

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM IO-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2010

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

Commission file number 001-05869

SUPERIOR UNIFORM GROUP, INC.

Incorporated - Florida

Employer Identification No.
11-1385670

10055 Seminole Boulevard
Seminole, Florida 33772-2539
Telephone No.: 727-397-9611

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller Reporting Company

Indicate by check mark whether the Company is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of July 20, 2010, the Registrant had 5,900,245 common shares outstanding, which is the registrant's only class of common stock.

PART I - FINANCIAL INFORMATION

ITEM 1. Financial Statements

SUPERIOR UNIFORM GROUP, INC. AND SUBSIDIARIES **CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS**

THREEMONTHS ENDED JUNE 30,
(Unaudited)

	<u>2010</u>	<u>2009</u>
Net sales	\$ <u>26,629,161</u>	\$ <u>24,971,523</u>
Costs and expenses:		
Cost of goods sold	17,245,178	16,689,786
Selling and administrative expenses	7,845,209	7,235,529
Interest expense	<u>5,604</u>	<u>24,936</u>
	<u>25,095,991</u>	<u>23,950,251</u>
Earnings before taxes on income	1,533,170	1,021,272
Income tax expense	<u>550,000</u>	<u>320,000</u>
Net earnings	\$ <u><u>983,170</u></u>	\$ <u><u>701,272</u></u>
Weighted average number of shares outstanding during the period		
(Basic)	5,901,723	6,029,936
(Diluted)	5,957,641	6,029,936
Per Share Data:		
Basic		
Net earnings	\$ <u><u>0.17</u></u>	\$ <u><u>0.12</u></u>
Diluted		
Net earnings	\$ <u><u>0.17</u></u>	\$ <u><u>0.12</u></u>
Cash dividends per common share	\$ <u><u>0.135</u></u>	\$ <u><u>0.135</u></u>

See accompanying notes to condensed consolidated interim financial statements.

SUPERIOR UNIFORM GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

SIX MONTHS ENDED JUNE 30,
(Continued)
(Unaudited)

	<u>2010</u>	<u>2009</u>
Net sales	\$ <u>52,609,023</u>	\$ <u>48,687,617</u>
Costs and expenses:		
Cost of goods sold	34,293,552	32,998,920
Selling and administrative expenses	15,966,006	15,305,657
Interest expense	<u>8,078</u>	<u>64,713</u>
	<u>50,267,636</u>	<u>48,369,290</u>
Earnings before taxes on income	2,341,387	318,327
Income tax expense	<u>850,000</u>	<u>120,000</u>
Net earnings	\$ <u><u>1,491,387</u></u>	\$ <u><u>198,327</u></u>
Weighted average number of shares outstanding during the period	(Basic) 5,904,889	6,039,559
	(Diluted) 5,958,825	6,039,559
Per Share Data:		
Basic		
Net earnings	\$ <u><u>0.25</u></u>	\$ <u><u>0.03</u></u>
Diluted		
Net earnings	\$ <u><u>0.25</u></u>	\$ <u><u>0.03</u></u>
Cash dividends per common share	\$ <u><u>0.27</u></u>	\$ <u><u>0.27</u></u>

See accompanying notes to condensed consolidated interim financial statements.

SUPERIOR UNIFORM GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS

	<u>June 30,</u> <u>2010</u> <u>(Unaudited)</u>	<u>December 31,</u> <u>2009 (1)</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 7,157,084	\$ 6,365,557
Accounts receivable and other current assets	20,798,608	20,708,963
Inventories*	<u>31,866,207</u>	<u>32,053,504</u>
TOTAL CURRENT ASSETS	59,821,899	59,128,024
PROPERTY, PLANT AND EQUIPMENT, NET	10,528,435	10,868,296
OTHER INTANGIBLE ASSETS, NET	1,103,541	1,295,859
DEFERRED INCOME TAXES	2,340,000	2,060,000
OTHER ASSETS	<u>207,239</u>	<u>215,684</u>
	<u>\$ 74,001,114</u>	<u>\$ 73,567,863</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES:		
Accounts payable	\$ 5,629,374	\$ 5,426,433
Other current liabilities	<u>2,280,582</u>	<u>2,226,653</u>
TOTAL CURRENT LIABILITIES	7,909,956	7,653,086
LONG-TERM PENSION LIABILITY	4,941,550	5,115,817
OTHER LONG-TERM LIABILITIES	735,000	680,000
SHAREHOLDERS' EQUITY:		
Preferred stock, \$1 par value - authorized 300,000 shares (none issued)	-	-
Common stock, \$.001 par value - authorized 50,000,000 shares, issued and outstanding - 5,901,341 and 5,915,978 shares, respectively.	5,901	5,915
Additional paid-in capital	15,882,982	15,436,945
Retained earnings	48,183,461	48,483,697
Accumulated other comprehensive loss, net of tax:		
Pensions	<u>(3,657,736)</u>	<u>(3,807,597)</u>
TOTAL SHAREHOLDERS' EQUITY	<u>60,414,608</u>	<u>60,118,960</u>
	<u>\$ 74,001,114</u>	<u>\$ 73,567,863</u>

* Inventories consist of the following:

	<u>June 30,</u> <u>2010</u> <u>(Unaudited)</u>	<u>December 31,</u> <u>2009</u>
Finished goods	\$ 24,530,683	\$ 24,770,636
Work in process	91,447	169,961
Raw materials	<u>7,244,077</u>	<u>7,112,907</u>
	<u>\$ 31,866,207</u>	<u>\$ 32,053,504</u>

(1) The balance sheet as of December 31, 2009 has been derived from the audited balance sheet as of that date and has been condensed.

See accompanying notes to condensed consolidated interim financial statements.

SUPERIOR UNIFORM GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30,
(Unaudited)

	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net earnings	\$ 1,491,387	\$ 198,327
Adjustments to reconcile net earnings to net cash provided from operating activities:		
Depreciation and amortization	1,317,664	1,497,219
Provision for bad debts	111,900	62,950
Share-based compensation expense	408,834	190,886
Deferred income tax benefit	(360,500)	(532,500)
Gain on sales of property, plant and equipment	(45,437)	(136,786)
Changes in assets and liabilities:		
Accounts receivable and other current assets	(200,877)	1,585,140
Inventories	187,297	8,191,263
Other assets	(7,473)	60,563
Accounts payable	202,941	104,199
Accrued expenses	53,929	(171,783)
Pension liability	56,094	300,465
Other long-term liabilities	55,000	25,000
Net cash provided from operating activities	<u>3,270,759</u>	<u>11,374,943</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(791,705)	(318,988)
Disposals of property, plant and equipment	51,657	275,584
Proceeds from notes receivable collections	15,250	43,412
Net cash (used in) provided from investing activities	<u>(724,798)</u>	<u>8</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	3,035,000	11,917,000
Repayment of long-term debt	(3,035,000)	(15,946,604)
Payment of cash dividends	(1,595,055)	(1,630,681)
Proceeds received on exercise of stock options	109,717	-
Common stock reacquired and retired	(269,096)	(213,668)
Net cash used in financing activities	<u>(1,754,434)</u>	<u>(5,873,953)</u>
Net increase in cash and cash equivalents	791,527	5,500,998
Cash and cash equivalents balance, beginning of year	<u>6,365,557</u>	<u>133,152</u>
Cash and cash equivalents balance, end of period	<u>\$ 7,157,084</u>	<u>\$ 5,634,150</u>

See accompanying notes to condensed consolidated interim financial statements.

SUPERIOR UNIFORM GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
SIX MONTHS ENDED JUNE 30, 2010 AND 2009

(Unaudited)

NOTE 1 – Summary of Significant Interim Accounting Policies:

a) Basis of presentation

The condensed consolidated interim financial statements include the accounts of Superior Uniform Group, Inc. and its wholly owned subsidiaries Fashion Seal Corporation and Superior Office Solutions, and their jointly owned subsidiaries, The Office Gurus and The Office Masters. Intercompany items have been eliminated in consolidation. The accompanying unaudited interim financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in the financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such rules and regulations. These condensed consolidated financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2009, and filed with the Securities and Exchange Commission. The interim financial information contained herein is not certified or audited; it reflects all adjustments (consisting of only normal recurring accruals) which are, in the opinion of management, necessary for a fair statement of the operating results for the periods presented, stated on a basis consistent with that of the audited financial statements. The unaudited financial information included in this report as of and for the three and six months ended June 30, 2010 has been reviewed by Grant Thornton LLP, independent registered public accounting firm, and their review report thereon accompanies this filing. Such review was made in accordance with established professional standards and procedures for such a review. The results of operations for any interim period are not necessarily indicative of results to be expected for the full year.

b) Revenue recognition

The Company records revenue as products are shipped and title passes. A provision for estimated returns and allowances is recorded based on historical experience and current allowance programs.

c) Recognition of costs and expenses

Costs and expenses other than product costs are charged to income in interim periods as incurred, or allocated among interim periods based on an estimate of time expired, benefit received or activity associated with the periods. Procedures adopted for assigning specific cost and expense items to an interim period are consistent with the basis followed by the registrant in reporting results of operations at annual reporting dates. However, when a specific cost or expense item charged to expense for annual reporting purposes benefits more than one interim period, the cost or expense item is allocated to the interim periods.

d) Advertising expenses

The Company expenses advertising costs as incurred. Advertising costs for the three-month periods ended June 30, 2010 and 2009, respectively were \$25,000 and \$26,000. Advertising costs for the six-month periods ended June 30, 2010 and 2009, respectively were \$32,000 and \$42,000.

e) Shipping and handling fees and costs

The Company includes shipping and handling fees billed to customers in net sales. Shipping and handling costs associated with in-bound and out-bound freight are generally recorded in cost of goods sold. Other shipping and handling costs such as labor and overhead are included in selling and administrative expenses and totaled \$1,512,000 and \$1,546,000 for the three months ended June 30, 2010 and 2009, respectively. Other shipping and handling costs included in selling and administrative expenses totaled \$3,115,000 and \$3,231,000, for the six months ended June 30, 2010 and 2009, respectively.

f) Inventories

Inventories at interim dates are determined by using both perpetual records on a first-in, first-out basis and gross profit calculations.

g) Accounting for income taxes

The provision for income taxes is calculated by using the effective tax rate anticipated for the full year.

h) Employee benefit plan settlements

The Company recognizes settlement gains and losses in its financial statements when the cost of all settlements in a year is greater than the sum of the service cost and interest cost components of net periodic pension cost for the plan for the year.

i) Earnings per share

Historical basic per share data is based on the weighted average number of shares outstanding. Historical diluted per share data is reconciled by adding to weighted average shares outstanding the dilutive impact of the exercise of outstanding stock options and stock appreciation rights.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Net earnings used in the computation of basic and diluted earnings per share	\$ 983,170	\$ 701,272	\$ 1,491,387	\$ 198,327
Weighted average shares outstanding - basic	5,901,723	6,029,936	5,904,889	6,039,559
Common stock equivalents	55,918	-	53,936	-
Weighted average shares outstanding - diluted	5,957,641	6,029,936	5,958,825	6,039,559
Per Share Data :				
Basic				
Net earnings	\$ 0.17	\$ 0.12	\$ 0.25	\$ 0.03
Diluted				
Net earnings	\$ 0.17	\$ 0.12	\$ 0.25	\$ 0.03

Awards to purchase 608,000 and 1,053,000 shares of common stock with weighted average exercise prices of \$11.61 and \$11.36 per share, were outstanding during the three-month periods ending June 30, 2010 and 2009, respectively, but were not included in the computation of diluted EPS because the awards' exercise prices were greater than the average market price of the common shares.

Awards to purchase 608,000 and 1,066,000 shares of common stock with weighted average exercise prices of \$11.61 and \$11.37 per share, were outstanding during the six-month periods ending June 30, 2010 and 2009, respectively, but were not included in the computation of diluted EPS because the awards' exercise prices were greater than the average market price of the common shares.

j) Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

k) Comprehensive income

Total comprehensive income represents the change in equity during a period from sources other than transactions with shareholders and, as such, includes net earnings. For the Company, the only other components of total comprehensive income are the change in the fair value of derivatives accounted for as cash flow hedges and pension costs.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Net earnings	\$ 983,170	\$ 701,272	\$ 1,491,387	\$ 198,327
Other comprehensive income:				
Net unrealized gain during the period related to cash flow hedges	-	-	-	5,000
Pensions - reclassification to net earnings during the period	74,931	109,362	149,861	218,274
	<u>\$ 1,058,101</u>	<u>\$ 810,634</u>	<u>\$ 1,641,248</u>	<u>\$ 421,601</u>

l) Operating Segments

Accounting standards require disclosures of certain information about operating segments and about products and services, geographic areas in which the Company operates, and their major customers. The Company has evaluated its operations and has determined that currently it operates in one segment, as defined in the standards.

m) Derivative Financial Instruments

The Company has had only limited involvement with derivative financial instruments. The Company had one interest rate swap agreement to hedge against the potential impact on earnings from increases in market interest rates associated with interest payments on a variable rate term loan.

This interest rate swap was accounted for as a cash flow hedge. This swap expired on April 1, 2009. No gains or losses were included in other comprehensive income for the three months ended June 30, 2010 and 2009, respectively. Gains of \$-0- and \$5,000 were included in other comprehensive income for the six months ended June 30, 2010 and 2009, respectively. The original term of the contract was ten years.

n) Share-Based Compensation

The Company awards share-based compensation as an incentive for employees to contribute to the Company's long-term success. Historically, the Company has issued options and stock settled stock appreciation rights. At June 30, 2010, the Company had 1,568,275 shares of common stock authorized for awards of share-based compensation under its 2003 Incentive Stock and Awards Plan.

For the three months ended June 30, 2010 and 2009, respectively, the Company recognized \$27,000 and \$12,000 of share-based compensation recorded in selling and administrative expense in the Condensed Consolidated Statements of Earnings. This expense was offset by a \$9,000 and \$4,000 deferred tax benefit for non-qualified share-based compensation for the three-month period ended June 30, 2010 and 2009, respectively. For the six months ended June 30, 2010 and 2009, respectively, the Company recognized \$409,000 and \$191,000 of share-based compensation recorded in selling and administrative expense in the Condensed Consolidated Statements of Earnings. This expense was offset by a \$38,000 and a \$13,000 deferred tax benefit for non-qualified share-based compensation for the six-month period ended June 30, 2010 and 2009, respectively. As of June 30, 2010, the Company had no unrecognized compensation cost expected to be recognized for prior share-based awards.

The Company grants stock options and stock settled stock appreciation rights ("SARS") to employees that allow them to purchase shares of the Company's common stock. Options are also granted to outside members of the Board of Directors of the Company. The Company determines the fair value of stock options and SARS at the date of grant using the Black-Scholes valuation model.

All options and SARS vest immediately at the date of grant. Awards generally expire five years after the date of grant with the exception of options granted to outside directors, which expire ten years after the date of grant. The Company issues new shares upon the exercise of stock options and SARS.

During the six-month periods ended June 30, 2010 and 2009, respectively, the Company received \$110,000 and \$-0- in cash from stock option exercises. No tax benefit was recognized for these exercises, as the options exercised were qualified incentive stock options.

A summary of options transactions during the six months ended June 30, 2010 follows:

	No. of Shares	Weighted Average Exercise Price
Outstanding December 31, 2009	745,650	\$10.65
Granted	144,520	9.76
Exercised	(13,200)	8.31
Lapsed	(68,200)	14.95
Cancelled	(3,550)	10.13
Outstanding June 30, 2010	<u>805,220</u>	<u>\$10.17</u>

At June 30, 2010, options outstanding, all of which were fully vested and exercisable, had an aggregate intrinsic value of \$476,364.

Options exercised during the three and six-month periods ended June 30, 2010 had intrinsic values of \$14,301 and \$19,107, respectively. There were no options exercised during the three and six-month periods ended June 30, 2009. The weighted average grant date fair value of the Company's options granted during the three month periods ended June 30, 2010 and 2009 were \$1.94 and \$1.03, respectively. The weighted average grant date fair value of the Company's options granted during the six month periods ended June 30, 2010 and 2009 was \$2.26 and \$1.05, respectively.

A summary of SARS transactions during the six months ended June 30, 2010 follows:

	No. of Shares	Weighted Average Exercise Price
Outstanding December 31, 2009	297,030	\$12.08
Granted	35,980	9.80
Exercised	-	-
Lapsed	(82,000)	14.95
Cancelled	-	-
Outstanding June 30, 2010	<u>251,010</u>	<u>\$10.81</u>

At June 30, 2010, SARS outstanding, all of which were fully vested and exercisable, had an aggregate intrinsic value of \$71,629.

There were no SARS exercised during the three-month and six-month periods ended June 30, 2010 and 2009. There were 35,980 and 23,630 SARS granted during the six-month periods ended June 30, 2010 and 2009, respectively. The weighted average grant date fair value of the Company's SARS granted during the six month periods ended June 30, 2010 and 2009 was \$2.29 and \$1.05, respectively.

The following table summarizes significant assumptions utilized to determine the fair value of share-based compensation awards.

	Three Months Ended June 30		Six Months Ended June 30	
	SARS	Options	SARS	Options
Exercise price				
2010	N/A	\$9.41	\$9.80	\$9.41-\$9.80
2009	N/A	\$7.63	\$7.89	\$7.63-\$7.89
Market price				
2010	N/A	\$9.41	\$9.80	\$9.41-\$9.80
2009	N/A	\$7.63	\$7.89	\$7.63-\$7.89
Risk free interest rate (1)				
2010	N/A	3.6%	2.2%	2.2%-3.6%
2009	N/A	3.2%	2.0%	2.0%-3.2%
Expected award life (2)	N/A	10 years	5 years	5-10 years
Expected volatility (3)				
2010	N/A	35.3%	41.7%	35.3%-41.7%
2009	N/A	32.2%	30.7%	30.7%-32.2%
Expected dividend yield (4)				
2010	N/A	5.7%	5.5%	5.5%-5.7%
2009	N/A	7.1%	6.8%	6.8%-7.1%

(1) The risk-free interest rate is based on the yield of a U.S. treasury bond with a similar maturity as the expected life of the awards.

(2) The expected life in years for awards granted was based on the historical exercise patterns experienced by the Company when the award is made.

(3) The determination of expected stock price volatility for awards granted in each of the three and six-month periods ending June 30, was based on historical Superior common stock prices over a period commensurate with the expected life.

(4) The dividend yield assumption is based on the history and expectation of the Company's dividend payouts.

NOTE 2 – Recent Accounting Pronouncements:

In January 2010, the FASB issued Accounting Standards Update 2010-06 Fair Value Measurements and Disclosures (Topic 820): Improving Disclosures about Fair Value Measurements (“ASU, 2010-06”). The ASU amends Subtopic 820-10 with new disclosure requirements and clarification of existing disclosure requirements. New disclosures required include the amount of significant transfers in and out of levels 1 and 2 fair value measurements and the reasons for the transfers. In addition, the reconciliation for level 3 activity will be required on a gross rather than net basis. The ASU provides additional guidance related to the level of disaggregation in determining classes of assets and liabilities and disclosures about inputs and valuation techniques. The amendments are effective for annual or interim reporting periods beginning after December 15, 2009, except for the requirement to provide the reconciliation for level 3 activity on a gross basis, which will be effective for fiscal years beginning after December 15, 2010. We are currently assessing the impact of ASU 2010-6 and do not expect the adoption of this guidance to have a material impact on our condensed consolidated financial statements.

NOTE 3 - Long-Term Debt:

	June 30, 2010	December 31, 2009
Note payable to Wachovia, pursuant to revolving credit agreement, matured June 30, 2010	\$ -	\$ -
Note payable to Fifth Third Bank, pursuant to revolving credit agreement, maturing June 24, 2013	\$ -	\$ -

On June 25, 2010, the Company entered into a 3-year credit agreement with Fifth Third Bank that made available to the Company up to \$15,000,000 on a revolving credit basis. Interest is payable at LIBOR plus 0.90% based upon the one-month LIBOR rate for U.S. dollar based borrowings (1.275% at June 30, 2010). The Company pays an annual commitment fee of 0.15% on the average unused portion of the commitment. The available balance under the credit agreement is reduced by outstanding letters of credit. As of June 30, 2010, there were no balances outstanding under letters of credit. The revolving

credit agreement expires on June 24, 2013. At the option of the Company, any outstanding balance on the agreement at that date will convert to a one-year term loan. On June 30, 2010, the Company's previous revolving credit agreement with Wachovia Bank expired.

The credit agreement with Fifth Third Bank contains restrictive provisions concerning liabilities to tangible net worth ratios (.75:1), other borrowings, and fixed charges coverage ratio (2.5:1). The Company is in full compliance with all terms, conditions and covenants of the credit agreement.

NOTE 4 – Periodic Pension Expense:

The following table presents the net periodic pension expense under our plans for the following periods:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Service cost - benefits earned during the period	\$ 158,000	\$ 182,000	\$ 316,000	\$ 363,000
Interest cost on projected benefit obligation	256,000	262,000	513,000	524,000
Expected return on plan assets	(252,000)	(212,000)	(504,000)	(423,000)
Amortization of prior service cost	8,000	8,000	15,000	15,000
Recognized actuarial loss	108,000	160,000	216,000	321,000
Net periodic pension cost	<u>\$ 278,000</u>	<u>\$ 400,000</u>	<u>\$ 556,000</u>	<u>\$ 800,000</u>

A contribution of \$1,000,000 was made to the Company's benefit plans during the six months ended June 30, 2010. A contribution of \$500,000 was made to the Company's benefit plans during the six months ended June 30, 2009.

NOTE 5 – Supplemental Cash Flow Information:

Cash paid for income taxes was \$647,000 and \$512,000, respectively, for the six-month periods ended June 30, 2010 and 2009. Cash paid for interest was \$20,000 and \$69,000, respectively, for the six-month periods ended June 30, 2010 and 2009.

NOTE 6 – Contingencies:

The Company is involved in various legal actions and claims arising from the normal course of business. In the opinion of management, the ultimate outcome of these matters will not have a material impact on the Company's results of operations, cash flows, or financial position.

NOTE 7 – Related Party Transactions:

For the three-month periods ended June 30, 2010 and 2009, the Company expensed approximately \$ -0- and \$31,000, respectively, to Alpert Business Consulting, LLC, a private corporation owned by the son-in-law of the Company's Chief Executive Officer, for consulting services. For the six-month periods ended June 30, 2010 and 2009, the Company expensed approximately \$ -0- and \$63,000, respectively, to Alpert Business Consulting, LLC, a private corporation owned by the son-in-law of the Company's Chief Executive Officer, for consulting services.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
Superior Uniform Group, Inc.

We have reviewed the accompanying condensed consolidated balance sheet of **Superior Uniform Group, Inc.** (a Florida Corporation) and subsidiaries as of June 30, 2010, the related condensed consolidated statements of earnings for the three-month and six-month periods ended June 30, 2010 and 2009 and the condensed consolidated statements of cash flows for the six-month periods ended June 30, 2010 and 2009. These interim financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying condensed consolidated financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of the Company as of December 31, 2009, and the related consolidated statements of earnings, stockholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated February 26, 2010, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2009, is fairly stated, in all material respects, in relation to the balance sheet from which it has been derived.

/s/ GRANT THORNTON LLP

Tampa, Florida
July 22, 2010

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Certain matters discussed in this Form 10-Q are "forward-looking statements" intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified as such because the context of the statement will include words such as we "believe," "anticipate," "expect" or words of similar import. Similarly, statements that describe our future plans, objectives, strategies or goals are also forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties that may materially adversely affect the anticipated results. Such risks and uncertainties include, but are not limited, to the following: general economic conditions in the areas of the United States in which the Company's customers are located; changes in the healthcare, resort and commercial industries where uniforms and service apparel are worn; the impact of competition; the availability of manufacturing materials, and other factors described in the Company's filings with the Securities and Exchange Commission, including those described in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2009. Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements made herein and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are only made as of the date of this Form 10-Q and we disclaim any obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

Critical Accounting Policies

Our significant accounting policies are described in Note 1 to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2009. Our discussion and analysis of financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of the financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate the estimates that we have made. These estimates are based upon our historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Our actual results may differ from these estimates under different assumptions or conditions.

Our critical accounting estimates are those that we believe require our most significant judgments about the effect of matters that are inherently uncertain. A discussion of our critical accounting estimates, the underlying judgments and uncertainties used to make them and the likelihood that materially different estimates would be reported under different conditions or using different assumptions is as follows:

Allowance for Losses on Accounts Receivable

These allowances are based on both recent trends of certain customers estimated to be a greater credit risk as well as general trends of the entire customer pool. If the financial condition of the Company's customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. An additional impairment in value of one percent of net accounts receivable would require an increase in the allowance for doubtful accounts and would result in additional expense of approximately \$187,000.

Inventories

Inventories are stated at the lower of cost or market value. Judgments and estimates are used in determining the likelihood that new goods on hand can be sold to customers. Historical inventory usage and current revenue trends are considered in estimating both excess and obsolete inventories. If actual product demand and market conditions are less favorable than those projected by management, additional inventory write-downs may be required.

Insurance

The Company self-insures for certain obligations related to health insurance programs. The Company also purchases stop-loss insurance policies to protect it from catastrophic losses. Judgments and estimates are used in determining the potential value associated with reported claims and for losses that have occurred, but have not been reported. The Company's estimates consider historical claim experience and other factors. The Company's liabilities are based on estimates, and, while the Company believes that the accrual for loss is adequate, the ultimate liability may be in excess of or less than the amounts recorded. Changes in claim experience, the Company's ability to settle claims or other estimates and judgments used by management could have a material impact on the amount and timing of expense for any period.

Pensions

The Company's pension obligations are determined using estimates including those related to discount rates, asset values and changes in compensation. The discount rates used for the Company's pension plans were determined based on the Citigroup Pension Yield Curve. This rate was selected as the best estimate of the rate at which the benefit obligations could be effectively settled on the measurement date taking into account the nature and duration of the benefit obligations of the plan using high-quality fixed-income investments currently available (rated AA or better) and expected to be available during the

period to maturity of the benefits. The 8% expected return on plan assets was determined based on historical long-term investment returns as well as future expectations given target investment asset allocations and current economic conditions.

The 4.5% rate of compensation increase represents the long-term assumption for expected increases in salaries among continuing active participants accruing benefits under the plans. Interest rates and pension plan valuations may vary significantly based on worldwide economic conditions and asset investment decisions.

Income Taxes

The Company is required to estimate and record income taxes payable for federal and state jurisdictions in which the Company operates. This process involves estimating actual current tax expense and assessing temporary differences resulting from differing accounting treatments between tax and book that result in deferred tax assets and liabilities. In addition, accruals are also estimated for federal and state tax matters for which deductibility is subject to interpretation. Taxes payable and the related deferred tax differences may be impacted by changes to tax laws, changes in tax rates and changes in taxable profits and losses. Federal income taxes are not provided on that portion of unremitted earnings of foreign subsidiaries that are expected to be reinvested indefinitely. Reserves are also estimated for uncertain tax positions that are currently unresolved. The Company routinely monitors the potential impact of such situations and believes that it is properly reserved. We accrue interest and penalties related to unrecognized tax benefits in income tax expense, and the related liability is included in the total liability for unrecognized tax benefits.

Share-based Compensation

The Company recognizes expense for all share-based payments to employees, including grants of employee stock options, in the financial statements based on their fair values. Share-based compensation expense that was recorded in 2010 and 2009 includes the compensation expense for the share-based payments granted in those years. In the Company's share-based compensation strategy we utilize a combination of stock options and stock appreciation rights ("SARS") that fully vest on the date of grant. Therefore, the fair value of the options and SARS granted is recognized as expense on the date of grant. The Company used the Black-Scholes-Merton valuation model to value any share-based compensation. Option valuation methods, including Black-Scholes-Merton, require the input of assumptions including the risk free interest rate, dividend rate, expected term and volatility rate. The Company determines the assumptions to be used based upon current economic conditions. The impact of changing any of the individual assumptions by 10% would not have a material impact on the recorded expense.

Results of Operations

As a result of the significant declines in our revenues in 2009, we implemented aggressive cost reduction initiatives to limit the impact on our results of operations. These initiatives eliminated nonessential positions, streamlined our existing processes and shifted additional administrative positions to our Central American subsidiary.

The current economic environment in the United States remains very challenging. While we are seeing increased activity, the employment outlook in the United States remains soft. Additionally, voluntary employee turnover at our customers has remained very low. The lack of job growth coupled with less voluntary attrition continues to weigh on the demand for our uniforms and service apparel. Despite these factors, net sales increased 6.6% from \$24,972,000 for the three months ended June 30, 2009 to \$26,629,000 for the three months ended June 30, 2010. The increase in net sales for the quarter is attributed to sales to customers acquired as a result of our acquisition of Blade in the fourth quarter of 2009. Net sales increased 8.1% from \$48,688,000 for the six months ended June 30, 2009 to \$52,609,000 for the six months ended June 30, 2010. Approximately 74% of this increase is attributed to sales to customers acquired as a result of our acquisition of Blade in the fourth quarter of 2009 with the balance coming from organic growth.

Cost of goods sold, as a percentage of sales, approximated 64.8% for the three months ended June 30, 2010 compared to 66.8% for the three months ended June 30, 2009. The decrease as a percentage of sales in the three-month period is attributed to a reduction in direct product costs as a percentage of sales (1.7%) with the balance coming from more efficient operations in our value added services area. Cost of goods sold, as a percentage of sales, approximated 65.2% for the six months ended June 30, 2010 compared to 67.8% for the six months ended June 30, 2009. The decrease as a percentage of sales in the six-month period is attributed to a reduction in direct product costs as a percentage of sales (1.5%) with the balance coming from more efficient operations in our value added services area. The Company's gross margins may not be comparable with other entities, since some entities include all of the cost related to their distribution network in cost of goods sold. As disclosed in Note 1 to the Condensed Consolidated Financial Statements, the Company includes a portion of the costs associated with its distribution network in selling and administrative expenses. The amounts included in selling and administrative expenses for the three-month periods ended June 30, 2010 and 2009, respectively, were \$1,512,000 and \$1,546,000. The amounts included in selling and administrative expenses for the six-month periods ending June 30, 2010 and 2009, respectively, were \$3,115,000 and \$3,231,000.

Selling and administrative expenses, as a percentage of sales, approximated 29.5% and 29.0% respectively, for the three-month periods ended June 30, 2010 and 2009. The increase as a percentage of sales in the three-month period is attributed primarily

to higher salaries, wages and benefits in the current period (2.0%) and other miscellaneous increases in expenses as a percentage of sales (0.5%); offset by increased sales to cover operating expenses (2.0%). Selling and administrative expenses, as a percentage of net sales, were approximately 30.3% and 31.4%, respectively, for the first six months of 2010 and 2009. The decrease as a percentage of sales in the six-month period is attributed primarily to increased sales to cover operating expenses (2.4%); offset by higher share based compensation expense in the current period (0.4%), a reduction in gain on sale of fixed assets (0.2%), and other miscellaneous increases in expenses as a percentage of sales (0.7%).

Interest expense of \$6,000 for the three-month period ended June 30, 2010 decreased 76.0% from \$25,000 for the three-month period ended June 30, 2009. Interest expense of \$8,000 for the six-month period ended June 30, 2010 decreased 87.7% from \$65,000 for the six-month period ended June 30, 2009. The decreases in the three and six-month periods ended June 30, 2010 are attributed to lower borrowings outstanding.

The Company's effective tax rate for the three months ended June 30, 2010 was 35.9% versus 31.3% for the three months ended June 30, 2009. The 4.6% increase in such effective tax rate is attributed primarily to the following: an increase in the rate from the impact of permanent differences between book and tax basis earnings related to share-based compensation (1.5%), a reduction in the benefit for untaxed foreign income (3.0%), and the impact of other items (0.5%); offset by a decrease in the quarterly accrual for uncertain tax positions (0.4%). The Company's effective tax rate for the six months ended June 30, 2010 was 36.3% versus 37.7% for the six months ended June 30, 2009. The 1.4% decrease in such effective tax rate is attributed primarily to the following: a decrease in the quarterly accrual for uncertain tax positions (5.6%) and the impact of other items (0.3%); offset by an increase in the rate from the impact of permanent differences between book and tax basis earnings related to share-based compensation (1.5%), and a reduction in the benefit for untaxed foreign income (3.0%).

Liquidity and Capital Resources

Accounts receivable and other current assets increased 0.4% from \$20,709,000 on December 31, 2009 to \$20,799,000 as of June 30, 2010 primarily as a result of increased sales.

Inventories decreased 0.6% from \$32,054,000 on December 31, 2009 to \$31,866,000 as of June 30, 2010.

Accounts payable increased 3.7% from \$5,426,000 on December 31, 2009 to \$5,629,000 on June 30, 2010.

Other current liabilities increased 2.4% from \$2,227,000 on December 31, 2009 to \$2,281,000 on June 30, 2010.

Cash and cash equivalents increased by \$791,000 from \$6,366,000 on December 31, 2009 to \$7,157,000 as of June 30, 2010. The Company generated \$3,271,000 in cash from operating activities, utilized \$725,000 in investing activities primarily related to fixed asset additions of \$792,000 and utilized \$1,754,000 in financing activities. Financing activities included the payment of cash dividends and the reacquisition of \$269,000 of the Company's common stock, as discussed below.

In the foreseeable future, the Company will continue its ongoing capital expenditure program designed to maintain and improve its facilities. The Company at all times evaluates its capital expenditure program in light of prevailing economic conditions.

During the six months ended June 30, 2010 and 2009, respectively, the Company paid cash dividends of \$1,595,000 and \$1,631,000. The Company reacquired 27,737 and 30,802 shares of its common stock at a total cost of \$269,000 and \$214,000 in the six-month periods ended June 30, 2010 and June 30, 2009, respectively, pursuant to its stock repurchase program. The Company anticipates that it will continue to pay dividends and that it will repurchase and retire additional shares of its common stock in the future as financial conditions permit.

On June 25, 2010, the Company entered into a 3-year credit agreement with Fifth Third Bank that made available to the Company up to \$15,000,000 on a revolving credit basis. Interest is payable at LIBOR plus 0.90% based upon the one-month LIBOR rate for U.S. dollar based borrowings (1.275% at June 30, 2010). The Company pays an annual commitment fee of 0.15% on the average unused portion of the commitment. The available balance under the credit agreement is reduced by outstanding letters of credit. As of June 30, 2010, there were no balances outstanding under letters of credit. The revolving credit agreement expires on June 24, 2013. At the option of the Company, any outstanding balance on the agreement at that date will convert to a one-year term loan. On June 30, 2010, the Company's previous revolving credit agreement with Wachovia Bank expired.

The credit agreement with Fifth Third Bank contains restrictive provisions concerning liabilities to tangible net worth ratios (.75:1), other borrowings, and fixed charges coverage ratio (2.5:1). The Company is in full compliance with all terms, conditions and covenants of the credit agreement.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

Not applicable.

ITEM 4. Controls and Procedures

The Principal Executive Officer, Michael Benstock, and the Principal Financial Officer, Andrew D. Demott, Jr., evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this report (the "Evaluation Date"), and, based on such evaluation, concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures were effective to ensure that information the Company is required to disclose in its filings with the Securities and Exchange Commission under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, and to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

There have been no changes in the Company's internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) under the Exchange Act that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. Legal Proceedings

None.

ITEM 1A. Risk Factors

We are exposed to certain risks and uncertainties that could have a material adverse impact on our business, financial condition and operating results. There have been no material changes to the Risk Factors described in Part I, Item 1A-Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2009.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

ISSUER PURCHASES OF EQUITY SECURITIES

The table below sets forth the information with respect to purchases made by or on behalf of Superior Uniform Group, Inc. or any "affiliated purchaser" (as defined in Rule 10b-18(a)(3) under the Exchange Act), of our common shares during the three months ended June 30, 2010.

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (1)
Month #1 (April 1, 2010 to April 30, 2010)	2,900	\$9.80	2,900	
Month #2 (May 1, 2010 to May 31, 2010)	3,293	\$9.87	3,293	
Month #3 (June 1, 2010 to June 30, 2010)	2,522	\$10.03	2,522	
TOTAL	8,715	\$9.89	8,715	413,407

(1) In July 2002, the Company's Board of Directors authorized the Company to repurchase 750,000 shares of its common stock. Through May 4, 2006, the Company repurchased 728,098 shares of its common stock under such repurchase program. On May 5, 2006, the Company's Board of Directors approved additional repurchases of 750,000 shares of the Company's outstanding shares of common stock. Through July 31, 2008, the Company repurchased 625,881 shares of its common stock under such repurchase program. On August 1, 2008, the Company's Board of Directors approved an increase to the outstanding authorization to allow for the repurchase of 1,000,000 additional shares of the Company's outstanding shares of common stock. There is no expiration date or other restriction governing the period over which the Company can make share repurchases under the program. All such purchases were open market transactions.

Under our credit agreement with Fifth Third Bank, if an event of default exists, we may not make distributions to our shareholders. The Company is in full compliance with all terms, conditions and covenants of its credit agreement.

The Company believes that its cash flow from operating activities together with other capital resources and funds from credit sources will be adequate to meet all of its funding requirements for the remainder of the year and for the foreseeable future.

ITEM 3. Defaults Upon Senior Securities

Inapplicable.

ITEM 4. Removed and Reserved

ITEM 5. Other Information

None.

ITEM 6. Exhibits

See Exhibit Index.

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.

Date: July 22, 2010

SUPERIOR UNIFORM GROUP, INC.

By /s/ Michael Benstock
Michael Benstock
Chief Executive Officer (Principal Executive Officer)

By /s/ Andrew D. Demott, Jr.
Andrew D. Demott, Jr.
Exec. Vice President, Chief Financial Officer
and Treasurer (Principal Financial and Accounting
Officer)

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Revolving Loan Agreement dated June 25, 2010 by and between Superior Uniform Group, Inc. and Fifth Third Bank.
10.2	Revolving Line of Credit Promissory Note dated June 25, 2010 in the original principal amount of \$15,000,000 payable by Superior Uniform Group, Inc. to Fifth Third Bank.
15	Grant Thornton LLP Awareness Letter.
31.1	Certification by the Chief Executive Officer (Principal Executive Officer) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification by the Chief Financial Officer (Principal Financial and Accounting Officer) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification of Periodic Financial Report by the Chief Executive Officer and the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

REVOLVING LOAN AGREEMENT

THIS REVOLVING LOAN AGREEMENT, dated as of the 25th day of June, 2010, (the "Loan Agreement" or "Agreement"), is made by and between **SUPERIOR UNIFORM GROUP, INC.**, a Florida corporation, whose address is 10055 Seminole Boulevard, Seminole, FL 33772 (the "Borrower"), and **FIFTH THIRD BANK**, an Ohio corporation having an address of 201 East Kennedy Boulevard, Suite 1800, Tampa, Florida 33602 (the "Lender").

W I T N E S S E T H:

WHEREAS, Borrower has applied to Lender for a revolving line of credit not exceeding Fifteen Million and No/100 Dollars (\$15,000,000.00) (the "Loan") to be used to support the general corporate purposes of borrower;

WHEREAS, Borrower and Lender have negotiated the terms and conditions of, and wish to enter into, this Agreement for the purpose of setting forth the terms and conditions of the Loan;

NOW, THEREFORE, in consideration of the Premises, and of the mutual covenants and agreements set forth below, Borrower and Lender agree as follows:

**ARTICLE 1
LOAN TERMS**

Loan Amount. Fifteen Million and No/100 Dollars (\$15,000,000.00) Revolving Line of Credit. The Loan shall be evidenced by a Revolving Line of Credit Promissory Note (the "Note").

Term of Loan. The term of the Loan ("Term") shall be thirty-six (36) months. If Borrower is in full compliance with all terms and conditions of this Agreement, Borrower shall have the option to extend and term-out the outstanding principal balance of the Loan due on the Initial Maturity Date, as defined in the Note, and continue to make interest only payments over the subsequent twelve (12) consecutive months in accordance with the terms of the Note.

Interest Rate. The Loan shall bear interest at the LIBOR Rate, as defined in the Note, plus ninety (90) basis points.

Unused Loan Fee. In addition to all other amounts due to Lender hereunder and under the Revolving Line of Credit Note, Borrower shall pay to Lender on the first Business Day of each April, July, October and January, an availability fee equal to 0.15% (15 basis points) per annum on the average daily unused available principal under the Note for the preceding quarter or portion thereof.

Repayment Terms. Interest only payments shall be paid monthly during the initial thirty-six (36) months of the Loan and, if extended, during the subsequent twelve (12) consecutive months. All payments of principal and interest shall be auto debited from Borrower's deposit account with Lender. Borrower shall be allowed to make prepayments of principal in full or in part at any time during the Term of the Loan without penalty or premium.

**ARTICLE 1I
LOAN DOCUMENTS**

"Loan Documents" means this Agreement, the Revolving Line of Credit Note, any UCC Financing Statements, and any other agreements, documents or instruments related to the Loan, whether executed prior to, at or after the closing, as the same may be amended, supplemented or modified, in writing, from time to time.

**ARTICLE 1II
WARRANTIES AND REPRESENTATIONS OF BORROWER**

Borrower hereby represents and warrants to Lender (which representations and warranties shall be deemed continuing and re-stated at the time of each advance) as follows:

Organization Status. Borrower (i) is duly organized under the laws of the State of Florida, and (ii) is in good standing under the laws of the State of Florida, and (iii) has stock outstanding which has been duly and validly issued.

Compliance with Laws. Borrower is in compliance with all laws, regulations, ordinances and orders of all Governmental Authorities, including, but not limited to, the Securities Act of 1933, the Exchange Act, Sarbanes-Oxley Act of 2002, and the applicable accounting and auditing principles, rules, standards and practices promulgated, approved or incorporated by the Securities and Exchange Commission of the United States or the Public Company Accounting Oversight Board, and all Environmental Laws. “Environmental Laws” means all applicable federal, state and local laws and regulations intended to protect the environment and public health and safety as the same may be amended from time to time. “Governmental Authority” means the government of the United States, or any other nation, or of any political subdivision thereof, whether state, provincial or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

Financial Statements. The financial statements of Borrower heretofore delivered to Lender are true and correct in all material respects, and fairly present the financial condition of Borrower as of the respective dates thereof, and no material adverse change has occurred in the financial conditions reflected therein since the respective dates thereof that would affect Borrower’s performance under the Note, this Agreement or any other Loan Documents;

Authority to Enter into Loan Documents. The Borrower has full authority to enter into the Loan Documents and consummate the transactions contemplated hereby, and the facts and matters expressed or implied in the opinions of its legal counsel are true and correct;

Validity of Loan Documents. The Loan Documents have been approved by those persons having proper authority, and are in all respects legal, valid and binding according to their terms.

Conflicting Transactions of Borrower. That the consummation of the transactions hereby contemplated and the performance of the obligations of Borrower under and by virtue of the Loan Documents will not result in any breach of, or constitute a default under any lease, bank loan or credit agreement, partnership agreement, or other instrument to which Borrower is a party or by which it may be bound or affected.

Pending Litigation. That there are no actions, suits, or proceedings pending, or to the knowledge of Borrower threatened against or affecting it or involving the validity or enforceability of any of the Loan Documents at law or in equity, or before or by any governmental authority.

Brokerage Commissions. Borrower warrants and represents to Lender that Borrower is not obligated to pay any commission to any broker through any commission or service agreement with a third party in connection with the transaction contemplated herein. Borrower agrees to and shall indemnify Lender from any liability, claims, or losses arising by reason of any such brokerage commissions which are caused by Borrower or its agents. This provision shall survive the repayment of the Loan made in connection herewith and shall continue in full force and effect so long as the possibility of such liability, claims or losses exists.

No Event of Default. As of the date of this Agreement, there is no Event of Default under this Agreement, the Note, or any other Loan Document, nor any event which would become an Event of Default but for the passage of time or the giving of notice or both.

Patriot Act. Borrower or any entity or person owning an interest in or being an investor, or otherwise, in Borrower or its respective constituents are not in violation of any laws relating to terrorism or money laundering, including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the “Executive Order”) and Public Law 107-56 known as the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended (the “Patriot Act”).

Solvency. The Borrower (before and after giving effect to the Loan) is and will be solvent and have, and expect to have, the ability to, in the ordinary course of business, pay its debts from time to time incurred and as such debts mature. “Solvent” means with respect to the Borrower, on any date determination, that on such date (a) the fair value of the assets of Borrower is greater than the total amount of liabilities, including contingent liabilities, of Borrower, (b) the present fair salable value of the assets of Borrower is not less than the amount that will be required to pay the probable liability of Borrower on its debts as they become absolute and matured, (c) Borrower does not intend to, and does not believe that it will, incur debts or liabilities beyond Borrower’s ability to pay such debts and liabilities as they mature, (d) Borrower is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which Borrower’s assets would constitute an unreasonably small capital, and (e) Borrower is able to pay its debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

Tax Status. The Borrower (a) has made or timely filed all federal income and all material State and foreign income and all other tax returns, reports and declarations required by any jurisdiction to which each of them is subject; (b) has paid all taxes and other governmental assessments and charges shown or determined to be due on such returns, reports and declarations, except those

being contested in good faith; and (c) has set aside on their books provisions reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by any taxing authority and none of the officers of Borrower know of any reasonable basis for any such claim.

Taxes. Borrower shall pay when due all taxes, assessments and other governmental charges imposed upon it or its assets, franchises, business, income or profits before any penalty or interest accrues thereon, and all claims (including, without limitation, claims for labor, services, materials and supplies) for sums which by law might be a lien or charge upon any of its assets, provided that (unless any material item or property would be lost, forfeited or materially damaged as a result hereof) no such charge or claim need be paid if it is being diligently contested in good faith, if Lender is notified in advance of such contest and if Borrower establishes an adequate reserve or other appropriate provision required by generally accepted accounting principles and deposits with Lender cash or bond in an amount acceptable to Lender.

ERISA. Any Employee Retirement Income Security Act of 1974, as amended (“ERISA”) Plan in effect at the Borrower is in compliance, in all material respects, with the applicable provisions of ERISA, the Internal Revenue Code of 1986 (“Code”) and any other Federal or State laws. There are no pending, or, to the best knowledge of Borrower, threatened claims, or lawsuits, or actions, by any governmental authority with respect to an ERISA Plan that could reasonably be expected to have a material adverse effect on the financial condition of Borrower or any of its subsidiaries.

For the purposes of this Agreement, the term “Borrower” shall also include each Subsidiary of Borrower. “Subsidiary” means a domestic corporation, partnership, joint venture, limited liability company or other business entity formed under the laws of jurisdictions within the United States of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such entity. Unless otherwise specified, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of Borrower.

ARTICLE IV **COVENANTS OF BORROWER**

Borrower hereby covenants and agrees with Lender as follows:

Expenses. To pay all costs of closing the Loan contemplated hereunder and all expenses of Lender with respect thereto, including but not limited to reasonable attorneys' fees (including attorneys' fees incurred by Lender subsequent to the closing of the Loan in connection with the disbursement, administration, collection, restructure, amendment, or transfer of the Loan), advances, recording expenses, brokerage commissions, and claims of brokerage, documentary stamps and other fees, and similar items, and to allow all closing papers, loan documents and other legal matters to be subject to the approval of Lender's attorneys.

Total Liabilities to Tangible Net Worth. During the entire term of the Loan, Borrower shall at all times maintain a ratio of Total Liabilities to Tangible Net Worth no greater than 0.75:1.00. This ratio shall be the measurement of the Total Liabilities of Borrower, as reflected on Borrower's financial statements delivered to Lender on a quarterly basis beginning September 30, 2010, herein to Tangible Net Worth. “Total Liabilities” shall mean all indebtedness (i) with respect to money borrowed, evidenced by a note, debenture or other obligation to pay money, (ii) in respect rent or lease of property, under written leases or lease arrangements required by GAAP to be capitalized, (iii) for all obligations under conditional sales or title retention agreements, (iv) for accounts and trade payables, (v) for accrued expenses, (vi) and for all other monetary obligations of Borrower. “Tangible Net Worth” shall mean total assets of Borrower, excluding assets owed to Borrower from an officer, an affiliate or a subsidiary, and excluding the aggregate amount of Borrower's goodwill, franchises, licenses, patents, trademarks, trade names, copyrights, service marks, brand names, and other intangible assets minus Total Liabilities.

Debt Service Coverage Ratio. During the entire time of the Loan, Borrower shall maintain Debt Service Coverage Ratio not less than 2.50 to 1.00, calculated at Borrower's fiscal year end and quarterly on the last day of each fiscal quarter, on a rolling four quarters basis. For purposes hereof, “Debt Service Coverage Ratio” shall mean the sum of earnings before interest, taxes, depreciation, and amortization (EBITDA) divided by the sum of current maturities of long term debt and capital leases plus interest expense; if the Borrower acquires substantially all assets or stock of a previously unrelated business entity Borrower may utilize the historical income statement of the acquired entity in calculating the Debt Service Coverage Ratio as if the acquired entity had been merged into Borrower for the prior four quarters; and, if the Debt Service Coverage Ratio is calculated inclusive of a merged entity historical income statement, the calculation of the ratio and the historical financial information of the acquired/merged entity must be presented in form and content acceptable to Lender.

Books and Records/Operating and Rent Statements. To keep and maintain proper and accurate books, records and accounts reflecting all items of income and expenses of operation of Borrower's business; and, upon the request of Lender, to make such books, records, and accounts immediately available to Lender for inspection. Such right to inspection shall be available to Lender

upon an Event of Default with twenty-four (24) hours prior notice. Such inspection shall be in an office designated by Lender and Borrower shall be entitled to have a representative of Borrower present during such inspection.

Financial Reporting. Borrower shall at all times comply with the following until such time as the Loan has been paid in full:

- i) Within forty-five (45) days after the end of each quarter, Borrower shall provide to Lender a Quarterly Covenant Compliance Worksheet in such form as approved by Lender.
- ii) Within forty-five (45) days after the end of each quarter, Borrower shall provide to Lender its quarterly unaudited consolidated financial statements in a form acceptable to Lender and including an income statement and balance sheet. The quarterly financial statements shall be certified as accurate by its principal financial officer.
- iii) Within one hundred twenty (120) days following the end of its fiscal year, Borrower shall provide to Lender its annual audited financial statements in a form acceptable to Lender and including an income statement and balance sheet.
- iv) Borrower shall provide such other financial reports or information as Lender may reasonably request in writing from time to time.

Depository Relationship. Borrower shall maintain its primary depository relationship with Lender throughout the term of the Loan. Borrower recognizes that the establishment of such depository relationship and the maintenance of the same was an important factor and a material inducement to Lender in establishing the terms and conditions, including the interest rate, of the Loan.

Audits. Lender shall have the right to audit the books and records of Borrower. No rights of audit unless in default and with twenty-four (24) hours prior notification and accompanied by Borrower's representative.

Insurance. At its own cost, Borrower shall obtain and maintain insurance against (a) loss, destruction or damage to its properties and business of the kinds and in the amounts customarily insured against by corporations with established reputations engaged in the same or similar business as Borrower, and (b) insurance against public liability and third party property damage of the kinds and in the amounts customarily insured against by corporations with established reputations engaged in the same or similar business as Borrower. All such policies shall be issued by financially sound and reputable insurers. All of the insurance policies required hereby shall be evidenced by one or more Certificates of Insurance delivered to Lender by Borrower on the Closing Date and at such other times as Lender may request from time to time.

Accounting Terms. All accounting terms not specifically defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with generally accepted accounting principals ("GAAP"), as in effect from time to time, applied in a manner consistent, and that were used in preparing the financial statements delivered to Lender. Notwithstanding the foregoing, for the purpose of determining compliance with any covenant contained in this Agreement (including the computation of any financial covenant), Indebtedness of the Borrower and its subsidiaries shall be deemed carried at 100% of the outstanding principal balance thereof. If at any time any change in GAAP would affect the computation of any financial ratio set forth in this Agreement, the Borrower and Lender shall negotiate in good faith to amend such ratio to preserve the original intent thereof.

Negative Pledge. During the term of the Loan, except for materials, vehicles, equipment, tools or other items of personal property purchased in the ordinary course of Borrower's business (and, in no event, in excess of one Hundred Thousand and No/100 Dollars (\$100,000.00) outstanding at any one time), Borrower shall not pledge or otherwise encumber any of Borrower's assets without the express prior written consent of Lender.

ARTICLE V **DEFAULTS**

An Event of Default shall be deemed to have occurred hereunder if:

Default Under Promissory Note. If there is any failure to make any principal or interest payment or any other monetary payment when due beyond any applicable cure period as required in the Note, or this Agreement; or

Non-Monetary Defaults. Any non-monetary default occurring under this Agreement other than the Note which is not cured within thirty (30) days after receipt of written notice of same from Lender, to observe or perform any non monetary covenant or condition as contained in this Agreement; *provided* that if any such failure concerning a non monetary covenant or condition is

susceptible to cure and cannot reasonably be cured within said thirty (30) day period, then Borrower shall have an additional sixty (60) day period to cure such failure and no Event of Default shall be deemed to exist hereunder so long as Borrower commences such cure within the initial thirty (30) day period and diligently and in good faith pursues such cure to completion within such resulting ninety (90) day period from the date of Lender's notice; or

Breach of Warranty. Any warranties, representations or covenants made or agreed to be made in any of the Loan Documents shall be breached in any material respect by Borrower or shall prove to be false or misleading which are not cured within thirty (30) days of written notice to Borrower of such alleged breach; *provided* that if such breach is reasonably susceptible of cure, then no Event of Default shall exist so long as Borrower cures said breach within the ninety (90) day notice and cure period provided in paragraph 2 above; or

Material Adverse Change. Borrower shall suffer any material adverse change in financial condition which, in the reasonable opinion of Lender, Lender deems itself insecure such that a default is imminent or has occurred, which could materially impair the ability of the Borrower to pay all amounts due under the Note; or

Bankruptcy or Insolvency of Borrower.

The filing by the Borrower, or any Subsidiary of Borrower, of a voluntary petition in bankruptcy for adjudication as a bankrupt or insolvent, or the filing by the Borrower, or any Subsidiary of Borrower, of any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, or the Borrower's, or any Subsidiary of Borrower, seeking or consenting to or acquiescence in the appointment of any trustee, receiver or liquidator of the Borrower or of all of the rents, revenues, issues, earnings, profits or income thereof, or the making of any general assignment for the benefit of creditors, or the admission in writing of its inability to pay its debts generally as they become due; or

The failure to discharge within sixty (60) days of filing a petition filed against the Borrower, or any Subsidiary of Borrower, seeking any reorganization, arrangement, composition, readjustment, liquidation or dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, or the appointment of any trustee, receiver or liquidator of the Borrower, or any Subsidiary of Borrower, or of all or any substantial part of the Premises or of any or all of the rents, revenues, issues, earnings, profits or income thereof without the consent or acquiescence of the Borrower, or any Subsidiary of Borrower, as applicable; or

Assignment for the Benefit of Creditors. Borrower, or any Subsidiary of Borrower, shall make a general assignment for the benefit of creditors; or

Failure to Disprove Default. Lender shall reasonably suspect the occurrence of one or more of the above said Events of Default and Borrower, upon request of the Lender, shall fail to provide evidence reasonably satisfactory to Lender that such event or Events of Default have not, in fact, occurred; or

Change in Management of Borrower. There is any change of the Chief Executive Officer and/or Chief Financial Officer of Borrower, without the express prior written consent of Lender, which consent shall be in Lender's sole and absolute discretion.

ARTICLE VI
REMEDIES OF LENDER

Upon the occurrence of any one or more of the Events of Default set out in Article IV hereof, Lender shall at its option be entitled, in addition to and not in lieu of the remedies provided for in the Note, or other documents executed in connection with the Loan, to proceed to exercise any of the following remedies:

Cancel and terminate this Agreement and not disburse any additional funds to Borrower; or

Accelerate Payment of the Note whereupon Borrower agrees, upon written request of the Lender, to immediate pay to Lender all of the outstanding principal and unpaid interest and other charges due pursuant to the terms of the Note; or

Commence an appropriate legal or equitable, action to enforce performance of this Agreement; or

Exercise any other rights or remedies Lender may have under the Loan Documents referred to in this Agreement or executed in connection with the Loan which may be available under applicable law.

ARTICLE VII

MISCELLANEOUS

In the event of a conflict with other provisions of this Agreement, the provisions of this Article VI shall control.

No Partnership or Joint Venture. Nothing herein nor the acts of the parties hereto shall be construed to create a partnership or joint venture between Borrower and Lender.

No Assignment by Borrower. Neither this Agreement nor the right to receive any advances to be made by Lender may be assigned by Borrower without the prior written consent of Lender. If Lender approves an assignment hereof by Borrower, Lender shall be entitled to make advances to such assignee and such advances shall be evidenced by the Note and secured by the Loan Documents. Borrower shall remain liable for payment of all sums advanced hereunder before and after such assignment.

U.S.A. Patriot Act Verification Information. Borrower shall provide evidence of its legal names, tax identification numbers, and street addresses satisfactory to and sufficient for the Lender to verify the identity of the Borrower as required under the U.S.A. Patriot Act. Borrower shall notify Lender promptly of any change in such information.

Delivery of Loan Documents. All of the Loan Documents have been, or will be, duly executed and delivered to Lender, and the Financing Statements and any recordable Loan Documents, as applicable, have been or will be recorded in the appropriate public offices.

Additional Items. Notwithstanding anything contained in this Agreement to the contrary, Borrower shall have submitted the following additional items to Lender on or before the closing unless otherwise agreed to by Lender:

Borrower's federal taxpayer identification number.

The Articles of Incorporation of the Borrower, and all amendments thereof, certified by the appropriate official of the State of Florida;

A current good standing certificate from the Secretary of the State of Florida;

The By-Laws or other appropriate organizational documents of the Borrower;

An incumbency certificate, specifying by name and title the officers, directors, certified by an appropriate person or other authorized individual;

Certified resolutions of the Board of Directors of Borrower authorizing the execution and delivery of the Loan Documents and all other documents necessary or desirable, for the consummation of the transaction contemplated herein.

Waiver. In the event of any litigation to enforce or interpret any of the provisions of the Note, or this Agreement, or any of the Loan Documents, or any combination thereof, the Borrower hereby waives any and all right to demand a jury trial on any of the issues.

Opinion Letter. At Closing, Borrower shall have provided an opinion of outside counsel with respect to the corporate status of Borrower, the due authorization for execution, delivery and enforceability of the Loan Documents.

ARTICLE VIII GENERAL CONDITIONS

The following conditions shall be applicable throughout the term of this Agreement:

Rights of Third Parties. All conditions of the obligations of Lender hereunder, including the obligation to make advances, are imposed solely and exclusively for the benefit of Lender, its successors and assigns, and no other person shall have standing to require satisfaction of such conditions in accordance with their terms or be entitled to assume that Lender will refuse to make advances in the absence of strict compliance with any or all thereof, and no other person shall, under any circumstances, be deemed to be a beneficiary of such conditions, any and all of which may be freely waived in whole or in part by Lender at any time if in its sole discretion it deems it desirable to do so.

Evidence of Satisfaction of Conditions. Any condition of this Agreement which requires the submission of evidence of the existence or nonexistence of a specified fact or facts implies as a condition the existence or nonexistence, as the case may be, of such fact or facts, and Lender shall at all times be free independently to establish to its satisfaction and in its absolute reasonable discretion such existence or nonexistence.

Assignment. Lender shall have the unconditional right to assign all or any part of its interest hereunder to any third party.

Successors and Assigns Included in Parties. Whenever in this Agreement one of the parties hereto is named or referred to, legal representatives, successors, and assigns of such parties shall be included, and all covenants and agreements contained in this Agreement by or on behalf of the Borrower or by or on behalf of Lender shall bind and inure to the benefit of their respective legal representatives, successors and assigns whether so expressed or not.

Headings. The headings of the sections, paragraphs and subdivisions of this Agreement are for the convenience of reference only, are not to be considered a part hereof and shall not limit or otherwise affect any of the terms hereof.

Invalid Provisions to Affect No Others. In fulfillment of any provision hereof or any transaction related hereto at the time performance of such provisions shall be due, shall involve transcending the limit of validity prescribed by law, then ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity; and if any clause or provision herein contained operates or would prospectively operate to invalidate this Agreement in whole or in part, then such clause or provision only shall be held for naught as though not herein contained, and the remainder of this Agreement shall remain operative and in full force and effect.

Number and Gender. Whenever the singular or plural number, masculine or feminine, or neuter gender is used herein, it shall equally include the other.

Amendments. Neither this Agreement nor any provision hereof may be changed, waived, discharged, or terminated orally, but only by instrument in writing signed by the party against whom enforcement of the change, waiver, discharge, or termination is sought.

Entire Agreement. This Agreement and the documents expressly referred to herein or otherwise executed in connection herewith embody the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersede all prior agreements and understandings relating to the subject matter.

Notice.

(a) All notices given hereunder shall be in writing and addressed as follows:

Lender: Fifth Third Bank
201 East Kennedy Boulevard, Suite 1800
Tampa, Florida 33609
Attn: Timothy J. Coop
Senior Vice President

with copy to: James B. Soble, Esquire
Ruden McClosky P.A.
401 East Jackson Street, Suite 2700
Tampa, Florida 33602

Borrower: Superior Uniform Group, Inc.
10055 Seminole Boulevard
Seminole, FL 33772
Attn: Andrew Demott, Jr.

with copy to: Walter C. "Chet" Little, Esquire
Foley & Lardner LLP
100 North Tampa Street, Suite 2700
Tampa, FL 33602

(b) Any notice, report, demand or other instrument authorized or required to be given or furnished under this Agreement to Borrower or Lender shall be deemed given or furnished when addressed to the party intended to receive the same, at the above address and delivered at such address (by hand delivery or by expedited courier) or deposited in the United States mail as first class certified mail, return receipt requested, postage paid, whether or not the same is actually received by such party.

(c) Each party may change the address to which any such notice, report, demand or other instrument is to be delivered or mailed, by furnishing written notice of such change to the other party, but no such notice of change shall be effective unless and until received by such other party.

(d) Notwithstanding anything in this instrument to the contrary, all requirements of notice shall be deemed inapplicable if Lender is prevented from giving such notice by bankruptcy or any other applicable law. In such event, the cure period if any, shall then run from the occurrence of the event or condition of default rather than from the date of notice.

Governing Law. This Agreement shall be governed by and construed according to the laws of the State of Florida.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Borrower and Lender have executed this Loan Agreement as of the day and year first above written.

Signed, sealed and delivered
in our presence:

(Witness Signature)
Print Name: _____

(Witness Signature)
Print Name: _____

(Witness Signature)
Print Name: _____

(Witness Signature)
Print Name: _____

BORROWER

SUPERIOR UNIFORM GROUP, INC., a Florida
corporation

By: _____ /s/ Andrew D. Demott, Jr.
Andrew D. Demott, Jr.
Executive President and
Chief Financial Officer

LENDER:

FIFTH THIRD BANK, an Ohio corporation

By: _____ /s/ Timothy J. Coop
Timothy J. Coop
Its: Senior Vice President

June 25, 2010

\$15,000,000.00

Tampa, Florida

REVOLVING LINE OF CREDIT PROMISSORY NOTE

FOR VALUE RECEIVED the undersigned, **SUPERIOR UNIFORM GROUP, INC.**, a Florida corporation, ("Maker"), promises to pay to the order of **FIFTH THIRD BANK**, an Ohio corporation, together with any other holder hereof ("Holder"), at 201 East Kennedy Boulevard, Suite 1800, Tampa, Florida 33602 (or such other place as Holder may from time to time designate in writing, the principal sum of FIFTEEN MILLION AND NO/100 DOLLARS (\$15,000,000.00), plus accrued interest, to be paid in lawful money of the United States of America, as follows:

- 1) This Note shall bear interest at a variable interest rate equal to 90 basis points (0.9%) above the LIBOR Rate (as hereinafter defined), adjusted monthly.

"LIBOR Rate" shall be defined as the rate (rounded upward, if necessary, to the next 1/8th of 1.0%) and adjusted for reserves if Holder is required to maintain reserves with respect to relevant advances, fixed by the British Bankers Association at 11:00 a.m., London time, relating to quotations for the thirty (30) day London InterBank Offered Rate on U.S. Dollar deposits as published on Bloomberg LP, or, if no longer provided by Bloomberg LP ("LIBOR Interest Period"), such rate as shall be determined in good faith by the Holder from such sources as it shall determine to be comparable to Bloomberg LP (or any successor) as determined by Holder at approximately 10:00 a.m. Cincinnati, Ohio time on the first day of a LIBOR Interest Period and which has a maturity corresponding to the maturity of the LIBOR Interest Period.

- 2) Commencing on July 24, 2010, and continuing on the 24 day of every month thereafter until the Initial Maturity Date ("Initial Term"), monthly payments of interest only shall be due and payable. This Note shall mature on June 24, 2013 (the "Initial Maturity Date") unless Maker is in full compliance with the terms of the Loan Agreement by and between Maker and Holder of even date herewith and has elected to extend and term-out the principal balance over the subsequent twelve (12) month period.

In the event Borrower elects to extend and term-out the Loan for an additional twelve (12) month period, Borrower shall notify Lender of such election in writing not less than thirty (30) days prior to the Initial Maturity Date.

In the event Maker has elected to extend and term-out the principal balance over the subsequent twelve (12) month period, Maker shall continue to make consecutive monthly payments of interest only until June 24, 2014 (the "Extended Maturity Date").

In addition to all other amounts due to Lender hereunder and under the Revolving Line of Credit Note, Borrower shall pay to Lender on the first Business Day of each April, July, October and January, an availability fee equal to 0.15% (15 basis points) per annum on the average daily unused available principal under the Note for the preceding quarter or portion thereof.

- 3) Interest on this Note shall be computed on the basis of a 360-day year as the case may be for the actual number of days elapsed.
- 4) The outstanding principal indebtedness, together with all accrued and unpaid interest thereon, shall be due and payable on the Extended Maturity Date, unless acceleration is made by Holder pursuant to the provisions hereof.
- 5) This Note may be prepaid in whole or in part at any time, without penalty or premium. Any payment or prepayment hereunder shall be applied first to unpaid costs of collection and late charges, if any, then to accrued and unpaid interest and the balance, if any, to installments of principal, in the inverse order of their maturity.
- 6) This Note evidences a revolving line of credit. Proceeds may be disbursed by Holder to Maker, repaid by Maker, and reborrowed by Maker until (i) the Initial Maturity Date or (ii) an Event of Default, as defined in the Loan Agreement of even date hereof, has occurred, and remain uncured after any required notice and right to cure, under the terms of this Note or any Loan Document. No additional advances shall be permitted after the Initial Maturity Date. All advances under this Note shall be governed by the terms of the Loan Agreement. Notwithstanding the

amount of this Note stated above, the total amount available to borrow under the terms of this Note shall be limited to the maximum amount set forth in the Loan Agreement.

- 7) After maturity or acceleration, this Note shall bear interest at the Default Interest Rate until paid in full.

This Note has been executed and delivered in, and is to be governed by and construed under the laws of, the State of Florida, as amended, except as modified by the laws and regulations of the United States of America.

Maker shall have no obligation to pay interest or payments in the nature of interest in excess of the maximum rate of interest allowed to be contracted for by law, as changed from time to time, applicable to this Note (the "Maximum Rate"). Any interest in excess of the Maximum Rate paid by Maker ("excess sum") shall be credited as a payment of principal, or, if Maker so requests in writing, returned to Maker, or, if the indebtedness and other obligations evidenced by this Note have been paid in full, returned to Maker together with interest at the same rate as was paid by Maker during such period. Any excess sum credited to principal shall be credited as of the date paid to Holder. The Maximum Rate varies from time to time and from time to time there may be no specific maximum rate. Holder may, without such action constituting a breach of any obligations to Maker, seek judicial determination of the applicable rate of interest, and its obligation to pay or credit any proposed excess sum to Maker.

The "Default Interest Rate" shall be five percent (5%) over the interest rate set forth in Section 1 above (the "Contract Rate"), in the event no specific maximum rate is applicable, the Maximum Rate shall be eighteen percent (18%) per annum. Notwithstanding the foregoing, in the event that the Holder shall elect not to declare this Note immediately due and payable during an Event of Default, including the failure of the Maker or any endorser hereof to provide financial statements as provided or to be provided pursuant to the terms that certain Loan Agreement dated of even date herewith, the terms and provisions of which are incorporated herein by reference, the Holder shall send written notice of such default to the Maker and, commencing with the thirtieth (30th) day after mailing of such written notice, the interest rate which shall thereafter accrue upon the outstanding principal balance of the indebtedness evidenced by this Note shall increase one half of one percent (0.50%) for the first ninety (90) days of said default, and increase an additional one quarter of one percent (.25%) for each ninety (90) day period thereafter until such time as the Event of Default has been cured ("Modified Default Rate"). Upon the curing of the said Event of Default, the interest rate which shall thereafter accrue on the outstanding principal balance due under this Note shall be the Contract Rate.

Holder shall have the right to declare the total unpaid balance hereof to be immediately due and payable in advance of the Initial Maturity Date or Extended Maturity Date, where applicable, upon the failure of Maker to pay within ten (10) days when due any payment of principal or interest or other amount due hereunder; or upon the occurrence of an Event of Default pursuant to any other Loan Document now or hereafter evidencing this Note. Exercise of this right shall be without notice to Maker or to any other person liable for payment hereof, notice of such exercise being hereby expressly waived. No advances otherwise allowed under the terms of this Note may be requested or made during the existence of any Event of Default.

Subject to Holder's exercise of a Modified Default Rate, if any payment is not paid when due (whether by acceleration or otherwise) or within ten (10) days thereafter, Maker agrees to pay to Holder a late payment fee as provided for in any loan agreement or five percent (5%) of the payment amount whichever is greater with a minimum fee of Twenty and no/100 Dollars (\$20.00). After an Event of Default, Maker agrees to pay to Holder a late payment fee of Twenty-Five and no/100 Dollars (\$25.00), or Maker agrees that Holder may, without notice, increase the Interest Rate by three percentage points (3%) (the "Default Rate"), whichever is greater. Holder may impose a non-sufficient funds fee for any check that is presented for payment that is returned for any reason. The parties agree that said charges are a fair and reasonable charge for the late payment and shall not be deemed a penalty.

Time is of the essence hereunder. In the event that this Note is collected by law or through attorneys at law, or under advice therefrom, Maker agrees to pay all costs of collection, including reasonable attorneys' fees, whether or not suit is brought, and whether incurred in connection with collection, trial, appeal, bankruptcy or other creditors' proceedings or otherwise.

Acceptance of partial payments or payments marked "payment in full" or "in satisfaction" or words to similar effect shall not affect the duty of Maker to pay all obligations due hereunder, and shall not affect the right of Holder to pursue all remedies available to it under any Loan Documents.

The remedies of Holder shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of Holder, and may be exercised as often as occasion therefor shall arise. No action or omission of Holder, including specifically any failure to exercise or forbearance in the exercise of any remedy, shall be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by Holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing or as constituting a course of dealing, nor shall it be construed as a bar to, or as a waiver or release of, any subsequent remedy as to a subsequent event.

Maker hereby consents and submits to the jurisdiction of the courts of the State of Florida, and, notwithstanding its place of residence or organization or the place of execution of this Note, any litigation relating hereto, whether arising in contract or tort, by

statute or otherwise, shall be brought in (and, if brought elsewhere, may be transferred to) a State court of competent jurisdiction in, at Holder's option, Hillsborough County, Florida.

Any notice to be given or to be served upon any party hereto in connection with this Note, whether required or otherwise, may be given in any manner permitted under the Loan Agreement.

If more than one party shall execute this Note, the term "Maker" shall mean all parties signing this Note, who shall be jointly and severally obligated hereunder. The term "other person liable for payment hereof" shall include any endorser, guarantor, surety or other person now or hereafter primarily or secondarily liable for the payment of this Note, whether by signing this or another instrument.

Whenever the context so requires, the neuter gender includes the feminine and/or masculine, as the case may be, and the singular number includes the plural, and the plural number includes the singular.

Maker hereby (a) expressly waives any valuation and appraisal, presentment, demand for payment, notice of dishonor, protest, notice of nonpayment or protest, all other forms of notice whatsoever, and diligence in collection; (b) consents that Holder may, from time to time and without notice to any of them or demand, extend, rearrange, renew or postpone any or all payments.

Holder may request periodically as it deems necessary, complete and current financial statements, balance sheets, profit and loss statements, and cash flow information for Maker in accordance with the Loan Agreement.

Maker understands and agrees that the jury waiver, and any provision hereby incorporated by reference, constitute agreements of the Maker and a part of this note. Maker acknowledges receipt of a completed copy of this note.

JURY WAIVER. MAKER AND HOLDER HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE THE RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT AND ANY OTHER DOCUMENT OR INSTRUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR HOLDER ENTERING INTO THIS AGREEMENT. FURTHER, MAKER HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF HOLDER, NOR THE HOLDER'S COUNSEL, HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT HOLDER WOULD NOT, IN THE EVENT OF SUCH LITIGATION, SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL PROVISION. NO REPRESENTATIVE OR AGENT OF THE HOLDER, NOR HOLDER'S COUNSEL HAS THE AUTHORITY TO WAIVE, CONDITION, OR MODIFY THIS PROVISION.

Maker acknowledges that the above paragraph has been expressly bargained for by Holder as part of the loan evidenced hereby and that, but for Maker's agreement and the agreement of any other person liable for payment hereof thereto, Holder would not have extended the loan for the term and with the interest rate provided herein.

IN WITNESS WHEREOF, Maker has executed this Note on the day and year first above written.

Address of Maker:

10055 Seminole Boulevard
Seminole, Florida 33772

MAKER:

SUPERIOR UNIFORM GROUP, INC., a Florida
corporation

By: /S/ Andrew D. Demott, Jr.
Andrew D. Demott, Jr.
Executive Vice President and
Chief Financial Officer

Superior Uniform Group, Inc.
10055 Seminole Boulevard
Seminole, Florida 33772

We have reviewed, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the unaudited interim financial information of Superior Uniform Group, Inc. and subsidiaries for the periods ended June 30, 2010 and 2009, as indicated in our report dated July 22, 2010; because we did not perform an audit, we expressed no opinion on that information.

We are aware that our report referred to above, which is included in your Quarterly Report on Form 10-Q for the quarter ended June 30, 2010 is incorporated by reference in Registration Statement on Form S-8 (File No. 33-105906, effective June 6, 2003).

We also are aware that the aforementioned report, pursuant to Rule 436(c) under the Securities Act of 1933, is not considered a part of the Registration Statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of that Act.

/s/ GRANT THORNTON LLP

Tampa, Florida
July 22, 2010

CERTIFICATIONS

I, Michael Benstock, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Superior Uniform Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 22, 2010

/s/ Michael Benstock

Michael Benstock
Chief Executive Officer
(Principal Executive Officer)

CERTIFICATIONS

I, Andrew D. Demott, Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Superior Uniform Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 22, 2010

/s/ Andrew D. Demott, Jr.
Andrew D. Demott, Jr.
Exec. Vice President, Chief
Financial Officer and Treasurer
(Principal Financial and
Accounting Officer)

**Written Statement of the Chief Executive Officer and the Chief Financial Officer
Pursuant to 18 U.S.C. §1350**

Solely for the purposes of complying with 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, we, the undersigned Chief Executive Officer and Chief Financial Officer of Superior Uniform Group, Inc. (the "Company"), hereby certify, based on our knowledge, that the Quarterly Report on Form 10-Q of the Company for the period ended June 30, 2010 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Michael Benstock

Michael Benstock
Chief Executive Officer
(Principal Executive Officer)

/s/ Andrew D. Demott, Jr.

Andrew D. Demott, Jr.
Chief Financial Officer
(Principal Financial and Accounting Officer)

Date: July 22, 2010