

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

FORM 8-K

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

Date of Report (Date of earliest event reported): May 7, 2018

SPAR Group, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

0-27408
(Commission
File No.)

33-0684451
(IRS Employer
Identification No.)

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

10604
(Zip Code)

Registrant's telephone number, including area code: (914) 332-4100
(Former Name or Former Address, if Changed Since Last Report)

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

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

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

Emerging growth company

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

Item 1.02 Termination of a Material Definitive Agreement.

On May 7, 2018, SPAR Marketing Force, Inc. ("SMF"), a subsidiary of SPAR Group, Inc. ("SGRP" or the "Registrant"), gave a termination notice (the "Notice") to SPAR Administrative Services, Inc. ("SAS"), specifying July 31, 2018, as the end of the Service Term under (and as defined in) the Field Administration Agreement effective as of December 1, 2014 (the "SAS Agreement"), between SMF, and SAS. Although the Company may bring certain Field Administrators in-house from time to time, the Company is negotiating and anticipates reaching an a non-exclusive agreement with an independent third party vendor to provide substantially all of the domestic the Field Administrators used by the Company. The Company expects a smooth and seamless transition to such new vendor and its Field Administrators that will provide the Company with continuity of great execution and be virtually unnoticeable to the Company's Clients.

SAS is an affiliate of SGRP but are not under the control or part of the consolidated Company. Mr. William H. Bartels, a Director, Vice Chairman and a major stockholder of SGRP, are the sole stockholders of SBS. Mr. Bartels is a director and officer of SAS. The stockholders of SAS are Mr. Bartels and parties related to Robert G Brown (a significant stockholder and former Chairman, director and officer of SGRP), each of whom is considered an affiliate of the Company for related party purposes because of their family relationships with Mr. Brown.

For more information respecting the SAS Agreement and related party transactions thereunder, please see Note 11 to the Company's Consolidated Financial Statements – *Related Party Transactions - Domestic Related Party Services*, in SGRP's Annual Report on Form 10-K for its fiscal year ended December 31, 2017, as filed with the SEC on April 2, 2018 (the "Annual Report").

A copy of the Notice is attached hereto and filed herewith as Exhibit 10.1 and incorporated herein by reference.

Forward Looking Statements

This Current Report on Form 8-K and the attached Notice (this "Current Report"), contain "forward-looking statements" within the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, made by, or respecting, SPAR Group, Inc. ("SGRP") and its subsidiaries (together with SGRP, the "SPAR Group" or the "Company"), and this Current Report has been filed by SGRP with the Securities and Exchange Commission (the "SEC"). There also are "forward-looking statements" contained in SGRP's Annual Report on Form 10-K for its fiscal year ended December 31, 2017 (as filed, the "Annual Report"), as filed with the SEC on April 2, 2018, in SGRP's definitive Proxy Statement respecting its Annual Meeting of Stockholders held on May 2, 2018, as filed with the SEC on April 18, 2018 (the "Proxy Statement"), and SGRP's Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other reports and statements as and when filed with the SEC (including this Current Report, the Annual Report and the Proxy Statement, each a "SEC Report"). "Forward-looking statements" are defined in Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and other applicable federal and state securities laws, rules and regulations, as amended (together with the Securities Act and Exchange Act, the "Securities Laws").

All statements (other than those that are purely historical) are forward-looking statements. Words such as "may," "will," "expect," "intend", "believe", "estimate", "anticipate," "continue," "plan," "project," or the negative of these terms or other similar expressions also identify forward-looking statements. Forward-looking statements made by the Company in this Current Report or the Annual Report may include (without limitation) statements regarding: risks, uncertainties, cautions, circumstances and other factors ("Risks"); and plans, intentions, expectations, guidance or other information respecting the pursuit or achievement of the Company's five corporate objectives (growth, customer value, employee development, greater productivity & efficiency, and increased earnings per share), building upon the Company's strong foundation, leveraging compatible global opportunities, growing the Company's client base and contracts, continuing to strengthen its balance sheet, growing revenues and improving profitability through organic growth, new business development and strategic acquisitions, and continuing to control costs. The Company's forward-looking statements also include (without limitation) those made in the Annual Report in "Business", "Risk Factors", "Legal Proceedings", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Directors, Executive Officers and Corporate Governance", "Executive Compensation", "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters", and "Certain Relationships and Related Transactions, and Director Independence".

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

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

May 7, 2018

SPAR Administration Services, Inc.
333 Westchester Avenue
South Building, Suite 203
White Plains, NY 10604

Attention: William H. Bartels, President

Re: Notice of Termination of Service Term to Become Effective August 1, 2018.

Dear Bill,

As per our discussion on May 3, 2018, pursuant to the Field Administration Agreement effective as of December 1, 2014 (the "Agreement"), between SPAR Marketing Force, Inc. ("SMF"), and SPAR Administrative Services, Inc. ("SAS"), SMF is hereby giving SAS notice of SMF's termination of the Service Term under (and as defined in) the Agreement, with such termination to become effective and the Service Term to end at the close of business on July 31, 2018.

Per Section 10(a) of the Agreement SMF is providing SAS with more than the required sixty (60) days' notice of such termination, and per Section 10(e) of the Agreement, for any transition services before the termination on July 31, 2018, as well as for any transition services (of 90 days or less) after that date, the Plus Percentage will remain two percent (2.00%).

SMF will work together with SAS (and in particular, you and your team) throughout this transition while SAS continues to provide its services, and SMF continues to use those services, under and in accordance with the Agreement through the end of the Service Term on July 31, 2018.

Please let me know of any questions.

Sincerely,

Kori Belzer
Chief Operating Officer
SPAR Marketing Force, Inc.

cc: Chris Olivier
Jim Segreto
Larry Swift
Art Drogue