurer, Controller (if so designated by the Board) and each other person designated as an executive officer by the Board or appropriate Committee shall be an executive officer of the Corporation (each an "Executive").

Section 5.02. Term of Office, Resignation and Removal. Each Executive or other officer serves at the discretion of the Board. Any officer may resign at any time by giving written notice of such resignation to the Board, the Chief Executive Officer, the Secretary or any Assistant Secretary. Any such resignation shall take effect on the date specified in such notice, or if no effective date is specified, receipt thereof by the Board or any such officer. Each officer may be removed at any time by the Board, either with

8

or without cause. Any officer of a class who may be appointed by another officer (irrespective of whether actually appointed by the Board or another officer) also may be removed, either with or without cause, by the Chief Executive Officer or by any officer senior to such officer.

Section 5.03. Vacancies. A vacancy in an office by reason of death, resignation, removal, disqualification or otherwise shall be filled in the manner prescribed by these By-Laws for regular election or appointment to such office. In the event of the temporary absence of any officer of the Corporation, the Board or (with respect to more junior officers) the Chief Executive Officer or the Vice Chairman may confer for the duration of such absence the absent officer's powers and duties, in whole or in part, on such other person(s) as they may specify.

Section 5.04. General Authority, Etc. Each Executive (a) shall have the power and authority to sign contracts, deeds, notes and other instruments and documents in the name of the Corporation and on behalf of the Corporation (subject to the limitations imposed by these By-Laws, the Certificate or Applicable Law and any applicable resolutions of or approvals required from the Board), (b) shall have the power to employ and discharge more junior officers, employees and agents of the Corporation (except those persons who hold their positions through appointment by the Board), (c) may exercise such powers and perform such duties as may be delegated or assigned to him or her from time to time by the Board or any senior Executive or as may be provided by these By-Laws, the Certificate or Applicable Law, and (d) may in good faith delegate his or her powers to other Executives, officers, employees and agents under the direct or indirect supervision of such Executive. Each other officer of the Corporation (i) to the extent authorized by the Board or a more senior Executive, shall have the power to sign contracts, deeds, notes and other instruments and documents in the name and on behalf of the Corporation (subject to the limitations imposed by these By-Laws, the Certificate or Applicable Law and any applicable resolutions of or approvals required from the Board), and

(ii) may exercise such powers and perform such duties as may be delegated or assigned to him or her from time to time by the Board or any senior Executive or as may be provided by these By-Laws, the Certificate or Applicable Law. In addition, each Executive or other officer of the Corporation shall have the authority, relative seniority and duties specifically conferred in the officer's election or appointment and by these By-Laws, together with the powers and duties reasonably incidental thereto, subject, however, to any limitations contained in such election or appointment, the Certificate, these By-Laws or Applicable Law.

Section 5.05. The Chairman. The Chairman of the Board (the "Chairman") shall be a member of the Board and shall preside at its meetings and at all meetings of stockholders. If there shall be no Chairman, the Vice Chairman (or if such office is vacant, the Chief Executive Officer, or if such office is vacant, the Chief Financial Officer, or if there is no Chief Financial Officer, the most senior President or Vice President) shall act as Chairman until a successor is duly elected, with such powers and duties as may have been held by the former Chairman.

Section 5.06. The Vice Chairman. The Vice Chairman of the Board (the "Vice Chairman") shall be a member of the Board and in the absence of the Chairman shall preside at its meetings and at all meetings of stockholders.

Section 5.07. The Chief Executive Officer. The Chief Executive Officer of the Corporation (the "Chief Executive Officer") shall, subject to the direction and under the supervision of the Board, the Chairman and the Vice Chairman, be the chief executive officer of the Corporation and be responsible for the general and active management of the business of the Corporation and supervision and direction over the other junior officers, employees and agents of the Corporation. The Chairman (or if such office is vacant, the Vice Chairman) also shall hold the position of Chief Executive Officer unless another individual is specifically elected or appointed by the Board to be the Chief Executive Officer. If there shall be no Chief Executive Officer, the Chairman (or if such office is vacant, the Vice Chairman, or if such office is vacant, the Chief Financial Officer, or if there is no Chief Financial Officer, the most senior President or Vice President) shall act as Chief Executive Officer until a successor is duly elected, with such powers and duties as may have been held by the former Chief Executive Officer.

Section 5.08. The Chief Financial Officer. The Chief Financial Officer of the Corporation (the "Chief Financial Officer") shall, subject to the direction and under the supervision of the Board, the Chairman and the Vice Chairman, be the chief financial officer of the Corporation and be responsible for the financial books and records of the Corporation and supervision and direction over the Controller (if any) and other financial (including, without limitation, payroll, benefits and accounting) officers, employees and agents of the Corporation. The Chief Financial Officer also shall hold the position of Treasurer unless another individual is specifically selected to be the Treasurer. Except to the extent that the Board may delegate any of the following duties or responsibilities exclusively to the Treasurer or Controller, the Chief Financial Officer shall:

9

- (a) have charge of and supervision over and be responsible for the funds, securities, receipts and disbursements of the Corporation;
- (b) cause the moneys and other valuable effects of the Corporation to be deposited in the name and to the credit of the Corporation in such banks or trust companies or with such bankers or other depositaries as shall be selected in accordance with these By-Laws or to be otherwise handled in such manner as the Board may direct;
- (c) be empowered to endorse all commercial documents requiring endorsements for or on behalf of the Corporation and sign all receipts and vouchers for payments made to the Corporation;
- (d) be empowered to cause the funds of the Corporation to be disbursed by checks or drafts upon the authorized depositaries of the Corporation, and cause to be taken and preserved proper vouchers for all moneys disbursed;
- (e) render to the Board, the Chief Executive Officer or the Vice Chairman,

whenever requested, a statement of the financial condition of the Corporation and of all his transactions as Treasurer, Chief Financial Officer or Controller (as applicable);

- (f) cause to be kept at the Corporation's principal office correct books of account of all its business and transactions and such duplicate books of account as he shall determine, and upon request cause such books or duplicates thereof to be exhibited to any director;
- (g) see that the financial reports, statements, certificates and similar documents and records required by Applicable Law (including, without limitation, those required under applicable securities laws) are properly prepared and filed;
- (h) be empowered to require from the officers or agents of the Corporation reports or statements from time to time giving such information as he may desire with respect to any and all financial transactions of the Corporation;
- (i) be empowered to sign (unless the Treasurer, Secretary or an Assistant Secretary or an Assistant Treasurer shall sign) certificates representing stock of the Corporation, the issuance of which shall have been duly authorized (the signature to which may be a facsimile signature); and
- (j) in general, exercise the powers and perform all duties incident to the office of Chief Financial Officer.

During the absence or disability of the Chief Financial Officer, the Treasurer (or if such office is vacant, the Controller or Assistant Treasurer, or if there are more than one, the one so designated by the Board, the Chief Executive Officer or the Treasurer), may exercise all of the powers and shall perform all of the duties of the Chief Financial Officer.

Section 5.09. The President. The President of the Corporation (the "President") shall, subject to the direction and under the supervision of the Board, the Chairman, the Vice Chairman and the Chief Executive Officer, be the chief operating officer of the Corporation and be responsible for the general and active operation of the business of the Corporation and supervision and direction over the other junior officers, employees and agents of the Corporation. The Chairman (or if such office is vacant, the Vice Chairman) also shall hold the position of President unless another individual is specifically selected to be President.

Section 5.10. Senior, Executive and other Vice Presidents. The Board, the Chairman, the Vice Chairman, the Chief Executive Officer or the President from time to time may appoint one or more persons to be one or more Senior Vice Presidents, Executive Vice Presidents and other Vice Presidents of the Corporation, and the Chief Financial Officer from time to time may appoint one or more persons to be one or more financial Vice Presidents of the Corporation, with such titles and relative seniority, authority and duties as may be specified (each a "Vice President"). If the appointment of any Vice President does not specifically make him or her an executive officer of the Corporation, such person shall not be considered (or deemed or construed to be) an Executive unless and until the Board or appropriate Committee determines otherwise.

Section 5.11. Assistant or other Vice Presidents. The Board, the Chief Executive Officer, the Vice Chairman or (in the case of financial officers only) the Chief Financial Officer from time to time may select one or more persons to be Assistant Vice Presidents of the Corporation, or Vice Presidents whose titles include divisional, functional or other designations (such as Vice President-Sales, etc.), with such titles and relative seniority, authority and duties as may be specified (each an "Assistant Vice President"). An

Assistant Vice President shall not be considered (or deemed or construed to be) an Executive unless and until the Board or appropriate Committee determines otherwise.

Section 5.12. The Secretary. The Secretary of the Corporation (the "Secretary") shall, subject to the direction and under the supervision of the Board, the Chairman and the Vice Chairman, be the secretary of the Corporation

and be responsible for the corporate (but not financial) books and records of the Corporation and supervision and direction over those in his or her charge. The Secretary shall:

- (a) record all the proceedings of the meetings of the stockholders, the Board and any Committees in a book or books to be kept for that purpose;
- (b) cause all notice to be duly given in accordance with the provisions of these By-Laws and as required by Applicable Law;
- (c) whenever any Committee shall be appointed in pursuance of a resolution of the Board, furnish the chairman of such Committee with a copy of such resolution;
- (d) be custodian of the records and of the seal of the Corporation, cause such seal to be affixed to all certificates representing stock of the Corporation prior to the issuance thereof, and from time to time to cause such seal to be affixed to all such duly authorized instruments, agreements and other documents as may be necessary or desirable;
- (e) see that the lists, books, reports, statements, certificates and other documents and records required by Applicable Law are properly kept and filed (other than those for which the Chief Financial Officer is responsible);
- (f) have authority over of the stock and transfer books of the Corporation, and at all reasonable times shall cause such stock books (or if maintained by a transfer agent, shall cause the transfer agent to produce such stockholder lists) to such persons as are entitled by statute to have access thereto;
- (g) be empowered to sign (unless the Chief Financial Officer, Treasurer or an Assistant Secretary or an Assistant Treasurer shall sign) certificates representing stock of the Corporation, the issuance of which shall have been duly authorized (the signature to which may be a facsimile signature); and
- (h) in general, exercise the powers and perform all duties incident to the office of the Secretary and such other duties as are given to the Secretary by these By-Laws or as from time to time may be assigned to the Secretary by the Board or the Chief Executive Officer.

During the absence or disability of the Secretary, the Assistant Secretary, or if there is more than one, the one so designated by the Board, the Chief Executive Officer, the Vice Chairman or the Secretary, may exercise all of the powers and shall perform all of the duties of the Secretary.

Section 5.13. Assistant Secretaries. The Board, the Chief Executive Officer or the Secretary from time to time, in writing or by resolution, may select one or more persons to be Assistant Secretaries of the Corporation, with titles and such relative seniority, authority and duties as may be specified (each an "Assistant Secretary"). The Board, the Chief Executive Officer or the Secretary from time to time, in writing or by resolution, may delegate or assign any or all of the powers and duties of the Secretary, and to the extent so delegated or assigned, those officers (in such capacities) shall carry with them the corresponding powers and duties of the Secretary. An Assistant Secretary shall not be considered (or deemed or construed to be) an Executive unless and until the Board or appropriate Committee determines otherwise.

Section 5.14. The Treasurer. The Treasurer of the Corporation (the "Treasurer") shall, subject to the direction and under the supervision of the Board, the Chairman, the Vice Chairman and the Chief Financial Officer, be the treasurer of the Corporation and be responsible for the supervision and direction over those in his or her charge. Except to the extent that the Board, the Chairman or the Vice Chairman may delegate any of the following duties or responsibilities exclusively to the Chief Financial Officer or Controller, the Treasurer shall:

- (a) cause the moneys and other valuable effects of the Corporation to be deposited in the name and to the credit of the Corporation in such banks or trust companies or with such bankers or other depositaries as shall be selected in accordance with these By-Laws or to be otherwise handled in such manner as the Board may direct;

- (b) be empowered to endorse all commercial documents requiring endorsements for or on behalf of the Corporation and sign all receipts and vouchers for payments made to the Corporation;
- (c) be empowered to cause the funds of the Corporation to be disbursed by checks or drafts upon the authorized depositaries of the Corporation, and cause to be taken and preserved proper vouchers for all moneys disbursed;
- (d) render to the Board, the Chairman, the Vice Chairman, the Chief Executive Officer, the President or the Chief Financial Officer, whenever requested, a statement of all his transactions as Treasurer;
- (e) cause to be kept at the Corporation's principal office correct books of account of all its business and transactions and such duplicate books of account as he shall determine, and upon request cause such books or duplicates thereof to be exhibited to any director;
- (f) be empowered to sign (unless the Secretary or an Assistant Secretary or an Assistant Treasurer shall sign) certificates representing stock of the Corporation, the issuance of which shall have been duly authorized (the signature to which may be a facsimile signature); and
- (g) in general, exercise the powers and perform all duties incident to the office of Treasurer and such other duties as are given to the Treasurer by these By-Laws or as from time to time may be assigned to the Treasurer by the Board, the Chairman, the Vice Chairman, the Chief Executive Officer, the President or the Chief Financial Officer.

During the absence or disability of the Treasurer, the Chief Financial Officer (or if such office is vacant, the Controller or Assistant Treasurer, or if there are more than one, the one so designated by the Board, the Chief Executive Officer or the Treasurer), may exercise all of the powers and shall perform all of the duties of the Treasurer.

Section 5.15. The Controller. The Controller of the Corporation (the "Controller") shall, subject to the direction and under the supervision of the Board, the Chairman, the Vice Chairman and the Chief Financial Officer, be the Controller of the Corporation and be responsible for the supervision and direction over those in his or her charge.

Section 5.16. Assistant Treasurers. The Board, the Chairman, the Vice Chairman, the Chief Executive Officer, the Chief Financial Officer or the Treasurer from time to time may appoint one or more persons to be Assistant Treasurers of the Corporation, with such titles and relative seniority, authority and duties as may be specified (each an "Assistant Treasurer"). The Board, the Chairman, the Vice Chairman, the Chief Executive Officer, the Chief Financial Officer or the Treasurer from time to time may delegate or assign to such persons any or all of the powers and duties of the Chief Financial Officer or Treasurer that may be delegated by them, and to the extent so delegated or assigned, those officers (in such capacities) shall carry with them the corresponding powers and duties so delegated. An Assistant Treasurer shall not be considered (or deemed or construed to be) an Executive unless and until the Board or appropriate Committee determines otherwise.

Section 5.17. Compensation of Officers. Officers shall receive such reasonable compensation for their services as officers, whether in the form of a salary or otherwise, as may be determined from time to time by the Board or the Chief Executive Officer, but this power may be delegated by the Board or the Chief Executive Officer to any officer with respect to any other officer under the supervision of or otherwise junior to such person.

Section 5.18. Surety Bonds. No Executive, other officer, employee or agent of the Corporation shall be required to provide to the Corporation any bond other form of credit support from any surety respecting the faithful discharge of his or her duties, including (without limitation) respecting any negligence or the accounting for any property, funds or securities of the Corporation that may come into his or her hands, except in each case as and to the extent the Board or an appropriate Committee may from time to time specifically require such a bond or other credit support.

ARTICLE VI.

INDEMNIFICATION

Section 6.01. Certain Defined Terms.

(a) "DGCL" shall mean the General Corporation Law of the State of Delaware, as the same currently exists and from time to time hereafter may be amended or restated, and any succeeding

12

statute, but in the case of any such amendment or succeeding statute, only to the extent that it permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment.

(b) "Entity" shall mean any association, business trust, company, corporation, employee benefit plan, estate, governmental authority, group (including, without limitation, one under Section 13(d)(3) of the Securities Exchange Act of 1934, as amended), joint venture, limited liability company, partnership, syndicate, trust or other entity or enterprise.

(c) "Expenses" shall mean the reasonable fees, disbursements and expenses of attorneys and other necessary professionals representing the Indemnitee in any Proceeding, provided that such attorneys and professionals are permitted under Section 6.04 hereof and have been approved in advance by the Corporation, which approval shall not be unreasonably withheld or delayed by the Corporation; and provided further that to the extent covered by insurance, the selection of such attorneys and other professionals shall be made in accordance with the applicable policies. Expenses shall not include any amounts attributable to services performed prior to the Corporation's receipt of the Indemnitee's written request for such approval unless the Board in its discretion consents otherwise.

(d) "Final Decision" shall mean with respect to a particular issue any (i) final decision of such issue pursuant to Applicable Law of a court, other governmental official or arbitrator having proper substantive and personal jurisdiction and venue from which there is no further right to appeal, or (ii) final settlement of such issue in a written settlement agreement approved by the Board, as the case may be. A Proceeding may involve more than one issue, and whether the Indemnitee has met the applicable standards of Proper Conduct shall be deemed to be a separate issue from the existence or amount of any Losses or Expenses.

(e) "Indemnitee" shall mean (i) any person who is or was a director of the Corporation or an Executive of the Corporation or any of its subsidiaries (meaning any officer so designated in these By-Laws or in such officer's appointment), (ii) any person who is serving or served as a director or executive officer of an affiliate of the Corporation at the request of the Corporation, or (iii) any other officer or Representative of the Corporation or any subsidiary designated in writing from time to time by the Board or by agreement with the Corporation as being entitled to Indemnification Rights, whether serving in such capacity or serving at the request of the Corporation as a Representative of (A) any direct or indirect subsidiary or affiliate of the Corporation or (B) any other Entity.

(f) "Indemnification Rights" shall mean the rights of each Indemnitee to be defended, to be indemnified, reimbursed and held harmless from and against Losses and Expenses, and to receive advances of Expenses, in each case as, to the extent and under the circumstances specifically provided in this Article.

(g) "Losses" shall mean any and all losses, damages, liabilities, payments, settlements, judgments, awards, fines, penalties, fees, charges or costs, in each case to the extent determined in a Final Decision, but excluding any and all Expenses.

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

(i) "Proper Conduct" shall mean any action or conduct of the Indemnitee if all of the following are true with respect thereto: (i) the Indemnitee acted

in good faith, (ii) the Indemnitee acted in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation and its subsidiaries and affiliates, (iii) with respect to any criminal Proceeding, the Indemnitee had no reasonable cause to believe such action or conduct was unlawful, and (iv) such action or conduct does otherwise disqualify the Indemnitee from receiving indemnification under the DGCL.

(j) "Reimbursement Agreement" shall mean an unconditional agreement or other undertaking in favor of the Corporation from an Indemnitee to promptly repay the Expense Advances if, when and to the extent determined in a Final Decision that such Indemnitee is not entitled to be indemnified for such Expenses under this Article or otherwise.

(k) "Representative" shall mean any shareholder, partner, equity holder, member, director, officer, manager, employee, consultant, agent, accountant, advisor or other representative of the referenced person.

13

Section 6.02. Persons Indemnified. The Indemnification Rights granted under this Article apply to each Indemnitee who was or is made a party or who is threatened to be made a party to or who is otherwise involved in any Proceeding by reason of the Indemnitee's position with the Corporation or any of its subsidiaries or with any other Entity (including, without limitation, any affiliate of the Corporation) at the request of the Corporation, in each case irrespective of whether the basis of such proceeding is alleged action in any such official capacity, in any other capacity while serving in any such official capacity or otherwise.

Section 6.03. Notice of Proceeding. If any Proceeding is commenced, asserted or overtly threatened against an Indemnitee in respect of which a claim or demand may be sought against the Corporation under this Article, the Indemnitee shall give written notice thereof to the Corporation as promptly as reasonably practicable thereafter; provided, however, that an Indemnitee's failure to give such notice shall not relieve or otherwise affect the Indemnification Rights of such Indemnitee except to the extent the Corporation's ability to defend such Proceeding is materially prejudiced thereby (e.g., expiration of time periods to defend, etc.).

Section 6.04. Defense Counsel. The Corporation shall have the right to engage counsel to defend itself, its subsidiaries and affiliates and all applicable Indemnitees in any common Proceeding, and the Corporation shall directly pay the Expenses of such counsel. In such case, each Indemnitee shall enter into a common defense agreement with the Corporation in form and substance reasonably acceptable to all parties. However, an Indemnitee or group of Indemnitees shall have the right to engage separate counsel approved by the Corporation (which approval will not be unreasonably withheld or delayed) in any covered Proceeding if counsel to the Corporation or such Indemnitee(s) advises the Corporation in writing that, in the professional judgment of such counsel, (a) one or more legal defenses or counterclaims may be reasonably available to such Indemnitee(s) and reasonably could be inconsistent with, different from or additional to those available to such other parties, or (b) use of counsel selected by the Corporation could reasonably be expected to give rise to a conflict of interest. Notwithstanding the preceding portions of this Section, if the Losses and Expenses could reasonably be expected to be covered by insurance, counsel shall be selected in accordance with the applicable insurance policies.

Section 6.05. Right to Indemnification, Etc. Except as otherwise provided in this Article, to the fullest extent authorized by DGCL, each Indemnitee shall be indemnified, reimbursed and held harmless by the Corporation from and against any and all Losses and Expenses actually and reasonably incurred or suffered by such Indemnitee in connection with any Proceeding or portion thereof by reason of the Indemnitee's position with the Corporation or any of its subsidiaries or with any other Entity (including, without limitation, any affiliate of the Corporation) at the request of the Corporation, except in each case to the extent determined in a Final Decision to be attributable to any action or conduct of the Indemnitee other than Proper Conduct. However, if such Proceeding or portion thereof has been brought by or in the right of the Corporation (including, without limitation, any derivative suit), such Indemnitee shall not be indemnified, reimbursed or held harmless under this Article in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Delaware Court of Chancery or the court in which such action or suit

was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such Indemnitee is fairly and reasonably entitled to indemnity for such Losses and Expenses as the Delaware Court of Chancery or such other court shall deem proper.

Section 6.06. Right to Advancement of Expenses. The Indemnification Rights of each Indemnitee shall include the right to have the Corporation advance the Expenses actually and reasonably incurred in defending any Proceeding in advance of its final disposition ("Expense Advances"); provided, however, that the Indemnitee shall execute and deliver a Reimbursement Agreement to and with the Corporation if and to the extent the DGCL requires such a Reimbursement Agreement under the circumstances. The Corporation shall not require collateral or other security or the support of any spouse or other surety (whether by co-signature, endorsement or otherwise) for any of the Indemnitee's obligations under any such Reimbursement Agreement.

Section 6.07. Determination of Right to Indemnification. Any indemnification or reimbursement under this Article (unless otherwise ordered in a Final Decision by a court on such issue) shall be made by the Corporation only as authorized respecting a specific Proceeding upon a determination by the Corporation (as provided in this Section) that indemnification and reimbursement of the Indemnitee by the Corporation is proper under the circumstances, including (without limitation) a determination that the Indemnitee has met the applicable standards of Proper Conduct. Such determination by the Corporation shall be made (i) by the Board through the majority vote of the directors who are or were not parties to such Proceeding, even though less than a quorum, (ii) by a committee of such disinterested directors designated by a majority vote of such disinterested directors, even though less than a quorum, (iii) by independent legal counsel in a written opinion if (A) there are no such disinterested directors, or (B) such disinterested directors so direct, or (iv) by the stockholders of the Corporation.

14

Section 6.08. Indemnification on Success. Notwithstanding anything to the contrary in this Article, to the extent that an Indemnitee has been successful (on the merits or otherwise) in any Final Decision in defense of any Proceeding covered by this Article, the Indemnitee shall in any event be indemnified and reimbursed for and against all Losses and Expenses actually and reasonably incurred by such Indemnitee in connection therewith.

Section 6.09. Payment Claims to Recover Losses and Expenses. If and to the extent the Indemnitee owes any unpaid Losses or Expenses for which the Corporation is responsible under this Article, the Indemnitee may request that the Corporation pay such Losses and Expenses directly to the applicable persons. If and to the extent the Indemnitee has directly paid any Losses or Expenses for which the Corporation is responsible under this Article, the Indemnitee may request that the Corporation reimburse the Indemnitee for such payments. The Indemnitee shall request such payments through delivery of a written notice to the Corporation, together with supporting documentation reasonably evidencing the amounts of such Losses, Expenses and payments (each a "Payment Claim"). The Corporation shall promptly comply with any valid Payment Claim or (to the extent applicable) request its insurer to do so.

Section 6.10. Suits Brought by an Indemnitee. Except as provided in Section 6.11 of this Article, the Indemnification Rights of any Indemnitee shall not apply to any Proceeding (or part thereof) initiated by such Indemnitee unless such Proceeding (or part thereof) was approved by the Board in advance. In the case of a compulsory counterclaim required to be initiated by the Indemnitee, the Corporation agrees that such approval will not be unreasonably withheld or delayed but may require some reasonable sharing of Expenses in the event the Indemnitee recovers any Losses pursuant to such counterclaim.

Section 6.11. Suits on Payment Claims, Etc. If a valid Payment Claim by an Indemnitee under of this Article is not paid or satisfied in full by the Corporation within sixty (60) days after such claim has been received by the Corporation, the Indemnitee may at any time thereafter bring suit against the Corporation to enforce the direct payment or recover the unpaid reimbursement of the Payment Claim, as the case may be.

Section 6.12. Indemnification Enforcement Expenses. If an Indemnitee is successful in whole or in part (a) in any suit by the Indemnitee for a Payment Claim, or (b) in defending a suit brought by the Corporation to recover Expense

Advances pursuant to a Reimbursement Agreement, the Indemnitee also shall be entitled to be paid the Indemnitee's court costs and reasonable attorney's fees, disbursements and expenses in prosecuting or defending any such suit, subject to the other provisions of this Article and the DGCL.

Section 6.13. Indemnitee's Proper Conduct. The Indemnification Rights of each Indemnitee are each subject to the Indemnitee's satisfaction of the applicable standards of Proper Conduct. In any suit for any Payment Claim (other than for Expense Advances), the Corporation shall have available to it the defense that the Indemnitee has not met the applicable standards of Proper Conduct. In any suit brought by the Corporation to recover any Expenses Advances pursuant to a Reimbursement Agreement or Applicable Law, the Corporation shall be entitled to recover such Expense Advances upon a Final Decision that the Indemnitee has not met the applicable standards of Proper Conduct. An Indemnitee shall not be presumed in any such suit to have either satisfied or failed to satisfy the applicable standards of Proper Conduct as a result of any determination or non-determination thereof by the Corporation, its Board, Executives or other representatives, any of its stockholders or its independent legal counsel. In any such suit, the burden of proving that the Indemnitee has not met the applicable standards of Proper Conduct shall be on the Corporation.

Section 6.14. Continuation of Rights. The Indemnification Rights of each Indemnitee shall continue in full force and effect with respect to and for the benefit of any person who has ceased to be a director, officer, employee or agent of or at the direction of the Corporation and shall inure to the benefit of the heirs, executors, administrators and other legal representatives of such person.

Section 6.15. Non-Exclusivity of Rights. The Indemnification Rights of each Indemnitee shall not be exclusive of any other right that any Indemnitee, Representative or other person may have or hereafter acquire under any statute, the Corporation's Certificate of Incorporation, these By-Laws, any employment or other agreement, any vote of stockholders or disinterested directors, or otherwise.

Section 6.16. Insurance. The Corporation shall have the right in its discretion to from time to time purchase, maintain, modify and surrender directors and officers liability and other insurance, in each case from such insurers, in such amounts, upon such terms and conditions, and subject to such deductions, in order to protect itself or to directly or indirectly protect any director, officer, employee or agent of the Corporation or another Entity against any expense, liability or loss whatsoever, whether or not

15

the Corporation would have the obligation or power to indemnify such person against such expense, liability or loss under this Article or the DGCL.

Section 6.17. Indemnification of Officers, Employees and Agents of the Corporation: Without in any way limiting its right, power or authority under Applicable Law to grant any indemnity, the Corporation may, to the extent authorized from time to time by the Board in its discretion, grant rights to defense, indemnification, reimbursement and the advancement of expenses by the Corporation to any officer, employee or agent of the Corporation or other Entity up to the maximum extent permitted for any Indemnitee by this Article, the DGCL and other Applicable Law.

Section 6.18. Savings Clause. If this Article or any provision hereof shall be finally determined to be superseded, invalid, illegal or otherwise unenforceable pursuant to Applicable Law by a court having proper jurisdiction and venue, then the Corporation shall nevertheless, to the fullest extent permitted by the remaining provisions (if any) of this Article (i.e., those not so determined to be superseded, invalid, illegal or otherwise unenforceable) and (subject to such remaining provisions) the DGCL, indemnify, reimburse and hold harmless each Indemnitee from and against any and all Losses and Expenses actually and reasonably incurred or suffered by such Indemnitee in connection with any Proceeding or portion thereof by reason of the Indemnitee's position with the Corporation or with any other Entity at the request of the Corporation, except in each case to the extent determined in a Final Decision to be attributable to any action or conduct of the Indemnitee other than Proper Conduct.

Section 6.19. Changes in Indemnification Rights. The Indemnification

Rights may be changed at any time and from time to time through a change in these By-Laws, all without notice to or the approval of any Indemnitee; provided that except as otherwise required by or reflecting a change in the DGCL, any change eliminating or diminishing any of the Indemnification Rights shall apply prospectively only, and no change shall eliminate or diminish any Indemnification Rights with respect to any Proceeding involving any Indemnitee (a) threatened or commenced prior to such change or (b) based on any event or circumstance that occurred prior to such change.

Section 6.20. Contractual and Beneficial Rights. The Indemnification Rights under this Article shall be deemed to be contractual rights for the benefit of, and are expressly intended to benefit, each the Indemnitee, each of whom may enforce any such provisions directly as provided in this Article.

ARTICLE VII.

Shares

Section 7.01. Certificates. The shares of the Corporation shall be represented by certificates in such form as from time to time may be approved by the Board and signed by the Chairman, Vice Chairman, Chief Executive Officer, the President or any Vice President, and by the Secretary, Assistant Secretary, Chief Financial Officer, Treasurer or Assistant Treasurer, and sealed with the seal of the Corporation, which signatures and seal, to the extent permitted by Applicable Law, may be facsimiles. The certificates shall be numbered consecutively and in the order in which they are issued. Each certificate shall state the registered holder's name, the number and class of shares represented thereby, the date of issue, and the par value of such shares (or that they are without par value if such is the case).

Section 7.02. Use of Pre-Signed Certificates. The Corporation from time to time may issue Certificates that have been previously signed by or imprinted with the facsimile signature of any officer, transfer agent or registrar of the Corporation. In the event any Certificate(s) shall have been previously signed by or imprinted with the facsimile signature of any officer, transfer agent or registrar of the Corporation who subsequently ceases to act as such, the Corporation nevertheless may thereafter use and issue such Certificate(s), with the same effect as if the signer were still such officer, transfer agent or registrar at the date of issuance, until such time as its supply of such previously signed or imprinted Certificate(s) has been exhausted.

Section 7.03. Subscriptions. Subscriptions to shares of the Corporation's stock, if any, shall be paid at such times and in such installments as the Board may determine.

Section 7.04. Transfer of Shares. The shares of the Corporation shall be assignable and transferable on the books and records of the Corporation only by the registered owner, or by his duly authorized attorney, and only upon surrender of the certificate for such shares duly and properly endorsed with proper evidence of authority to transfer. The Corporation shall issue a new certificate for the shares surrendered to the person or persons entitled thereto; provided that the Board in its discretion may reasonably

16

refuse to issue such new certificate without the order of a Court having jurisdiction in such matters or suitable indemnification.

Section 7.05. Returned Certificates. All certificates for shares changed or returned to the Corporation for transfer shall be marked by the Secretary, transfer agent or registrar as "CANCELLED", together with the date of cancellation, and the transaction shall be recorded in the stock transfer books of the Corporation and (if applicable) in the certificate book opposite the memorandum of their issue. The returned certificate may be inserted in the stock books of the Corporation.

Section 7.06. Lost Stock Certificates. Any stockholder claiming that his certificate for shares of the Corporation has been lost, stolen, destroyed or mutilated (a "Lost Stock Certificate") may obtain a replacement certificate by (i) submitting a sworn statement of that fact to the Board (together with any mutilated certificate) and (ii) giving to the Corporation such bond or indemnity

as may be required by the Board (in such form, substance and amount and with such sureties as shall be satisfactory to the Board), if any, and taking such other reasonable action as the Board in its sole and absolute discretion may require; and if the stockholder shall have satisfied these conditions, the Board shall approve and the appropriate officers shall effect the issuance of a replacement certificate in lieu of the Lost Stock Certificate.

ARTICLE VIII.

Record Dates and Dividends

Section 8.01. Record Dates. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board from time to time may fix, in advance, a record date, which shall be not less than ten (10) days or more than sixty (60) days before the date of the proposed meeting or other action. Only those stockholders of record on the date so fixed shall be entitled to any of the foregoing rights, notwithstanding the transfer of any such stock on the books of the Corporation after such record date fixed by the Board. If no record date is fixed by the Board:

- (a) The record date for determining stockholders entitled to notice of or to vote at a meeting of the stockholders shall be at the close of business on the date next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held;
- (b) The record date for determining stockholders entitled to authorize corporate action in a particular written consent without a meeting shall be (i) if preceded by a Board action, the day on which such action was taken, or (ii) in any other cases, the day on which the first stockholder signs such written consent; and
- (c) The record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board may fix a new record date for the adjourned meeting.

Section 8.02. Dividends. The Board at any regular or special meeting may declare dividends payable out of the surplus of the Corporation whenever in the exercise of its discretion they may deem such declaration advisable. Such dividends may be paid in cash, property, or shares of the Corporation.

ARTICLE IX.

Miscellaneous Corporate Powers and Restrictions

Section 9.01. Execution of Instruments Generally. Subject to such approval of the Board as may be required under the circumstances (if any), and except as otherwise provided by the Certificate,

these By-Laws or Applicable Law, the Chairman, Vice Chairman, Chief Executive Officer, Chief Financial Officer, President, Secretary or Treasurer from time to time may enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation and may authorize and direct any other officer(s) or agent(s) to do so. Except as otherwise provided by Applicable Law or the Certificate, the Board may authorize any officer(s) or agent(s) to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation. Any such authorization may be general or confined to specific instances and may be exclusive to one or more officers or other persons.

Section 9.02. Transactions with Interested Parties. No contract or transaction between the Corporation and one or more of its stockholders, directors, officers or employees, or between the Corporation and any other corporation, partnership, association or other entity in which one or more of the Corporation's stockholders, directors, officers or employees are stockholders, directors, officers or employees or otherwise have a financial interest, shall be void or voidable solely for this reason, or solely because the stockholder, director, officer or employee is present at or participates in the meeting of the Board or a Committee thereof authorizing the contract or transaction, or solely because his or their votes are counted for such purpose, if:

- (a) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the Board or such Committee, and the Board or such Committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum;
- (b) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders;
- (c) the contract or transaction is fair to the Corporation as of the time it is authorized, approved or ratified by the Board, a Committee thereof or the stockholders; or
- (d) the contract or transaction is otherwise permissible under Applicable Law.

Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board or a Committee thereof authorizing the contract or transaction.

Section 9.03. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to its credit in such banks, trust companies or other financial institutions or depositaries as the Board, Chairman, Vice Chairman, Chief Executive Officer, President or Chief Financial Officer may select, or as may be selected by any officer or officers or agent or agents authorized so to do by the Board, Chairman, Vice Chairman, Chief Executive Officer, President or Chief Financial Officer. Endorsements for deposit to the credit of the Corporation in any of its duly authorized depositaries shall be made in such manner as the Board, Chairman, Vice Chairman, Chief Executive Officer, President or Chief Financial Officer from time to time may determine.

Section 9.04. Checks, Notes, Etc. All checks, drafts or other orders for the payment of money and all notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer(s), employee(s) or agent(s) of the Corporation, and in such manner, as from time to time shall be determined by the Board, the Chairman, the Chief Executive Officer, the Vice Chairman or the Chief Financial Officer.

Section 9.05. Proxies. Proxies to vote the shares of stock of other corporations owned of record or beneficially by the Corporation may be executed and delivered from time to time on behalf of the Corporation by any Executive or by any other person or persons thereunto authorized by the Board or any Executive. Any Executive may instruct any subordinate person or persons so appointed as to the manner of exercising such powers and rights, and may execute or cause to be executed in the name and on behalf of the Corporation and under its Corporate Seal or otherwise, all such written proxies, powers of attorney or other written instruments as he may deem necessary in order that the Corporation may exercise such powers and rights.

Section 9.06. Fiscal Year. The fiscal year of the Corporation shall be the twelve (12) month period ending December 31 of each year or such other period as shall be determined by the Board.

Section 9.07. Corporate Seal. The corporate seal shall be circular in form and shall bear the name of the Corporation and words and figures denoting its organization under the laws of the State of Delaware and the year thereof and otherwise shall be in such form as shall be approved from time to time by the Board.

ARTICLE X.

Amendments and Interpretation

Section 10.01. Amendments. These By-Laws may be amended, restated, replaced or repealed, and amended, restated or new By-Laws may be adopted, in whole or in part, (a) by action of the stockholders of the Corporation, or (b) by action of the Board. Any provision adopted by such stockholders or Board may be amended or repealed from time to time by the Board or stockholders, respectively.

Section 10.02. Notices, Electronic Messages, Copies, Etc. Any notice, proxy, request, demand or other document or communication required or permitted under these By-Laws may be sent by: (a) cable, email (including any attachment thereto), fax, internet, network posting, S.W.I.F.T. wire telex, tested telex, or other electronic transmission (each an "Electronic Delivery"), provided that an Electronic Delivery can only be used for a notice to a stockholder (in his or her capacity as stockholder) to the extent permitted by the DGCL (which among other things currently requires that such stockholder has consented to the specific contemplated form of Electronic Delivery in accordance with the DGCL); or (b) U.S. Mail, national overnight courier, messenger or other means of physical delivery ("Physical Delivery"). A copy (including, without limitation, the printout of any item retained in reproducible form in any computer or other technological storage) of any document or communication may be substituted for the original for any purpose for which the original document or communication could be used if on its face it appears to be a reasonably complete reproduction of the entire original document or communication.

Section 10.03. Number and Gender. Each definition in these By-Laws of a singular capitalized term or other word or phrase also shall apply to the plural form of such term, word or phrase, and vice versa, and all references in these By-Laws to the neuter gender shall be deemed to include reference to the feminine or masculine gender, and vice versa, and to a singular pronoun shall be deemed to include a reference to the plural variation thereof, and vice versa, in each case as the context may permit or require.

Section 10.04. Section and Other Headings. The table of contents (if any), section and other headings contained in these By-Laws are for reference purposes only and shall not affect the meaning or interpretation of these By-Laws.

Section 10.05. Severability. In case any one or more of the provisions contained in these By-Laws shall be finally determined to be superseded, invalid, illegal or otherwise unenforceable pursuant to Applicable Law by a court or other governmental authority having jurisdiction and venue, that determination shall not impair or otherwise affect the validity, legality or enforceability (a) by or before that authority of the remaining terms and provisions of these By-Laws, which shall be enforced as if the unenforceable term or provision were deleted, or (b) by or before any other court or governmental authority of any of the terms and provisions of these By-Laws.

Section 10.06. Conflicting Provisions of the Certificate of Incorporation and Applicable Law. The terms and provisions of these By-Laws are each subject to the relevant terms and provisions of the Certificate and Applicable Law, and in the event that any term or provision of these By-Laws conflicts or is inconsistent with any term or provision of the Certificate or Applicable Law, the term or provision of the Certificate or Applicable Law shall control and be given effect.

Section 10.07. Applicable Law. These By-Laws shall be governed by and construed in accordance with (a) the DGCL and any other applicable law of the State of Delaware or the United States of America, including (without limitation) (i) any state or other governmental law, statute, ordinance, rule, regulation, requirement or restriction applicable to these By-Laws or the Corporation's governance, (ii) any judicial, administrative or other governmental order, injunction, writ, judgment, decree, ruling, finding or other directive applicable to these By-Laws or binding upon the Corporation's governance, and (iii) common law or other legal precedent applicable to these By-Laws or binding upon the Corporation's governance, and (b) any charter, rule, regulation or other organizational or governance document of any national

securities exchange or market in which the shares of the Corporation are traded or other self-regulatory or governing body or organization applicable to the Corporation; in each case as the same may be adopted, supplemented, modified, amended, restated or replaced from time to time or any corresponding or succeeding provisions thereof (all of the foregoing in this Section will be referred to collectively as "Applicable Law").

Section 10.08. Non-Exclusive Provisions. It is intended that the rights, powers, privileges and duties (if any) of the Corporation or the stockholders, directors or officers of the Corporation set forth in the Certificate or these By-Laws are in addition to and shall not limit (except as otherwise expressly provided in the Certificate or these By-Laws) any other applicable right, power, privilege or duty (if any) under the Certificate, these By-Laws, any Committee Charter or Applicable Law.

Amended and Restated
Charter of the Audit Committee
of the
Board of Directors
of
SPAR Group, Inc.
Dated (as of) May 18, 2004

I. ESTABLISHMENT AND PURPOSE

1. The Board of Directors (the "Board") of SPAR Group, Inc. ("SGRP"), has established a standing committee of the members of the Board (the "Audit Committee") to assist the Board in fulfilling its oversight responsibilities respecting the accounting, auditing and financial reporting and disclosure principles, policies, practices and controls of SGRP and its direct and indirect subsidiaries (together with SGRP, collectively, the "Company"), the integrity of the Company's financial statements, the audits of the financial statements of the Company and the Company's compliance with legal and regulatory requirements and disclosure. In furtherance thereof, the Board has adopted this Amended and Restated Charter of the Audit Committee of the Board of Directors of SPAR Group, Inc., Dated (as of) May 18, 2004 (as the same may be supplemented, modified, amended, restated or replaced from time to time in the manner provided herein, this "Charter"), to establish and govern (among other things) the purposes, membership, meetings, responsibilities, duties and powers of the Audit Committee. The Audit Committee and its meetings and activities also shall be governed by and conducted in accordance with the provisions applicable to committees generally as contained in the By-Laws (as defined in item V.2 below).

2. The Audit Committee's primary duties and responsibilities are to:

- (a) Serve as an independent and objective party to monitor the Company's financial reporting process and internal accounting and disclosure control system and their adequacy and effectiveness;
- (b) Be directly responsible for the appointment, compensation, retention and oversight of the work of any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company (hereinafter referred to as the "Company's Independent Accountants");
- (c) Resolve disagreements between the Company's senior management and the Company's Independent Accountants regarding financial reporting;
- (d) Communicate directly with the Company's Independent Accountants;
- (e) Review and appraise the audit efforts of the Company's Independent Accountants;
- (f) Provide an open avenue of communication among the Company's Independent Accountants, the Company's financial and senior management and the Board;
- (g) Review and approve, in advance, all non-audit services to be performed by the Company's Independent Accountants;
- (h) Review the performance, qualifications and independence of the Company's Independent Accountants;
- (i) Review the financial reports and other financial information provided by SGRP to any governmental body or the public;
- (j) Encourage continuous improvement of, and foster adherence to, the Company's accounting, disclosure and similar control policies, procedures and practices at all levels;

- (k) Furnish the committee report required by the rules of the U. S. Securities and Exchange Commission (the "SEC") to be included in SGRP's annual proxy statement;

- (l) Review and approve the overall fairness of all material related-party transactions; and
- (m) Perform such other functions as may be required from time to time by the Nasdaq Stock Market, Inc. (the "Nasdaq"), the SEC or other applicable law.

3. The Audit Committee will fulfill these responsibilities by carrying out the activities enumerated in Section IV of this Charter and by performing such other activities consistent with this Charter as may from time to time be necessary or appropriate.

II. COMPOSITION OF THE AUDIT COMMITTEE

1. The Audit Committee shall consist of three or more members of the Board (as such number may be fixed from time to time by the Board).

2. The members of the Audit Committee shall be independent directors and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Audit Committee. For purposes of this Charter, the minimum standards for an independent director shall be as provided in the applicable rules of the Nasdaq's National Market System (as the same may be supplemented, modified, amended, restated or replaced from time to time, the "Nasdaq Rules"), and the provisions of the Securities Exchange Act of 1934, as amended (as the same may be supplemented, modified, amended, restated or replaced from time to time, the "Exchange Act"), and the rules and regulations promulgated thereunder (as the same may be supplemented, modified, amended, restated or replaced from time to time, the "Exchange Act Rules"), in each case as then in effect respecting Audit Committees.

3. All members of the Audit Committee shall be "financially literate" and otherwise qualified to serve as members under the Nasdaq Rules, as determined by the Board. The Nasdaq Rules currently require (among other things) that all members of the Audit Committee must be able to read and understand fundamental financial statements, including (without limitation) a balance sheet, income statement and cash flow statement.

4. Additionally, at least one member of the Audit Committee shall be an "audit committee financial expert" under the Exchange Act Rules, as determined by the Board. The Exchange Act Rules currently require (among other things) that such member have past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background which results in such member's financial sophistication, including (without limitation) being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities or any other comparable experience or background resulting in financial sophistication.

5. The candidates for membership in the Audit Committee shall be nominated by the Governance Committee prior to the consideration of the election of its members at the annual organizational meeting of the Board (the "Organizational Meeting"), generally held in conjunction with SGRP's annual stockholders meeting. If no such nominations have been received by the time such matter is considered at the Organizational Meeting, nominations to the Audit Committee may be made by a member of the Board.

-2-

6. The members of the Audit Committee shall be elected by the Board at the annual organizational meeting of the Board (generally held in conjunction with the Organizational Meeting) or in any other meeting duly called or action duly taken as provided in the By-Laws.

7. The Board, in any meeting duly called or other action duly taken as provided in the By-Laws, at any time may (a) designate a chairman of the Audit Committee (the "Chairman") from among the members of the Audit Committee and (b) remove any such member as Chairman, either with or without cause. If the Board has not so acted, the members of the Audit Committee may designate the Chairman by majority vote of the full Audit Committee membership. Any Chairman who ceases to be a member of the Board or Audit Committee automatically shall

simultaneously cease to be Chairman of the Audit Committee.

III. MEETINGS

1. The Audit Committee may provide for the holding of regular meetings, with or without notice, and may fix the time and place at which such meetings shall be held, with all notices given or waived and all meetings held in accordance with the By-Laws. Each scheduled Board meeting shall be deemed to include a corresponding scheduled Audit Committee meeting unless expressly stated otherwise in scheduling such Board meeting.

2. The notice of a meeting may provide, or the Audit Committee may request (in advance or at the meeting), that members of the Company's senior management or others attend a meeting of the Audit Committee and provide pertinent information as necessary and available.

3. As part of its responsibility to foster open communication, the Audit Committee shall meet at least semi-annually with the Company's senior management and the Company's Independent Accountants in separate executive sessions to discuss any matters that the Audit Committee or any of these groups believe should be discussed privately. In addition, the Audit Committee shall meet with the Company's Independent Accountants and the Company's senior management to review and discuss the Company's quarterly financial statements consistent with Section IV below.

4. The Audit Committee shall maintain minutes or other records of its meetings and activities, which shall be maintained with the minutes of the Board, and shall report the same to the Board as and when requested. Written consents by the Audit Committee shall be filed with the minutes of the Board.

IV. RESPONSIBILITIES AND DUTIES

The Audit Committee's responsibilities, duties and powers shall consist of the following:

Documents and Reports

1. On an annual basis, and more often as it determines circumstances reasonably warrant, the Audit Committee shall review and discuss this Charter and recommend to the Board any changes in or additions to this Charter that it may deem necessary or desirable.

-3-

2. The Audit Committee shall, prior to its filing, mailing or release (as the case may be), in consultation with the Company's Independent Accountants and/or the Company's senior management, as and to the extent the Audit Committee deems appropriate:

- (a) review and discuss each report to be filed by SGRP with the SEC on Forms 10-K and 10-Q and each related quarterly or annual financial statement, as applicable, in each case including (without limitation) the review and discussion of:
 - (i) the proposed presentations of earnings, underlying material reserves and accruals, highly judgmental areas, audit adjustments (whether or not recorded), and suitability of the significant accounting policies and principles applied;
 - (ii) the proposed disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations", including the development, selection and disclosure of accounting policies that may be regarded as critical;
 - (iii) any certification, report, opinion or review summary rendered by the Company's Independent Accountants or the Company's management, including (without limitation) those setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements or the effects of using alternative GAAP methods on the Company's financial statements; and

- (iv) any major issue regarding the Company's accounting principles and financial statement presentations within its knowledge, including any significant changes in the Company's selection or application of accounting principles and financial statement presentation;
- (b) review and discuss SGRP's Annual Report to its shareholders and its Proxy Statement;
- (c) furnish the Audit Committee's annual report to be included in the Proxy Statement as required by the Exchange Act Rules;
- (d) review and discuss earnings press releases, including the type and presentation of information to be included in earnings press releases (and in particular the use of "pro forma" or "adjusted" non-GAAP information);
- (e) review and discuss financial information and earnings guidance provided to analysts and rating agencies; and
- (f) review and discuss such other reports or documents within its authority and knowledge for submission to the SEC, Nasdaq or the public as:
 - (i) may from time to time be required under the Exchange Act Rules, the Nasdaq Rules, the DGCL (as defined below) or other applicable law; or
 - (ii) the Audit Committee may from time to time deem appropriate, provided that the Audit Committee or Chairman shall have given the Chief Executive Officer and Chief Financial Officer reasonable prior written notice of its desire to make such review;

provided that in the case of paragraphs (d), (e) and (f) the Chairman may represent and act on behalf of the entire Audit Committee for purposes of this review, with or without consultation of the other members, and shall present the results thereof at the next meeting of the Audit Committee.

-4-

Company's Independent Accountants

3. On an annual basis, the Audit Committee shall appoint the Company's Independent Accountants to be engaged by the Company for the forthcoming fiscal year, and periodically (as often as it determines that circumstances reasonably warrant) the Audit Committee shall review and determine the fees and other compensation and terms of engagement of the Company's Independent Accountants.

4. On an annual basis, and more often as it determines circumstances reasonably warrant, the Audit Committee shall confirm and assure the qualifications and independence of the Company's Independent Accountants under the Exchange Act Rules, and (without limiting the foregoing) the Audit Committee shall:

- (a) review and discuss with the Company's Independent Accountants all of such firm's significant relationships that would be reasonably likely to adversely effect its independence or objectivity, including (without limitation) whether such firm's performance of permissible non-audit services is compatible with the auditor's independence, any relationship or service between such firm and the Company (other than the audit and approved non-audit services), and any other relationship or service reported by such firm to the Board that would be reasonably likely to adversely affect the independence or objectivity of such firm;
- (b) receive, review and discuss the written statements from the Company's Independent Accountants (i) required by Independence Standards Board Standard No. 1, as amended, modified or supplemented from time to time, and (ii) respecting its internal quality-control procedures, any material issues raised by (A) the most recent internal quality-control review, or peer review, of such firm, or (B) any inquiry or investigation by governmental or professional authorities within the

last five years, in either case respecting one or more independent audits carried out by such firm, and any steps taken to deal with any such issues;

- (c) review and discuss the performance of the Company's Independent Accountants, including (without limitation) (i) the performance and qualifications of such firm's lead audit partner and senior audit manager assigned to the Company's audit, (ii) the rotation of such firm's audit partners and others as may be required by GAAP or applicable law, and present its conclusions to the Board conclusions with respect thereto;
- (d) report to the Board its conclusions respecting such reviews and discussions and recommend appropriate action(s) to be taken to confirm, assure or enforce the independence and other qualifications and performance of the Company's Independent Accountants, and
- (e) direct, recommend or approve any proposed discharge of the Company's Independent Accountants when circumstances reasonably warrant.

5. The Audit Committee periodically (as often as it determines that circumstances reasonably warrant) shall:

- (a) consult with the Company's Independent Accountants out of the presence of the Company's management about internal accounting, reporting and disclosure controls, the completeness and accuracy of the Company's financial statements and other matters of concern to the Audit Committee;
- (b) review and discuss the nature and scope of the annual audit proposal by the Company's independent accountant and its views and recommendations (if any);

-5-

- (c) receive and discuss any reports or communications submitted to the Audit Committee by the Company's Independent Accountants as required or permitted by SAS 61;
- (d) approve, in advance, either:
 - (i) each audit or permitted non-audit service to be performed by the Company's Independent Accountants, provided that between meetings the Chairman may represent and act on behalf of the entire Audit Committee in approving such services, with or without consultation of the other members, and shall present the results thereof at the next meeting of the Audit Committee, or
 - (ii) policies and procedures respecting the Company's engagement of the Company's Independent Accountants for particular types of audit or permitted non-audit services to be performed within specified periods of time, which also may include specified expense limits; provided that (A) the Audit Committee is given notice of each engagement for such service by the Company, and (B) such policies and procedures do not include delegation of the Audit Committee's responsibilities under the Exchange Act and Exchange Act Rules to the Company's management;
- (e) recommend to the Board the advisability of having the Company's Independent Accountants or other independent public accountants make specified studies and reports as to auditing matters, accounting procedures, tax or other matters, which in the case of the Company's Independent Accountants shall be only to the extent permitted under the Exchange Act Rules; and
- (f) receive direct reports from the Company's Independent Accountants.

Financial Reporting Principles, Processes and Improvements

6. The Audit Committee periodically (as often as it determines that circumstances reasonably warrant) shall, in consultation with the Company's Independent Accountants and/or the Company's senior management, as and to the

extent the Audit Committee deems appropriate:

- (a) review the integrity of the financial and regulatory reporting practices and processes of the Company and its subsidiaries, both internal and external, including (without limitation) the adequacy of the Company's internal accounting, auditing, reporting and disclosure controls, any significant deficiencies in such controls within its knowledge (and any special audit steps that have been or should be adopted in light of material control deficiencies), and any material changes in or additions to such controls, and recommend to the Board and management any material changes in or additions to them that it deems necessary or desirable;
- (b) review and consider the quality and appropriateness of the Company's accounting principles, policies and practices as applied in its financial reporting, including (without limitation) all critical accounting principles, policies and practices, all alternative treatments of financial information within generally accepted accounting principles ("GAAP") that have been discussed with management officials of the Company, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Company's Independent Accountants;
- (c) review and discuss the likely effect of changes in or additions to applicable law, regulation or GAAP or their interpretation (including those pending and proposed) within its knowledge likely to be material to any of the matters within its authority;

-6-

- (d) review and discuss any material financial or non-financial arrangement of the Company within its knowledge that does not appear on the financial statements of the Company;
- (e) review and, if not required by GAAP, approve any proposed material change in or addition to the Company's accounting, auditing, reporting and disclosure principles, policies, practices or controls as proposed to the Audit Committee by the Company's Independent Accountants or the Company's senior management;
- (f) review the implementation and effect of all material changes in and additions to the accounting, auditing, reporting and disclosure principles, practices or controls within its knowledge, whether as previously approved or recommended by the Audit Committee, as required by GAAP, Nasdaq Rules, Exchange Act Rules or applicable law or otherwise; and
- (g) review the Company's policies with respect to risk assessment and risk management.

7. The Audit Committee shall establish regular and separate systems of disclosure to the Audit Committee by each of the Company's senior management and the Company's Independent Accountants regarding any significant judgments made by the Company's senior management in their preparation of the financial statements and the view of each as to appropriateness of such judgments.

8. The Audit Committee shall review (following its completion) and discuss separately with each of the Company's senior management and the Company's Independent Accountants the results of the Company's annual audit and any significant difficulties encountered during the course of the audit, including (without limitation) the overall scope of the audit (if changed from that previously presented to the Audit Committee), any restrictions on the scope of work of or access to required information by the Company's Independent Accountants, the results of the annual audit examination by the Company's Independent Accountants and any accompanying management letters, any audit problems or difficulties encountered by the Company's Independent Accountants in the course of their audit work and management's response to such audit problems or difficulties, any reports by the Company's Independent Accountants with respect to interim periods, and any schedule of unadjusted differences or other material written communications between the Company's Independent Accountants and the Company's management.

9. The Audit Committee shall review any significant disagreement or dispute among the Company's senior management and the Company's Independent Accountants in connection with the preparation of any of the Company's financial statements.

10. The Audit Committee shall review and discuss any disclosures made to the Audit Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process for the Form 10-K and 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

11. The Audit Committee shall review and discuss with the Company's counsel any legal matter that could have a significant impact on the Company's financial statements.

Complaints

12. The Audit Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.

13. The Audit Committee shall establish procedures for the receipt, retention and treatment of confidential, anonymous submission by employees of the Company and its subsidiaries of concerns regarding questionable accounting or auditing matters.

-7-

Related Party Transactions

14. The Audit Committee shall review and approve (in accordance with the Nasdaq Rules, the Exchange Act Rules, the DGCL and other applicable law) the overall fairness of any agreement, arrangement or non-recurring transaction with the Company in which any of the following persons has or will have a direct or indirect material interest that would require disclosure under Item 404 of SEC Regulation S-K:

- (a) Any director or executive officer of the Company;
- (b) Any nominee for election as a director;
- (c) Any security holder who is known to the Company to own of record or beneficially more than five percent of any class of the Company's voting securities; and
- (d) Any family member of any of the foregoing persons under the Nasdaq Rules (currently, (i) such person's spouse, (ii) the parents, brothers, sisters and children of such person, whether by blood, marriage or adoption, and (iii) anyone else residing in such person's home).

Any such person may have such an indirect interest through any corporation, partnership, limited liability company, trust or other entity owned or controlled by them, as provided in the Exchange Act Rules.

The Audit Committee shall make such review and fairness approval (A) prior to the commencement of any such material agreement, arrangement or non-recurring transaction and (B) periodically thereafter as often as the Audit Committee determines that circumstances reasonably warrant.

Legal Compliance and Updates

15. The Audit Committee periodically (as often as it determines that circumstances reasonably warrant) shall, in consultation with the Company's counsel, alone and/or with the Company's senior management, as and to the extent the Audit Committee deems appropriate:

- (a) review and discuss any regulatory, compliance, legal or other issue respecting any financial statement, reporting, audit or related matter within its knowledge that could have a significant impact on the Company or its financial statements, SEC filings or other public disclosures, and recommend to the Board any corrective or other action

that it may deem necessary or desirable;

- (b) review and discuss the potential effect on financial statement, reporting, audit or related issue of any applicable material change or initiative in any Nasdaq Rule, any Exchange Act Rule, the DGCL or other applicable law or the interpretation thereof within its knowledge, and recommend to the Board any changes in or additions to the Company's governing documents, policies, principles, practices or processes respecting financial statement, reporting, audit or related matters that it deems necessary or desirable to deal with such effect;
- (c) review the implementation of changes in and additions to the Company's governing documents, policies, principles, practices or processes respecting financial statement, reporting, audit or related matters within its knowledge, whether as previously approved or recommended by the Audit Committee or as previously required by the Nasdaq Rules, the Exchange Act Rules, the DGCL or other applicable law;
- (d) recommend to the Board the advisability of having the Company's counsel, auditors or other experts or professionals make specified studies and reports as to financial statement, reporting, audit or related matters; and

-8-

- (e) receive direct reports from the Company's counsel.

16. The Audit Committee shall establish regular and separate systems of communication with each of the Company's senior management and the Company's counsel, review and discuss with them any matter within its authority and knowledge that is reasonably likely to have a significant impact on the Company, and recommend to the Board any corrective or other action that it may deem necessary or desirable.

Other Responsibilities, Duties and Powers

17. The Audit Committee shall report its actions and any recommendations to the Board after each Audit Committee meeting.

18. The Audit Committee shall have the responsibility, duty and power, at any time and from time to time, to the same extent and with the same effect as if the entire Board were acting:

- (a) to conduct or authorize investigations into matters within the Audit Committee's scope of responsibilities under this Charter and applicable law;
- (b) to retain independent counsel, accountants or others to assist it in the conduct of an investigation or such other action as the Audit Committee may otherwise determine as necessary to carry out its duties under this Charter and applicable law, the fees and expenses of all of which will be paid by the Company; and
- (c) to perform any other activities related or incidental to the duties and rights conferred on the Audit Committee (by this Charter or otherwise) as the Audit Committee or the Board from time to time may deem necessary or reasonably appropriate.

19. In addition to the responsibilities, duties and powers of the Audit Committee set forth in this Charter, the Audit Committee also shall have such other responsibilities, duties and powers (if any) as may from time to time be expressly granted to it under the Certificate, the By-Laws, any Board resolution with continuing effect, any Nasdaq Rule, any Exchange Act Rule, the DGCL or any other applicable law.

V. MISCELLANEOUS

1. Notwithstanding anything in this Charter to the contrary: (a) the Audit Committee is an oversight body, and it is not the role or duty of the Audit Committee to (i) implement, administer or apply the accounting, auditing or financial reporting or disclosure policies, practices or controls of the Company, (ii) plan or conduct any audit of the Company or any audit of the work

of the Company's Independent Accountants or the Company's management, (iii) prepare or certify any of the Company's financial statements or any portion thereof, (iv) determine or assure that the Company's financial statements and disclosures are complete or accurate or are in accordance with GAAP or any applicable rule or regulation, or (v) determine or assure the Company's compliance with any legal or regulatory requirement, all of which are and continue to be the responsibilities of the Company's management and/or the Company's Independent Accountants, as the case may be; (b) the members of the Audit Committee are not, and shall not under any circumstance be deemed or construed to be (by virtue of their Audit Committee membership, this Charter or any action taken as contemplated hereunder or otherwise), (i) officers, employees or auditors of SGRP or any of its subsidiaries and (ii) directors of any of SGRP's subsidiaries; (c) the Audit Committee may rely on the representations of and other information provided by the Company's Independent

-9-

Accountants, the Company's officers, employees and counsel and experts or other professionals retained by the Company or the Audit Committee; and (d) the legal liability (actual, potential or otherwise) of the Audit Committee members shall not be (and shall not be deemed or construed to be) any greater than that of any outside director of SGRP who is not a member of the Audit Committee.

2. For the purposes of this Charter:

- (a) "Certificate" shall mean the Certificate of Incorporation of SGRP filed on November 29, 1995, with the Secretary of State of the State of Delaware, as the same may have been and from time to time hereafter may be duly amended or restated in the manner provided under applicable law.
- (b) "By-Laws" shall mean the Amended and Restated By-Laws of SGRP dated as of May 18, 2004, as the same may have been and from time to time hereafter may be supplemented, amended or restated in the manner provided therein.
- (c) "DGCL" shall mean the General Corporation Law of the State of Delaware, as the same may have been and from time to time hereafter may be amended or restated, and any succeeding statute.

3. This Charter constitutes supplemental by-laws of SGRP and shall be governed and supplemented by and construed and interpreted in accordance with the By-Laws. Without in any way limiting the preceding sentence, the provisions of Article X of the By-Laws (and the applicable definitions appearing elsewhere) are hereby incorporated into this Charter by reference as if fully set forth herein and shall be construed as if this Charter were the "By-Laws" referred to in those incorporated provisions. In the event of any conflict between any specific provision of this Charter and the By-Laws, the specific provision of this Charter shall control and be given effect.

4. The terms and provisions of this Charter are each subject to the relevant terms and provisions of the Certificate and applicable law. In the event that any term or provision of this Charter conflicts or is inconsistent with any term or provision of the Certificate or applicable law, the term or provision of the Certificate or applicable law shall control and be given effect.

-10-

Charter of the Compensation Committee
of the
Board of Directors
of
SPAR Group, Inc.
Dated (as of) May 18, 2004

I. ESTABLISHMENT AND PURPOSE

1. The Board of Directors (the "Board") of SPAR Group, Inc. ("SGRP"), has established a standing committee of the members of the Board (the "Compensation Committee") to assist the Board in fulfilling its oversight responsibilities respecting the performance and compensation of the executives and the other compensation, equity incentive and related policies of SGRP and its subsidiaries (together with SGRP, collectively, the "Company"). In furtherance thereof, the Board has adopted this Charter of the Compensation Committee of the Board of Directors of SPAR Group, Inc., Dated (as of) May 18, 2004 (as the same may be supplemented, modified, amended, restated or replaced from time to time in the manner provided herein, this "Charter"), to establish and govern (among other things) the purposes, membership, meetings, responsibilities, duties and powers of the Compensation Committee. The Compensation Committee and its meetings and activities also shall be governed by and conducted in accordance with the provisions applicable to committees generally as contained in the By-Laws (as defined in item V.2 below).

2. The Compensation Committee's primary duties and responsibilities are to:

(a) Oversee the existing and proposed compensation plans, policies and practices of the Company, and review and recommend to the Board any necessary or desirable changes or additions to any such plan, policy or practice, all in order to

(i) attract and retain quality directors, executives and employees,

(ii) provide total compensation competitive with similar companies,

(iii) reward and reinforce the attainment of the Company's performance objectives, and

(iv) align the interests of the Company directors, executives and employees with those of SGRP's stockholders;

(items (i) through (iv) of this subsection (a), as supplemented or modified from time to time by the Compensation Committee and Board, will be referred to collectively as the "Company's Compensation Objectives");

(b) Review the Company's existing and proposed Compensation Objectives from time to time and recommend to the Board any necessary or desirable changes or additions to such objectives;

(c) Review the performance of and establish the compensation for the Company's senior executives;

(d) Oversee the Company's stock option, stock purchase and other benefit plans and severance policies, and review and recommend to the Board any necessary or desirable changes or additions to any such plan, policy or practice;

(e) Furnish the committee report required by the rules of the U. S. Securities and Exchange Commission (the "SEC") to be included in SGRP's annual proxy statement; and

(f) Perform such other functions as may be required from time to time by the Nasdaq Stock Market, Inc. (the "Nasdaq"), the SEC or other applicable law.

3. The Compensation Committee will fulfill these responsibilities by carrying out the activities enumerated in Section IV of this Charter and by performing such other activities consistent with this Charter as may from time

to time be necessary or appropriate.

II. COMPOSITION OF THE COMPENSATION COMMITTEE

1. The Compensation Committee shall consist of three or more members of the Board (as such number may be fixed from time to time by the Board).

2. The members of the Compensation Committee shall be independent directors and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Compensation Committee. For purposes of this Charter, the minimum standards for an independent director shall be as provided in the applicable rules of the Nasdaq's National Market System (as the same may be supplemented, modified, amended, restated or replaced from time to time, the "Nasdaq Rules"), and the provisions of the Securities Exchange Act of 1934, as amended (as the same may be supplemented, modified, amended, restated or replaced from time to time, the "Exchange Act"), and the rules and regulations promulgated thereunder (as the same may be supplemented, modified, amended, restated or replaced from time to time, the "Exchange Act Rules"), in each case as then in effect respecting Compensation Committees.

3. All members of the Compensation Committee shall be "financially literate" and otherwise qualified to serve as members under the Nasdaq Rules, as determined by the Board. The Nasdaq Rules currently require (among other things) that all members of the Compensation Committee must be able to read and understand fundamental financial statements, including (without limitation) a balance sheet, income statement and cash flow statement.

4. The candidates for membership in the Compensation Committee shall be nominated by the Governance Committee prior to the consideration of the election of its members at the annual organizational meeting of the Board (the "Organizational Meeting"), generally held in conjunction with SGRP's annual stockholders meeting. If no such nominations have been received by the time such matter is considered at the Organizational Meeting, nominations to the Compensation Committee may be made by any member of the Board.

5. The members of the Compensation Committee shall be elected by the Board at the annual organizational meeting of the Board (generally held in conjunction with the Organizational Meeting) or in any other meeting duly called or action duly taken as provided in the By-Laws.

6. The Board, in any meeting duly called or other action duly taken as provided in the By-Laws, at any time may (a) designate a chairman of the Compensation Committee (the "Chairman") from among the members of the Compensation Committee and (b) remove any such member as Chairman, either with or without cause. If the Board has not so acted, the members of the Compensation Committee may designate the Chairman by majority vote of the full Compensation Committee membership. Any Chairman who ceases to be a member of the Board or Compensation Committee automatically shall simultaneously cease to be Chairman of the Compensation Committee.

III. MEETINGS

1. The Compensation Committee may hold regular meetings, with or without notice, and may fix the time and place at which such meetings shall be held, with all notices given or waived and all meetings held in accordance with the By-Laws. Each scheduled Board meeting shall be deemed to include a corresponding scheduled Compensation Committee meeting unless expressly stated otherwise in scheduling such Board meeting.

-2-

2. The notice of a meeting may provide, or the Compensation Committee may request (in advance or at the meeting), that members of the Company's senior management or others attend a meeting of the Compensation Committee and provide pertinent information as necessary and available.

3. As part of its responsibility to foster open communication, the Compensation Committee shall meet at least semi-annually with the Company's senior management and the Company's Independent Accountants in separate executive sessions to discuss any matters that the Compensation Committee or any of these groups believe should be discussed privately. In addition, the Compensation Committee shall meet with the Company's Independent Accountants and

the Company's senior management to review and discuss the Company's quarterly financial statements consistent with Section IV below.

4. The Compensation Committee shall maintain minutes or other records of its meetings and activities, which shall be maintained with the minutes of the Board, and shall report the same to the Board as and when requested. Written consents by the Compensation Committee shall be filed with the minutes of the Board.

IV. RESPONSIBILITIES AND DUTIES

The Compensation Committee's responsibilities, duties and powers shall consist of the following:

Compensation, Reports and Documents

1. On an annual basis, and more often as it determines circumstances reasonably warrant, the Compensation Committee shall review and discuss this Charter and recommend to the Board any changes in or additions to this Charter that it may deem necessary or desirable.

2. On an annual basis (and prior to the commencement of each fiscal year to the extent practicable), and more often as it determines circumstances reasonably warrant, in consultation with the Company's senior management as and to the extent the Compensation Committee deems appropriate, the Compensation Committee shall:

- (a) Review and approve the Company's existing and proposed Compensation Objectives and recommend to the Board any changes in or additions to them that it may deem necessary or desirable;
- (b) Review and approve the performance goals (and the extent to which they further the Company's Compensation Objectives), the evaluation process and the compensation structure for the Company's senior executive officers and recommend to the Board any changes in or additions to them that it may deem necessary or desirable; and
- (c) Evaluate the performance (against the applicable year's goals) and approve the annual compensation (including salary, bonus, and incentive and equity compensation) of the Company's senior executive officers.

3. The Compensation Committee shall oversee the Company's stock option, stock purchase and other benefit plans, all other incentive and equity compensation, and all severance policies and practices, in consultation with the Company's senior management as and to the extent the Compensation Committee deems appropriate. In particular (and without limitation), the Compensation Committee shall:

- (a) approve all employee stock options and other equity compensation, individually in the case of senior executives and either individually or in the form of one or more budgets, plans or policies in the case of other officers and employees;

-3-

- (b) approve all stock option policies and other equity compensation for outside directors, in the form of budgets, plans or policies;
- (c) act as and discharge the responsibilities of the "Administrators" under (and as defined in) the 2000 Stock Option Plan of SPAR Group, Inc., as the "Committee" under (and as defined in) the SPAR Group, Inc., 2001 Employee Stock Purchase Plan, as amended, and the SPAR Group, Inc., 2001 Consultant Stock Purchase Plan, and as the "Administrators", "Committee" or any similar authority under (and as defined in) any other option, stock or similar benefit plan of the Company, as each may be adopted, supplemented, modified, amended, restated or replaced from time to time in the manner provided therein; provided, however, that this grant of authority is not exclusive and shall not limit the right of the Board or any other authorized person to act in any such capacity;
- (d) review and approve any severance or similar termination benefit for

any director, officer or employee of the Company, which may be individually or in the form of a plan or policy; and

- (e) review and approve each supplement, modification or amendment to or restatement or replacement of any of the items referenced in subsections (a), (b), (c) or (d) of this Section and recommend to the Board any changes in or additions to them that it may deem necessary or desirable.

4. On an annual basis, and more often as it determines circumstances reasonably warrant, in consultation with the Company's senior management as and to the extent the Compensation Committee deems appropriate, the Compensation Committee shall review and assess the adequacy and effectiveness of the following in furthering the Company's Compensation Objectives and recommend any proposed changes or new items to the Board that it may deem necessary or desirable respecting the following:

- (a) outside director compensation plans and practices;
- (b) the Company's stock option, stock purchase and other benefit plans and their utilization;
- (c) the other compensation plans, policies and practices of the Company; and
- (d) any proposed supplement, modification or amendment to any such plan, policy or practice.

5. On an annual basis, and more often as it determines circumstances reasonably warrant, the Compensation Committee shall:

- (a) furnish the Compensation Committee's annual report to be included in the Proxy Statement as required by the Exchange Act Rules; and
- (b) review and discuss such other reports or documents within its authority and knowledge for submission to the SEC, Nasdaq or the public as
 - (i) may from time to time be required under the Exchange Act Rules, the Nasdaq Rules, the DGCL (as defined below) or other applicable law; or
 - (ii) the Compensation Committee may from time to time deem appropriate, provided that the Compensation Committee or Chairman shall have given the Chief Executive Officer and Chief Financial Officer reasonable prior written notice of its desire to make such review;

-4-

provided that in the case of paragraph (b) the Chairman may represent and act on behalf of the entire Compensation Committee for purposes of this review, with or without consultation of the other members, and shall present the results thereof at the next meeting of the Compensation Committee.

Legal Compliance and Updates

6. The Compensation Committee periodically (as often as it determines that circumstances reasonably warrant) shall, in consultation with the Company's counsel, alone and/or with the Company's senior management, as and to the extent the Compensation Committee deems appropriate:

- (a) review and discuss any regulatory, compliance, legal or other issue within its knowledge respecting any compensation or related matter that could have a significant impact on the Company or its financial statements, SEC filings or other public disclosures, and recommend to the Board any corrective or other action that it may deem necessary or desirable;
- (b) review and discuss the potential effect on any compensation or related issue of any applicable material change or initiative in any Nasdaq Rule, any Exchange Act Rule, the DGCL or other applicable law or the interpretation thereof within its knowledge, and recommend to the

Board any changes in or additions to the Company's governing documents, policies, principles, practices or processes respecting compensation or related matters that it deems necessary or desirable to deal with such effect;

- (c) review the implementation of changes in and additions to the Company's governing documents, policies, principles, practices or processes respecting compensation or related matters within its knowledge, whether as previously approved or recommended by the Compensation Committee or as previously required by the Nasdaq Rules, the Exchange Act Rules, the DGCL or other applicable law;
- (d) recommend to the Board the advisability of having the Company's counsel, auditors or other experts or professionals make specified studies and reports as to compensation or related matters; and
- (e) receive direct reports from the Company's counsel.

7. The Compensation Committee shall establish regular and separate systems of communication with each of the Company's senior management and the Company's counsel, review and discuss with them any matter within its authority and knowledge that is reasonably likely to have a significant impact on the Company, and recommend to the Board any corrective or other action that it may deem necessary or desirable.

Other Responsibilities, Duties and Powers

8. The Compensation Committee shall report its actions and any recommendations to the Board after each Compensation Committee meeting.

9. The Compensation Committee shall have the responsibility, duty and power, at any time and from time to time, to the same extent and with the same effect as if the entire Board were acting:

- (a) to conduct or authorize investigations into matters within the Compensation Committee's scope of responsibilities under this Charter and applicable law;

-5-

- (b) to retain independent counsel, accountants or others to assist it in the conduct of an investigation or such other action as the Compensation Committee may otherwise determine as necessary to carry out its duties under this Charter and applicable law, the fees and expenses of all of which will be paid by the Company; and
- (c) to perform any other activities related or incidental to the duties and rights conferred on the Compensation Committee (by this Charter or otherwise) as the Compensation Committee or the Board from time to time may deem necessary or reasonably appropriate.

10. In addition to the responsibilities, duties and powers of the Compensation Committee set forth in this Charter, the Compensation Committee also shall have such other responsibilities, duties and powers (if any) as may from time to time be expressly granted to it under the Certificate, the By-Laws, any Board resolution with continuing effect, any Nasdaq Rule, any Exchange Act Rule, the DGCL or any other applicable law.

V. MISCELLANEOUS

1. Notwithstanding anything in this Charter to the contrary: (a) the Compensation Committee is an oversight body, and it is not the role or duty of the Compensation Committee to (i) implement, administer or apply the accounting, auditing or financial reporting or disclosure policies, practices or controls of the Company, (ii) plan or conduct any audit of the Company or any audit of the work of the Company's management or independent accountants, (iii) prepare or certify any of the Company's financial statements or any portion thereof, (iv) determine or assure that the Company's financial statements and disclosures are complete or accurate or are in accordance with GAAP or any applicable rule or regulation, or (v) determine or assure the Company's compliance with any legal or regulatory requirement, all of which are and continue to be the responsibilities of the Company's management and/or the Company's directors, as the case may be; (b) the members of the Compensation Committee are not, and

shall not under any circumstance be deemed or construed to be (by virtue of their Compensation Committee membership, this Charter or any action taken as contemplated hereunder or otherwise), (i) officers, employees or auditors of SGRP or any of its subsidiaries and (ii) directors of any of SGRP's subsidiaries; (c) the Compensation Committee may rely on the representations of and other information provided by the Company's directors, the Company's officers, employees and counsel and experts or other professionals retained by the Company or the Compensation Committee; and (d) the legal liability (actual, potential or otherwise) of the Compensation Committee members shall not be (and shall not be deemed or construed to be) any greater than that of any outside director of SGRP who is not a member of the Compensation Committee.

2. For the purposes of this Charter:

- (a) "Certificate" shall mean the Certificate of Incorporation of SGRP filed on November 29, 1995, with the Secretary of State of the State of Delaware, as the same may have been and from time to time hereafter may be duly amended or restated in the manner provided under applicable law.
- (b) "By-Laws" shall mean the Amended and Restated By-Laws of SGRP dated as of May 18, 2004, as the same may have been and from time to time hereafter may be supplemented, amended or restated in the manner provided therein.
- (c) "DGCL" shall mean the General Corporation Law of the State of Delaware, as the same may have been and from time to time hereafter may be amended or restated, and any succeeding statute.

-6-

3. This Charter constitutes supplemental by-laws of SGRP and shall be governed and supplemented by and construed and interpreted in accordance with the By-Laws. Without in any way limiting the preceding sentence, the provisions of Article X of the By-Laws (and the applicable definitions appearing elsewhere) are hereby incorporated into this Charter by reference as if fully set forth herein and shall be construed as if this Charter were the "By-Laws" referred to in those incorporated provisions. In the event of any conflict between any specific provision of this Charter and the By-Laws, the specific provision of this Charter shall control and be given effect.

4. The terms and provisions of this Charter are each subject to the relevant terms and provisions of the Certificate and applicable law. In the event that any term or provision of this Charter conflicts or is inconsistent with any term or provision of the Certificate or applicable law, the term or provision of the Certificate or applicable law shall control and be given effect.

-7-

Charter of the Governance Committee
of the
Board of Directors
of
SPAR Group, Inc.
Dated (as of) May 18, 2004

I. ESTABLISHMENT AND PURPOSE

1. The Board of Directors (the "Board") of SPAR Group, Inc. ("SGRP"), has established a standing committee of the members of the Board (the "Governance Committee") to assist the Board in fulfilling its oversight responsibilities respecting the nomination of directors and committee members for the Board and the corporate governance policies and practices of SGRP and its direct and indirect subsidiaries (together with SGRP, collectively, the "Company"). In furtherance thereof, the Board has adopted this Charter of the Governance Committee of the Board of Directors of SPAR Group, Inc., dated (as of) May 18, 2004 (as the same may be supplemented, modified, amended, restated or replaced from time to time in the manner provided herein, this "Charter"), to establish and govern (among other things) the purposes, membership, meetings, responsibilities, duties and powers of the Governance Committee. The Governance Committee and its meetings and activities also shall be governed by and conducted in accordance with the provisions applicable to committees generally as contained in the By-Laws (as defined in item V.2 below).

2. The Governance Committee's primary duties and responsibilities are to:

- (a) Oversee the identification, vetting and nomination of candidates for directors and the selection of committee members and recommend any proposed nominees to the Board;
- (b) Oversee the Company's organizational documents and policies and practices on corporate governance and recommend any proposed changes to the Board for approval;
- (c) Oversee the Company's codes of ethics and other internal policies and guidelines and monitor the Company's enforcement of them and incorporation of them into the Company's culture and business practices;
- (d) Furnish the committee report required by the rules of the U. S. Securities and Exchange Commission (the "SEC") to be included in SGRP's annual proxy statement; and
- (e) Perform such other functions as may be required from time to time by the Nasdaq Stock Market, Inc. (the "Nasdaq"), the SEC or other applicable law.

3. The Governance Committee will fulfill these responsibilities by carrying out the activities enumerated in Section IV of this Charter and by performing such other activities consistent with this Charter as may from time to time be necessary or appropriate.

II. COMPOSITION OF THE GOVERNANCE COMMITTEE

1. The Governance Committee shall consist of three or more members of the Board (as such number may be fixed from time to time by the Board).

2. The members of the Governance Committee shall be independent directors and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Governance Committee. For purposes of this Charter, the minimum standards for an independent director shall be as provided in the applicable rules of the Nasdaq's National Market System (as the same may be supplemented, modified, amended, restated or replaced from time to time, the "Nasdaq Rules"), and the

provisions of the Securities Exchange Act of 1934, as amended (as the same may be supplemented, modified, amended, restated or replaced from time to time, the "Exchange Act"), and the rules and regulations promulgated thereunder (as the same may be supplemented, modified, amended, restated or replaced from time to time, the "Exchange Act Rules"), in each case as then in effect respecting Audit

Committees.

3. All members of the Governance Committee shall be "financially literate" and otherwise qualified to serve as members under the Nasdaq Rules, as determined by the Board. The Nasdaq Rules currently require (among other things) that all members of the Governance Committee must be able to read and understand fundamental financial statements, including (without limitation) a balance sheet, income statement and cash flow statement.

4. The candidates for membership in the Governance Committee shall be nominated by the Governance Committee prior to the consideration of the election of its members at the annual organizational meeting of the Board (the "Organizational Meeting"), generally held in conjunction with SGRP's annual stockholders meeting. If no such nominations have been received by the time such matter is considered at the Organizational Meeting, nominations to the Governance Committee may be made by any member of the Board.

5. The members of the Governance Committee shall be elected by the Board at the annual organizational meeting of the Board (generally held in conjunction with the Organizational Meeting) or in any other meeting duly called or action duly taken as provided in the By-Laws.

6. The Board, in any meeting duly called or other action duly taken as provided in the By-Laws, at any time may (a) designate a chairman of the Governance Committee (the "Chairman") from among the members of the Governance Committee and (b) remove any such member as Chairman, either with or without cause. If the Board has not so acted, the members of the Governance Committee may designate the Chairman by majority vote of the full Governance Committee membership. Any Chairman who ceases to be a member of the Board or Governance Committee automatically shall simultaneously cease to be Chairman of the Governance Committee.

III. MEETINGS

1. The Governance Committee may hold regular meetings, with or without notice, and may fix the time and place at which such meetings shall be held, with all notices given or waived and all meetings held in accordance with the By-Laws. Each scheduled Board meeting shall be deemed to include a corresponding scheduled Governance Committee meeting unless expressly stated otherwise in scheduling such Board meeting.

2. The notice of a meeting may provide, or the Governance Committee may request (in advance or at the meeting), that members of the Company's senior management or others attend a meeting of the Governance Committee and provide pertinent information as necessary and available.

3. As part of its responsibility to foster open communication, the Governance Committee shall meet at least semi-annually with the Company's senior management and the Company's Independent Accountants in separate executive sessions to discuss any matters that the Governance Committee or any of these groups believe should be discussed privately. In addition, the Governance Committee shall meet with the Company's Independent Accountants and the Company's senior management to review and discuss the Company's quarterly financial statements consistent with Section IV below.

4. The Governance Committee shall maintain minutes or other records of its meetings and activities, which shall be maintained with the minutes of the Board, and shall report the same to the Board as and when requested. Written consents by the Governance Committee shall be filed with the minutes of the Board.

-2-

IV. RESPONSIBILITIES AND DUTIES

The Governance Committee's responsibilities, duties and powers shall consist of the following:

Documents and Reports

1. On an annual basis, and more often as it determines circumstances reasonably warrant, the Governance Committee shall review and discuss this

Charter and recommend to the Board any changes in or additions to this Charter that it may deem necessary or desirable.

2. On an annual basis, and more often as it determines circumstances reasonably warrant, the Governance Committee shall review and assess the adequacy of the following and recommend to the Board any changes in or additions to them as it may deem necessary or desirable:

- (a) the Company's Articles, By-Laws, committee charters and other organizational documents;
- (b) the Company's codes of ethics, securities trading and other similar written policies and guidelines, the adequacy of the principles described therein and whether such principles are being incorporated into the Company's culture and business practices;
- (c) the size of the Board and the number, identity, responsibilities and size of the standing and other committees of the Board; and
- (d) the other material written policies and practices of the Company respecting corporate governance.

3. The Governance Committee shall, prior to its adoption, filing with the SEC or Nasdaq or release to the public (as the case may be), in consultation with the Company's counsel and/or the Company's senior management, as and to the extent the Governance Committee deems appropriate:

- (a) review and discuss each proposed change in or addition to any of (i) SGRP's Articles, By-Laws, committee charters and other organizational documents, (ii) the Company's codes of ethics, securities trading policy, shareholder access policy, and other similar policies and guidelines, and (iii) the Company's other written material policies and practices respecting corporate governance, and recommend to the Board any changes in or additions to them as it may deem necessary or desirable;
- (b) furnish the Governance Committee's annual report to be included in the Proxy Statement as required by the Exchange Act Rules; and
- (c) review and discuss such other reports or documents within its authority and knowledge for submission to the SEC, Nasdaq or the public as:
 - (i) may from time to time be required under the Exchange Act Rules, the Nasdaq Rules, the DGCL (as defined below) or other applicable law; or
 - (ii) the Governance Committee may from time to time deem appropriate, provided that the Governance Committee or Chairman shall have given the Chief Executive Officer and Chief Financial Officer reasonable prior written notice of its desire to make such review;

provided that in the case of paragraph (c) the Chairman may represent and act on behalf of the entire Governance Committee for purposes of this review, with or without consultation of the other members, and shall present the results thereof at the next meeting of the Governance Committee.

-3-

Board of Directors, Standing Committees and Nominations

4. On an annual basis, and more often as it determines circumstances reasonably warrant, the Governance Committee shall review the overall composition of the Board and each standing committee, taking into consideration such factors as business experience and specific areas of expertise of each member, and make recommendations to the Board for such changes (if any) as may be necessary or desirable.

5. On an annual basis, and more often as it determines circumstances reasonably warrant, the Governance Committee shall review and discuss its criteria for identifying and selecting individuals who may be nominated for election to the Board or appointment to its standing committees and guidelines for dealing with unsolicited nominations, and may from time to time recommend to the Board policies containing such criteria and any changes in or additions to them as it may deem necessary or desirable, which criteria shall reflect at a

minimum all applicable laws, rules, regulations and listing standards and shall include (without limitation) a person's experience, areas of expertise and other factors relative to the overall composition of the Board or committee.

6. On an annual basis (allowing sufficient time for preparation of SGRP's proxy statement), the Governance Committee shall consider and recommend to the Board:

- (a) the slate of nominees for election to the Board at the Company's annual meeting of stockholders;
- (b) the nominees for the Chair and members of each standing committee of the Board, including (without limitation) any proposed rotation or removal; and
- (c) the disposition of any unsolicited nominations for Board membership in accordance with guidelines developed by the Governance Committee.

In connection with these nominations, the Governance Committee shall assist the Board in the identification and vetting of candidates for directors and committee members.

7. From time to time as vacancies arise, the Governance Committee shall actively seek individuals qualified to become members of the Board and its standing committee(s) for recommendation to the Board.

8. On an annual basis (allowing sufficient time for preparation of SGRP's proxy statement), and more often as it determines circumstances reasonably warrant, the Governance Committee shall review and discuss the qualifications and independence of the Company's directors and nominees as reported to the Governance Committee, including (without limitation) those who are intended to be "independent" under the Nasdaq Rules and Exchange Act Rules ("Independent Directors"), and which should include (without limitation):

- (a) review of each directors responses to his or her annual questionnaire and review and discussion of their responses with each of the Company's directors, which shall for those intended as Independent Directors include (i) all of such person's relationships that would disqualify him or her as an independent director under such rules, or (ii) any significant relationship with the Company or any of its affiliates, customers, vendors or competitors or other significant relationships that would be reasonably likely to adversely effect his or her independence or objectivity;
- (b) based on such responses and discussion, confirm that a majority of the Board and all of the members of the Audit Committee, Compensation Committee and Governance Committee are Independent Directors; and

-4-

- (c) report to the Board its conclusions respecting such reviews and discussions and recommend appropriate action(s) to be taken to confirm, assure or enforce the independence (where intended) and other qualifications and performance of the Company's directors.

Legal Compliance and Updates

9. The Governance Committee periodically (as often as it determines that circumstances reasonably warrant) shall, in consultation with the Company's counsel, alone and/or with the Company's senior management, as and to the extent the Governance Committee deems appropriate:

- (a) review and discuss any regulatory, compliance, legal or other issue within its knowledge respecting any governance or related matter that could have a significant impact on the Company or its financial statements, SEC filings or other public disclosures, and recommend to the Board any corrective or other action that it may deem necessary or desirable;
- (b) review and discuss the potential effect on governance or related issue of any applicable material change or initiative in any Nasdaq Rule, any Exchange Act Rule, the DGCL or other applicable law or the interpretation thereof within its knowledge, and recommend to the Board any changes in or additions to the Company's governing documents, policies, principles, practices or processes respecting governance or related matters that it

deems necessary or desirable to deal with such effect;

- (c) review the implementation of changes in and additions to the Company's governing documents, policies, principles, practices or processes respecting governance or related matters within its knowledge, whether as previously approved or recommended by the Governance Committee or as previously required by the Nasdaq Rules, the Exchange Act Rules, the DGCL or other applicable law;
- (d) recommend to the Board the advisability of having the Company's counsel, auditors or other experts or professionals make specified studies and reports as to governance or related matters; and
- (e) receive direct reports from the Company's counsel.

10. The Governance Committee shall establish regular and separate systems of communication with each of the Company's senior management and the Company's counsel, review and discuss with them any matter within its authority and knowledge that is reasonably likely to have a significant impact on the Company, and recommend to the Board any corrective or other action that it may deem necessary or desirable.

Ethics Code

11. The Governance Committee periodically (as often as it determines that circumstances reasonably warrant) review the monitoring by the Company's senior management of compliance with the Company's codes of business ethics and conduct then in effect, including (without limitation) the SPAR Group Code of Ethical Conduct for its Directors, Senior Executives and Employees Dated (as of) May 1, 2004, and the SPAR Group Statement of Policy Regarding Personal Securities Transactions in SGRP Stock and Non-Public Information Dated, Amended and Restated as of May 1, 2004 (as then in effect), and ensure that the Company's senior management has the proper review and enforcement systems in place to ensure compliance.

12. The Governance Committee periodically (as often as it determines that circumstances reasonably warrant) shall review, with the Company's counsel, alone or in the presence of the Company's senior management, as and to the extent the Governance Committee deems appropriate:

- (a) legal and regulatory matters and any other legal matter that could have a significant impact on the Company; and

-5-

- (b) legal compliance matters, including (without limitation) compliance with the Company's codes of ethics and securities trading policies.

Other Responsibilities, Duties and Powers

13. The Governance Committee shall report its actions and any recommendations to the Board after each Governance Committee meeting.

14. The Governance Committee shall have the responsibility, duty and power, at any time and from time to time, to the same extent and with the same effect as if the entire Board were acting:

- (a) to conduct or authorize investigations into matters within the Governance Committee's scope of responsibilities under this Charter and applicable law;
- (b) to retain independent counsel, accountants or others to assist it in the conduct of an investigation or such other action as the Governance Committee may otherwise determine as necessary to carry out its duties under this Charter and applicable law, the fees and expenses of all of which will be paid by the Company; and
- (c) to perform any other activities related or incidental to the duties and rights conferred on the Governance Committee (by this Charter or otherwise) as the Governance Committee or the Board from time to time may deem necessary or reasonably appropriate.

15. In addition to the responsibilities, duties and powers of the Governance Committee set forth in this Charter, the Governance Committee also shall have such other responsibilities, duties and powers (if any) as may from time to time be expressly granted to it under the Certificate, the By-Laws, any Board resolution with continuing effect, any Nasdaq Rule, any Exchange Act Rule, the DGCL or any other applicable law.

V. MISCELLANEOUS

1. Notwithstanding anything in this Charter to the contrary: (a) the Governance Committee is an oversight body, and it is not the role or duty of the Governance Committee to (i) implement, administer or apply the accounting, auditing or financial reporting or disclosure policies, practices or controls of the Company, (ii) plan or conduct any audit of the Company or any audit of the work of the Company's management or independent accountants, (iii) prepare or certify any of the Company's financial statements or any portion thereof, (iv) determine or assure that the Company's financial statements and disclosures are complete or accurate or are in accordance with GAAP or any applicable rule or regulation, or (v) determine or assure the Company's compliance with any legal or regulatory requirement, all of which are and continue to be the responsibilities of the Company's management and/or the Company's directors, as the case may be; (b) the members of the Governance Committee are not, and shall not under any circumstance be deemed or construed to be (by virtue of their Governance Committee membership, this Charter or any action taken as contemplated hereunder or otherwise), (i) officers, employees or auditors of SGRP or any of its subsidiaries and (ii) directors of any of SGRP's subsidiaries; (c) the Governance Committee may rely on the representations of and other information provided by the Company's directors, the Company's officers, employees and counsel and experts or other professionals retained by the Company or the Governance Committee; and (d) the legal liability (actual, potential or otherwise) of the Governance Committee members shall not be (and shall not be deemed or construed to be) any greater than that of any outside director of SGRP who is not a member of the Governance Committee.

-6-

2. For the purposes of this Charter:

- (a) "Certificate" shall mean the Certificate of Incorporation of SGRP filed on November 29, 1995, with the Secretary of State of the State of Delaware, as the same may have been and from time to time hereafter may be duly amended or restated in the manner provided under applicable law.
- (b) "By-Laws" shall mean the Amended and Restated By-Laws of SGRP dated as of May 18, 2004, as the same may have been and from time to time hereafter may be supplemented, amended or restated in the manner provided therein.
- (c) "DGCL" shall mean the General Corporation Law of the State of Delaware, as the same may have been and from time to time hereafter may be amended or restated, and any succeeding statute.

3. This Charter constitutes supplemental by-laws of SGRP and shall be governed and supplemented by and construed and interpreted in accordance with the By-Laws. Without in any way limiting the preceding sentence, the provisions of Article X of the By-Laws (and the applicable definitions appearing elsewhere) are hereby incorporated into this Charter by reference as if fully set forth herein and shall be construed as if this Charter were the "By-Laws" referred to in those incorporated provisions. In the event of any conflict between any specific provision of this Charter and the By-Laws, the specific provision of this Charter shall control and be given effect.

4. The terms and provisions of this Charter are each subject to the relevant terms and provisions of the Certificate and applicable law. In the event that any term or provision of this Charter conflicts or is inconsistent with any term or provision of the Certificate or applicable law, the term or provision of the Certificate or applicable law shall control and be given effect.

SPAR GROUP, INC.
STATEMENT OF POLICY RESPECTING
STOCKHOLDER COMMUNICATIONS WITH DIRECTORS
DATED AS OF MAY 18, 2004

The Board of Directors (the "Board") of SPAR Group, Inc. ("SGRP"), upon the recommendation of its Governance Committee, has adopted this SPAR Group, Inc., Statement of Policy Regarding Stockholder Communications with Directors dated as of May 18, 2004 (as the same may be modified, amended, restated or replaced from time to time in the manner provided herein, this "Policy").

1. Introduction. The Board has adopted this Policy to foster communications between individual stockholders and directors.

2. Communicating with Directors. Stockholders may communicate directly with members of the Board by writing to the Board or a particular Committee, or any of its members, at the executive offices of SGRP. However, stockholder proposals and nominations must be submitted to SGRP as provided in Section 2.11 of the By-Laws.

3. Mail Forward. SGRP shall promptly forward to the applicable director(s) any item received that is addressed to (or for redelivery to) the Board, any Committee, or any one or more named directors, which may be forwarded by Electronic Delivery or Physical Delivery (as such terms are defined in the By-Laws). However, any advertisement or other general solicitation or similar junk mail need not be so forwarded. If the Chairman or the Secretary is the actual recipient, he shall promptly cause such item to be so forwarded.

4. Responding to Stockholder Communications. The Board believes that an individual stockholder who sends a bona fide, non-frivolous, written communication to a director (in such capacity), the Board or a Committee generally should receive a written response. However, any personal attack, advertisement or other general solicitation or similar junk mail generally will not receive any response. If such communication is addressed to a particular director, the response may come from such director or, if he so desires, from the Chairman of the Board, the Chairman of the appropriate Committee or SGRP, as applicable. If such communication is addressed to the Board or a particular Committee, the response should generally come from the Chairman of the Board or Committee, respectively, unless the Board or Committee determines otherwise. The responding Chairman or other director (or SGRP executive if a company response) shall cause a copy of each such written communication and response to be provided to each other member of the Board.

5. Consultation with Directors and Management Assistance. The receiving and (if different) responding director shall consult with other directors, the Chairman (where not the respondent), the Chief Financial Officer and/or SGRP's legal counsel, as the director deems advisable, with respect to the contents of the proposed response. The executives of SGRP will assist in the preparation of appropriate responses to stockholder communications as and to the extent requested.

6. Attendance at the Annual Meetings of Stockholders. The Board expects directors to attend SGRP's annual meeting of stockholders each year in person, whether or not they are standing for re-election. The Board recognizes there may be an unavoidable schedule conflict or other circumstance that may excuse a director's attendance. Directors in attendance will be introduced at the meeting and should make themselves available before and after the meeting to speak with interested stockholders.

7. Non-Public Information. No director, officer or employee of SGRP should, under any circumstances, communicate non-public information about SGRP or any of its subsidiaries or affiliates (collectively, the "SPAR Companies") to any SGRP stockholder or other investor in SGRP in violation of SGRP's codes of ethics (which generally prohibits disclosure of such information outside the SPAR Companies).

8. Proxy Disclosure. The Corporation's proxy statement should contain

substantially the following disclosure respecting communications with the Corporation and Directors:

Generally, a stockholder who has a question or concern regarding the business or affairs of the Corporation should contact _____. However, if a stockholder would like to address any such question directly to the Board, to a particular Committee, or to any individual director(s), the stockholder may do so by sending his or her question(s) in writing addressed to such group or person(s), c/o SPAR Group, Inc., 580 White Plains Road, Tarrytown, New York, 10591, and marked "Stockholder Communication." The Corporation has a policy of generally responding in writing to each bona fide, non-frivolous, written communication from an individual stockholder.

In addition, questions may be asked of any director at the Corporation's annual stockholders' meeting. The Corporation schedules its annual stockholders' meeting on the same day as a regularly scheduled quarterly Board meeting, so all directors generally attend. All of the Corporation's directors attended its 2003 annual stockholders' meeting.

9. Effective Date and Amendments. This Policy is effective as of May 18, 2004, and may be supplemented, modified, amended, restated or replaced from time to time by action of the Board in its discretion, with or without the recommendation of the Governance Committee.

10. Certain Definitions. "By-Laws" shall mean the Amended and Restated By-Laws of SGRP dated as of May 18, 2004, as the same may have been and from time to time hereafter may be supplemented, amended or restated in the manner provided therein. "Governance Committee Charter" shall mean the Charter of the Governance Committee of the Board of Directors of SPAR Group, Inc., Dated (as of) May 18, 2004, as the same may be supplemented, modified, amended, restated or replaced from time to time in the manner provided therein. Capitalized terms used and not otherwise defined herein shall have the meanings respectively assigned to them in the By-Laws or the Governance Committee Charter.

11. Incorporation of Certain Provisions of By-Laws. This Policy shall be governed and supplemented by and construed and interpreted in accordance with Article X of the By-Laws (and the applicable definitions appearing elsewhere), which are hereby incorporated into this Policy by reference as if fully set forth herein and shall be construed as if this Policy were the "By-Laws" referred to in those incorporated provisions. In the event of any conflict between any specific provision of this Policy and the By-Laws or the Governance Committee Charter, the specific provision of this Policy shall control and be given effect.

SPAR GROUP, INC.
STATEMENT OF POLICY REGARDING
DIRECTOR QUALIFICATIONS AND NOMINATIONS
DATED AS OF MAY 18, 2004

The Board of Directors (the "Board") of SPAR Group, Inc. ("SGRP"), upon the recommendation of its Governance Committee, has adopted this SPAR Group, Inc., Statement of Policy Regarding Director Qualifications and Nominations dated as of May 18, 2004 (as the same may be modified, amended, restated or replaced from time to time in the manner provided herein, this "Policy").

1. Introduction. The Board has adopted this Policy to identify personal and group traits, skills and performance criteria that the Board believes are essential to effective service as a member of the Board, and to establish an effective process for the selection of nominees for the Board, all in order to identify and select Board nominees who are in a position to exercise independent judgment, provide effective oversight of management and serve the best interests of stockholders.

2. Nominee's Personal Characteristics. The Board believes the following personal characteristics are important for any nominee for director, and each nominee for director should possess as many of them as practicable:

- (a) the highest professional and personal ethics and integrity;
- (b) sufficient time and attention to devote to Board duties and responsibilities and shall be ready, willing and able to do so;
- (c) strong relevant business and industry knowledge and contacts;
- (d) business and financial sophistication, common sense and wisdom, and the ability to make informed judgments on a wide range of issues;
- (e) strong relevant skills and experience demonstrated through business, professional, charitable or civic affairs, including (without limitation) business, managerial and leadership skills;
- (f) the ability and willingness to exercise independent judgment and express independent opinions; and
- (g) the apparent ability and willingness to meet or exceed the Board's performance expectations.

The Governance Committee shall consider each of these factors in evaluating potential nominees and recommending them to the Board, which in the case of incumbents also shall include the degree to which they have already evidenced such abilities and performance.

3. Performance Expectations. The Board expects each of its members to:

- (a) prepare in advance for, regularly attend and actively participate in all scheduled and special meetings of the Board and each Committee on which he serves;
- (b) offer insight, support and advice to management in his areas of expertise;
- (c) ask appropriate questions and maintain focus on the Board's agenda;
- (d) understand the business, finances, plans and strategies of SGRP and its subsidiaries (collectively, the "Company");
- (e) interact professionally and collegially with the other directors and the officers of the Company;

- (f) act in the best interests of the Company and SGRP's stockholders and follow the Company's applicable ethics codes; and

(g) pursue and attend continuing director education as appropriate.

The Governance Committee shall consider each of these factors in evaluating potential nominees and recommending them to the Board, which in the case of incumbents also shall include the degree to which they have already evidenced such performance.

4. Evaluation of Overall Board Needs. The Board believes its effectiveness will be enhanced by having a group of directors with a range of relevant business and other experience, knowledge and judgment and a diversity of perspectives and by individual directors that each have the personal characteristics, commitment and experience to participate actively in the board process. The Board also believes continuity in leadership and Board and Committee tenure will maximize the Board's ability to exercise meaningful board oversight. In addition to considering the individual qualifications of a potential nominee, the Governance Committee shall review and evaluate the then current mix of contacts, disciplines, experience and other personal characteristics of the directors on the Board and the perceived needs of the Board, each Committee and the Company, and determine those personal characteristics that may be desirable for any new nominee to possess. Accordingly, in considering the potential nominee slate (including incumbent directors) to recommend to the Board, the Governance Committee shall take into account: (a) the benefits of incumbency, as noted above and below; (b) any perceived needs of Board, any Committee or the Company at the time for business contacts, skills or experience or other particular desirable personal characteristics; (c) the collegiality of Board members; (d) the need for independent directors or financial experts under this Policy or Applicable Law for the Board or its Committees; (e) any other requirements of Applicable Law; and (f) the desirability of ethnic, racial, gender and geographic diversity.

5. Independent Directors. A majority of the directors of the Board, and all of the members of its Audit Committee, Compensation Committee and Governance Committee, shall satisfy the independence requirements applicable to Audit Committee members as provided in the applicable rules of the Nasdaq Stock Market, Inc.'s National Market System, as the same may have been and hereafter may be supplemented, modified, amended, restated or replaced from time to time ("Nasdaq Rules").

6. Other Directorships. The Board believes that service by any outside director on the boards of other public and private companies to be valuable experience, a benefit to the Board and Company and not in conflict with his duties to the Company so long as (a) he has sufficient time and attention to deal with Board, Committee and Company matters and meets or exceeds the performance expectations established by this Policy, (b) he remains independent under Nasdaq Rules if and to the extent he was expected by the Board to be so, (c) he complies with the Company's codes of ethics, and (d) he uses reasonable judgment as to the number of boards and audit committees on which he serves.

7. Incumbency. The Board believes qualified incumbent directors are generally uniquely positioned to provide stockholders the benefit of continuity of leadership and seasoned judgment gained through experience as a director of SGRP. The value of these benefits may outweigh many other factors. Therefore, it is expected that the Governance Committee will generally consider recommending the re-nomination of incumbent directors, provided that they continue to satisfy the applicable personal characteristic criteria and performance expectations. However, the Governance Committee need not necessarily recommend to the Board the nomination of eligible incumbent directors for re-election.

-2-

8. Consideration of New Candidates. New candidates for director may be identified from time to time by directors, officers or other representatives of SGRP. The Governance Committee may also receive recommendations from stockholders received in accordance with Section 2.11 of the By-Laws/1/.

1 Section 2.11. Stockholder Proposals and Nominations. If and for so long as any shares of capital stock issued by the Corporation are listed for trading on any securities exchange or registered under Section 12 of the Securities Exchange Act of 1934, as amended, the following provisions shall apply:

(a) At an Annual Meeting, only such business shall be conducted, only such

nominees for director shall be considered, and only such proposals shall be acted upon, as shall have been brought before the Annual Meeting: (i) by any stockholder of the Corporation (acting in his or her capacity as stockholder) who complies with the notice procedures set forth in this Section 2.11 of these By-Laws; or (ii) by, or at the direction of, the Board.

- (b) For any business, nominee or proposal to be properly brought before an Annual Meeting by a stockholder (acting in his or her capacity as stockholder), such stockholder must have given timely written notice thereof by Physical Delivery to the Secretary of the Corporation. To be timely, a stockholder's notice must be delivered to, or received at, the principal executive offices of the Corporation not less than 120 calendar days in advance of the date of the Corporation's proxy statement released to stockholders in connection with the previous year's annual meeting of stockholders except that if no annual meeting was held in the previous year or the date of the annual meeting has been changed by more than thirty (30) calendar days from the date contemplated at the time of the previous year's proxy statement, a proposal shall be received by the Corporation a reasonable time before the solicitation is made.
- (c) A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the Annual Meeting (i) a brief description of the business, nominee or proposal desired to be brought before the Annual Meeting and the reasons for considering the same at the Annual Meeting, (ii) the name and address, as they appear on the Corporation's books, of the stockholder proposing such business and any other stockholders known by such stockholder to be supporting such proposal, (iii) the class and number of shares of the Corporation's stock which are beneficially owned by the stockholder on the date of such stockholder notice and by any other stockholders known by such stockholder to be supporting such proposal on the date of such stockholder notice, and (iv) any financial interest of such stockholder (or any affiliate or family member of such stockholder), whether current or at any time within the past three years, in such business, nominee or proposal. In addition, if the notice is a nomination of a candidate for director, the stockholder's notice also must contain (A) the proposed nominee's name and qualifications, including five year employment history with employer names and a description of the employer's business, whether such individual can read and understand basic financial statements, and board memberships (if any), (B) the reason for such recommendation, (C) the number of shares of stock of the Corporation that are beneficially owned by such nominee, (D) a description of any business or other relationship, whether current or at any time within the past three years, between such nominee (or any affiliate or family member of such nominee) and either the Company, any of its directors or officers, its auditor, or any of its customers or vendors, and (E) a description of any financial or other relationship, whether current or at any time within the past three years, between the stockholder (or any affiliate or family member of such stockholder) and such nominee (or any affiliate or family member of such nominee).

-3-

- (d) If the Governance Committee determines in advance of the Annual Meeting, or if it has not passed on the proposal, if the presiding officer of the Annual Meeting determines at the Annual Meeting, that a stockholder proposal was not made in accordance with the terms of this Section 2.11, such officer shall so declare at the Annual Meeting and any such proposal shall not be acted upon at the Annual Meeting.
- (e) This Section 2.11 shall not prevent the consideration and approval or disapproval at the Annual Meeting of reports of officers, Directors and Committees of the Board or any other matter that comes before the meeting with the consent of the Board, but, in connection with any such report on a stockholder's proposal, no business shall be acted upon at such Annual Meeting unless stated, filed and received as herein provided.

Regardless of the source of a recommended candidate for director, the Governance Committee shall not propose or recommend any new candidate for nomination unless the Governance Committee has evaluated the individual's qualifications on the basis of (i) sufficient background information obtained directly from the candidate, (ii) references or background checks obtained from third parties to

the extent the Governance Committee deems necessary or advisable; and (iii) interviews of the candidate by the Chairman and by one or more members of the Governance Committee. However, the Board recognizes that the Governance Committee may identify, or receive recommendations respecting, more qualified candidates than would be feasible or practical to consider, in which case the Governance Committee shall pursue those it selects in its discretion and shall not be obligated to consider or pursue more potential candidates than it deems reasonably necessary or appropriate in order to select qualified nominees.

9. Effective Date and Amendments. This Policy is effective as of May 18, 2004, and may be supplemented, modified, amended, restated or replaced from time to time by action of the Board in its discretion, with or without the recommendation of the Governance Committee.

10. Certain Definitions. "By-Laws" shall mean the Amended and Restated By-Laws of SGRP dated as of May 18, 2004, as the same may have been and from time to time hereafter may be supplemented, amended or restated in the manner provided therein. "Governance Committee Charter" shall mean the Charter of the Governance Committee of the Board of Directors of SPAR Group, Inc., dated (as of) May 18, 2004, as the same may be supplemented, modified, amended, restated or replaced from time to time in the manner provided therein. Capitalized terms used and not otherwise defined herein shall have the meanings respectively assigned to them in the By-Laws or the Governance Committee Charter.

11. Incorporation of Certain Provisions of By-Laws. This Policy shall be governed and supplemented by and construed and interpreted in accordance with Article X of the By-Laws (and the applicable definitions appearing elsewhere), which are hereby incorporated into this Policy by reference as if fully set forth herein and shall be construed as if this Policy were the "By-Laws" referred to in those incorporated provisions. In the event of any conflict between any specific provision of this Policy and the By-Laws or the Governance Committee Charter, the specific provision of this Policy shall control and be given effect.