

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

FORM 8-K

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

Date of Report (Date of earliest event reported): July 15, 2019

FARO TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction
of incorporation)

0-23081
(Commission
File Number)

59-3157093
(IRS Employer
Identification No.)

250 Technology Park, Lake Mary, Florida 32746
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (407) 333-9911

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$.001	FARO	Nasdaq Global Select Market

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

Emerging growth company

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

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Appointment of New Chief Financial Officer

On July 15, 2019, the Board of Directors of FARO Technologies, Inc. (the “Company”) appointed Allen Muhich as the Chief Financial Officer of the Company, effective July 26, 2019, to succeed Robert Seidel, who will cease serving as the Chief Financial Officer of the Company effective July 25, 2019 but will continue as an employee of the Company for a transition period. Mr. Muhich will also serve as the Company’s principal accounting officer, effective July 26, 2019. Mr. Seidel’s departure is not related to any disagreement between Mr. Seidel and the Company relating to the Company’s financial reporting or condition, operations, policies or practices.

Mr. Muhich, age 52, most recently served as Vice President, Chief Financial Officer and Corporate Secretary of Electro Scientific Industries, Inc., a leading supplier of innovative laser-based microfabrication solutions for industries reliant on microtechnologies, from December 2017 to February 2019, when it was acquired by MKS Instruments, Inc. Prior to joining Electro Scientific Industries, Inc., Mr. Muhich was Chief Financial Officer of ID Experts, a provider of identity protection services, from February 2016 to November 2017, as well as Chief Operating Officer from January 2017 to November 2017. Prior to that, Mr. Muhich served as Chief Financial Officer of Smarsh, Inc., a provider of cloud-based archiving solutions, from March 2015 to February 2016, as Chief Financial Officer and Vice President of Finance of Radisys Corporation, a leading provider of open telecom solutions, from May 2011 to March 2015, as Vice President of Finance and Corporate Controller at Merix Corporation, a global manufacturer of printed circuit boards from September 2006 to May 2010, and spent the previous 15 years in financial management in the office printing business at Tektronix, Inc. and Xerox Corporation. Mr. Muhich holds a B.A. degree in Accounting from Western Washington University.

There are no arrangements or understandings between Mr. Muhich and any other persons pursuant to which he was appointed Chief Financial Officer. There are no family relationships between Mr. Muhich and any director or executive officer of the Company, and Mr. Muhich does not have any direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Employment Offer Letter with Mr. Muhich

Mr. Muhich’s employment with the Company will be on an at-will basis. In connection with his employment, on July 15, 2019, Mr. Muhich accepted a written offer letter from the Company (the “Offer Letter”) that provides for the following initial compensation:

- *Base salary* - An annual base salary of \$371,000.
- *Signing bonus* - Mr. Muhich will receive a one-time signing bonus equal to \$200,000 payable in a lump sum in cash within 30 days following July 26, 2019. Mr. Muhich will be required to repay the signing bonus if, prior to July 26, 2021: (i) he voluntarily terminates his employment with the Company or (ii) his employment is terminated by the Company for “cause” (as defined in the Offer Letter).
- *Sign-on equity grant* - Mr. Muhich will be granted a one-time sign-on restricted stock unit award on July 26, 2019 with a target value of \$1 million. This equity grant will be comprised of a combination of performance-vesting restricted stock units and time-vesting restricted stock units, in a ratio of 50% and 50%, respectively. One-third of the time-vesting restricted stock units will vest on each of the first, second and third anniversaries of the grant date. The performance-vesting restricted stock units will be earned based on how the Company’s total shareholder return, or TSR, compares to the TSR of the Russell 2000 Growth Index during the performance period from July 26, 2019 to July 26, 2022 (the “Relative TSR”). If the Company’s Relative TSR during the performance period is (i) at the 55th percentile, 100% of the target performance-vesting restricted stock units awarded will be earned and will vest; (ii) at or above the 80th percentile, 200% of the target performance-vesting restricted stock units awarded will be earned and will vest, provided that if the Company’s TSR for the performance period is negative, the maximum percentage that may be earned is 100%; (iii) at the 25th percentile, 25% of the target performance-vesting restricted stock units awarded will be earned and will vest; and (iv) below the 25th percentile, no performance-vesting restricted stock units will be earned. The percentage of performance-vesting restricted stock units that are earned will be interpolated if Relative TSR is between the 25th and 80th percentiles during the performance period.
- *Relocation expenses* - Mr. Muhich is entitled to receive relocation assistance in the form of reimbursement for real estate agents’ commission (capped at 7%) and customary, non-recurring home sale closing costs, subject to an aggregate cap of \$50,000. In the event Mr. Muhich voluntarily terminates his employment with the Company prior to the 12-month anniversary of the date of his relocation, he will be required to repay a prorated portion of all relocation expenses incurred, including all Company tax liabilities.

- *Transition to short-term incentive plan* -Mr. Muhich will be eligible to receive a target cash bonus of 65% of his base salary, pro-rated for the number of days he is employed by the Company during 2019, provided that he remains employed by the Company on December 31, 2019 and conditioned upon his achievement of certain performance goals for 2019 established by the Compensation Committee of the Company's Board of Directors (the "Compensation Committee") and accepted by Mr. Muhich.
- *Short-term incentive plan* - Mr. Muhich will be eligible to participate in the Company's short-term incentive plan beginning in 2020, with an initial target payout of at least 65% of his base salary conditioned upon the Company's achievement of the performance goals established by the Compensation Committee.
- *Long-term incentive plan* - Mr. Muhich will be eligible to receive annual grants under the Company's long-term incentive plan beginning in 2020, with a target value of at least \$600,000. Such grants are expected to be awarded in a combination of performance-vesting restricted stock units and time-vesting restricted stock units, in ratio of 50% and 50%, respectively.

Pursuant to the Offer Letter, in the event that Mr. Muhich is terminated without cause, he will be eligible to receive severance benefits as a participant under the Company's Executive Severance Plan (the "Plan"), which Plan is described in the Company's 2019 proxy statement filed with the Securities and Exchange Commission on April 17, 2019.

This summary is not intended to be complete and is qualified in its entirety by reference to the Offer Letter, which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On July 16, 2019, the Company issued a press release announcing Mr. Muhich's appointment as Chief Financial Officer of the Company effective July 26, 2019. A copy of the press release is attached hereto as Exhibit 99.1.

The information contained in this Item 7.01, including the related information set forth in the press release attached hereto as Exhibit 99.1, is being "furnished" and shall not be deemed "filed" with the Securities and Exchange Commission for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liabilities of that section and is not incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
10.1	Offer Letter between FARO Technologies, Inc. and Allen Muhich, dated July 15, 2019
99.1	Press Release dated July 16, 2019

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

July 16, 2019

FARO Technologies, Inc.

/s/ Jody S. Gale

By: Jody S. Gale

Its: Senior Vice President, General Counsel & Secretary



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July 11, 2019

Mr. Allen Muhich
12620 SW Winterview Dr.
Portland, OR 97224-0701

RE: Offer of Employment

Dear Allen,

We are pleased to extend to you a conditional offer of employment as Chief Financial Officer (“CFO”) for FARO Technologies, Inc. (“FARO” or the “Company”) based at our Company headquarters in Lake Mary, Florida. This letter will serve to set forth the terms of our offer which, if accepted, remains subject to ratification by the Company’s Compensation Committee.

If you accept our offer, we propose a start date of July 26, 2019 (the “Start Date”), conditioned upon your completion of a satisfactory reference check, satisfactory in-depth background investigation and satisfactory drug screening and your counter-signing and returning this offer letter and our Patent & Confidentiality Agreement and Non-Competition Addendum. Copies of the Agreement and Addendum are enclosed for your review and consideration. We reserve the right to rescind our employment offer should you refuse to consent to a background check for employment purposes, should we determine that the results of your check are inconsistent with our hiring criteria for the CFO role, should you refuse to sign the enclosed documents, or should the Compensation Committee fail to ratify the terms of this offer.

Management and Position

Presuming the conditions for your offer are met, your employment with FARO will be “at-will”, which means that your employment will not be for any fixed term and that both you and the Company both retain the absolute right to terminate your employment at any time, with or without cause or notice. The at-will nature of your employment relationship may only be modified, altered or changed through a written agreement signed by the Company’s President and CEO, Michael Burger. Verbal statements by any of FARO’s officers, employees or other representatives will not, in any way, be effective to amend our conditional offer or otherwise guarantee employment with the Company for any specific period of time or on any specific terms.

In your position, you will report directly to Michael Burger, President and CEO, and will have the duties, responsibilities and authority customarily associated with the position. While you are employed, it is expected that you will devote substantially all of your full professional time and best professional efforts to FARO’s business and will not engage in any activities that compete with the Company in any way. The Company also expects that you will, at all times, adhere to its professional standards and comply with all of its policies, practices and procedures, including but not limited to those policies prohibiting harassment and discrimination (including sexual harassment), protecting confidential business information, and governing the use of the Company’s information systems.

Compensation and Benefits

Annual Base Salary and Exempt Status

Your annual base salary shall be \$371,000.00 paid bi-weekly as it is earned on FARO's regularly-scheduled pay dates, which may be direct deposited or tendered by check in accordance with your request. Your employment with the Company will be full-time. Your position is considered **exempt** from the overtime pay and minimum wage requirements of applicable federal and state law, which means you will be expected to report to the office as scheduled during our regular business hours and as otherwise reasonably necessary to fulfill your job duties and meet other business needs but will not be eligible to earn overtime compensation for any hours you work in excess of forty (40) in any given workweek.

Health and Welfare Benefits

Upon commencement of employment, you will be eligible to participate in and receive benefits under the welfare benefit plans, policies, programs and practices provided by the Company as those are available to all other executive employees based in the United States. Benefit coverage is established by FARO policies and practices, governing plan documents and any necessary approval of the Board of Directors. Further information concerning these plans, policies, programs and practices will be issued to you by FARO upon your Start Date. Benefit costs may vary depending on when in the plan year the date of hire occurs (FARO's benefit year begins on March 1st and ends on February 28th or 29th as applicable). FARO reserves its right to at any time to amend, modify, add-to or discontinue any and all benefits offered in accordance with applicable law.

Paid Time Off

You are eligible to take Paid Time Off after completion of your introductory period, which is initially set for ninety (90) days but may be extended one or more times at the Company's discretion. The PTO calendar runs from March 1 to February 28 (or February 29) each year. From your Start Date until the end of the current PTO year, you will be granted 13 days of PTO together with 1 floating holiday for the 2019-2020 benefit year. On March 1, 2020, you will receive 23 days of PTO together with 2 floating holidays for the 2020-2021 benefit year. Scheduling, approval, tracking and other provisions concerning the use of PTO is governed by the Company's PTO Policy. You will additionally be granted other time off (such as for holidays, sick days, etc.) in accordance with law and applicable Company policies.

Signing Bonus

The Company will pay you a one-time signing bonus equal to \$200,000.00 (the "Signing Bonus"), in a single lump sum in cash within thirty (30) calendar days of your Start Date; *provided that*, you will be required to repay the net value of the Signing Bonus if you voluntarily resign from your employment before the second anniversary of your Start Date or are terminated by the Company for "Cause" within that same time period. For purposes of this offer, "Cause" means, as determined by the Company: (i) your failure to perform your duties with the Company, following a written demand for substantial performance within thirty (30) days from service thereof and failure to cure the identified deficiencies, (ii) you engage in illegal conduct or gross misconduct that is materially injurious to the Company or any affiliate, (iii) you engage in conduct or misconduct that materially harms the reputation or financial position of the Company or any affiliate, (iv) you are convicted of, or plead *nolo contendere* to a felony or to a crime involving fraud, dishonesty, violence or moral turpitude, (v) you are found liable in any SEC or other civil or criminal securities law action, (vi) you commit an act of fraud or embezzlement against the Company or any affiliate, or (vii) you accept a bribe or kickback.

Initial Equity Grant

Upon commencement of employment, you will be granted restricted stock units with a target value of \$1,000,000.00. This initial equity grant will be comprised of a combination of performance-vesting restricted stock units and time-vesting restricted stock units, in a ratio of 50% and 50%, respectively. The grant will be subject to the terms and conditions applicable to performance-vesting restricted stock units and time-vesting restricted stock units granted under the Company's existing long-term incentive plan, as amended from time to time (the "Plan"), along with the applicable forms of award agreements.

Relocation Summary

Relocation will be facilitated by NEI Global Relocation. As part of the relocation assistance, FARO will provide direct reimbursement of the real estate agent's commission (capped at 7%) and customary, non-recurring home sale closing costs, up to a combined total of \$50k. Please refer to the summary program policy for all other information. You will be able to access the NEI website once you have accepted the position. We would expect you to relocate by the end of 2021. **NOTE: Should you voluntarily leave FARO prior to 12 months from the date of your relocation, you must repay a prorated portion of all relocation expenses incurred, including all Company tax liabilities. Your signature below will confirm that you have read and understood the terms and conditions of the Relocation Assistance offered by FARO, including all limitations.**

Incentive, Savings and Retirement Plans

During your employment, you will be entitled to participate in all incentive, savings and retirement plans, practices, policies and programs available to all other executive employees of the Company based in the United States. Without limiting the foregoing, the following shall apply:

- a) for the annual performance period ending December 31, 2019 and continuing annually throughout your employment thereafter, in accordance with the Company's Short Term Incentive Plan you will be eligible to receive a cash bonus based upon the achievement of performance goals established by the Compensation Committee of the Board and agreed upon by you, with a target bonus of sixty-five percent (65%) of your Base Salary; *provided* that any annual bonus for fiscal year 2019 awarded to you shall be a prorated amount of the annual bonus that would have been paid for full-year fiscal 2019 based on the number of days you are employed by the Company during the fiscal year. You must be employed by the Company on the last day of the fiscal year to which a bonus relates in order to earn a bonus for that year. Any bonus awarded to you will be paid within two and one-half months (2½) after the end of the performance period to which it relates.
- b) beginning with the annual performance period ending December 31, 2020 and thereafter continuing throughout your employment, you will be eligible for annual grants under the Company's long-term incentive plan or plans of stock-based awards based upon the achievement of performance goals established from year to year by the Compensation Committee of the Board, with a target value initially of \$600,000.00. Grants are expected to be awarded as a combination of performance-vesting restricted stock units and time-vesting restricted stock units, in a ratio of 50% and 50%, respectively. Nothing in this letter requires the Board to make grants of restricted stock units or other awards in any year or to make grants of any specific types of awards or in any certain amount or ratio. Vesting of such grants or awards will be governed by the terms of the Company's long-term incentive plan or plans of stock-based awards, as the same are in effect and/or amended by the Company from time to time.

Expense Reimbursement

You will receive prompt reimbursement for all reasonable business expenses you incur during the course of performing your duties and responsibilities for the Company, in accordance with the policies, practices and procedures of the Company generally available to executive employees of the Company based in the United States and subject to change from time to time.

Severance Pay

In the event of your termination of employment without Cause, you will be eligible to receive severance pay in accordance with the terms of the Company's Executive Severance Plan, provided that you sign, return and do not revoke a release agreement in a form prepared by the Company. The terms of the Company's Executive Severance Plan may be amended from time to time, in the Company's sole discretion, and shall be controlling.

Beginning of Employment, Verification of Eligibility to Work and Employment Tax Withholdings

On your first day of employment, please report to Katrona Tyrrell, Chief People Officer.

In accordance with the Immigration Reform and Control Act of 1986, it is necessary that you provide verification of employment status. Please be prepared to provide documentation per page 5 of the U.S. Citizenship and Immigration Services Form I-9 on your first day of employment. A copy of Form I-9 can be found at <https://www.uscis.gov/i-9>. In order to assure that you are paid promptly, you will also need to complete a W-4 form.

All onboarding paperwork, including payroll forms, will be done online through the Workday portal. Please log onto Workday throughout the new hire process to complete onboarding tasks as soon as they become available to you. This prevents unnecessary delays to your employment with FARO.

Performance Management

Minimum performance expectations for all positions must be achieved and will be monitored on a regular ongoing basis. If you do not maintain established performance standards and/or successfully complete relevant training, you will be subject to FARO's Performance Improvement/Disciplinary Action Process as applied to all employees. Changes in compensation may or may not coincide with your performance reviews and may occur from time-to-time in FARO's sole discretion. Any compensation changes will depend upon a number of things including but not limited to your work performance and responsibilities, FARO's financial performance, and the general economic environment.

Additional Contingencies

You are responsible for evaluating and ensuring freedom from any non-compete or other restrictive covenants you may have with any previous employers. If a dispute arises between you and a previous employer, FARO may take any steps it deems necessary, up to and including termination of your employment, to protect the Company.

This offer letter supersedes and replaces all conversations or other correspondence on this matter.

We are looking forward to having you as part of the FARO team and believe that this offer provides you an exciting and unique professional opportunity! Should you have any questions about the Company or regarding this offer, please contact Katrona Tyrrell at 407-562-5020.

Kindly note that, for planning purposes, we will be unable to hold this conditional employment offer open for you beyond three business days of the date written above. A signed copy of this letter must be received by FARO within that time frame, or the offer will become invalid and be automatically rescinded.

Sincerely,

/s/ Michael Burger

Michael Burger

President and Chief Executive Officer

Acknowledgement

I hereby accept FARO's conditional offer of employment at-will on the terms set forth above, which I understand must be ratified by the Company's Compensation Committee to be effective. I understand that, should my employment offer be confirmed, I am not guaranteed employment for any period of time and that the terms, conditions and benefits of my employment are subject to change in the Company's sole discretion with or without Cause or notice. I also understand that should I refuse to sign the Patent & Confidentiality Agreement and Non-Competition Addendum the Company provided or consent to a background check, reference check and drug screening for employment purposes, or should the results of that check be inconsistent with the hiring criteria for the role for which I applied, the Company's conditional offer of employment to me will be rescinded.

/s/ Allen Muhich

Date: July 15, 2019

Allen Muhich



PRESS RELEASE
For Immediate Release

FARO® Appoints Allen Muhich as Chief Financial Officer

Lake Mary, FL, July 16, 2019 - FARO® (NASDAQ:FARO), the world's most trusted source for 3D measurement and imaging solutions for 3D manufacturing, construction BIM, 3D design, public safety forensics, and photonics applications, today announced that Allen Muhich has been appointed Chief Financial Officer of the Company, effective July 26, 2019. Mr. Muhich joins FARO from Electro Scientific Industries, where he served as Chief Financial Officer and worked together with Michael Burger, FARO's President and CEO.

"I am pleased to welcome Allen to FARO to continue a highly successful working partnership that we have shared for several years," stated Michael Burger, FARO's President and CEO. "Allen is a seasoned financial executive with an impressive track record in leading a global financial function in a complex, customer-focused industrial technology business. I am looking forward to once again working closely with Allen as we enter an exciting new chapter for FARO."

Mr. Muhich will lead FARO's financial operations, regional finance teams and investor relations. He will report directly to Mr. Burger.

Mr. Muhich brings to FARO nearly 30 years of experience as a global financial executive in the industrial technology sector. Mr. Muhich was previously Chief Financial Officer of Electro Scientific Industries, Inc., a leading supplier of innovative laser-based microfabrication solutions for industries reliant on microtechnologies, ID Experts, a provider of identity protection services, Smarsh, Inc., a provider of cloud-based archiving solutions, and Radisys Corporation, a leading provider of open telecom solutions. Mr. Muhich was also Vice President of Finance and Corporate Controller at Merix Corporation, a global manufacturer of printed circuit boards. Prior to that Mr. Muhich spent 15 years in financial management in the office printing business at Tektronix, Inc. and Xerox Corporation. Mr. Muhich holds a B.A. degree in Accounting from Western Washington University.

Mr. Muhich will succeed Robert Seidel, who has served as FARO's Chief Financial Officer since December 2016 and who will continue to serve as Chief Financial Officer of the Company until July 25, 2019 and then will continue as a FARO employee for a transition period. "Bob's commitment to FARO has been unwavering and vital to everything FARO has achieved during the time he served as CFO," said John Donofrio, FARO's Chairman of the Board of Directors. "We are deeply appreciative of all Mr. Seidel has done to help lead a complex transformation of the company to a vertical-focused organization and in laying the foundation for continued improvement in our operational efficiency, particularly our gross margin improvement during his tenure. FARO has benefitted from Bob's leadership and dedication and we wish him well."

About FARO

FARO is the world's most trusted source for 3D measurement, imaging and realization technology. The Company develops and markets computer-aided measurement and imaging devices and software for the following vertical markets:

- 3D Manufacturing - High-precision 3D measurement, imaging and comparison of parts and complex structures within production and quality assurance processes
- Construction BIM - 3D capture of as-built construction projects and factories to document complex structures and perform quality control, planning and preservation

- Public Safety Forensics - Capture and analysis of on-site real world data to investigate crash, crime and fire events, plan security activities and provide virtual reality training for public safety personnel
- 3D Design - Capture and edit 3D shapes of products, people and/or environments for design purposes in product development, computer graphics and dental and medical applications
- Photonics - Develop and market galvanometer-based laser measurement products and solutions

FARO's global headquarters is located in Lake Mary, Florida. The Company's European regional headquarters is located in Stuttgart, Germany and its Asia-Pacific regional headquarters is located in Singapore. FARO has other offices in the United States, Canada, Mexico, Brazil, Germany, the United Kingdom, France, Spain, Italy, Poland, Turkey, the Netherlands, Switzerland, India, China, Malaysia, Thailand, South Korea, Japan, and Australia.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties, such as statements about the Company's Chief Financial Officer transition, long-term success, future growth, operational efficiency, gross margins and strategic differentiation in its vertical markets. Statements that are not historical facts or that describe the Company's plans, objectives, projections, expectations, assumptions, strategies, or goals are forward-looking statements. In addition, words such as "is," "will" and similar expressions or discussions of FARO's plans or other intentions identify forward-looking statements. Forward-looking statements are not guarantees of future performance and are subject to various known and unknown risks, uncertainties, and other factors that may cause actual results, performances, or achievements to differ materially from future results, performances, or achievements expressed or implied by such forward-looking statements. Consequently, undue reliance should not be placed on these forward-looking statements.

Factors that could cause actual results to differ materially from what is expressed or forecasted in such forward-looking statements include, but are not limited to:

- *the Company's ability to successfully complete this Chief Financial Officer transition or the loss of other key personnel;*
- *development by others of new or improved products, processes or technologies that make the Company's products less competitive or obsolete;*
- *the Company's inability to maintain its technological advantage by developing new products and enhancing its existing products;*
- *declines or other adverse changes, or lack of improvement, in industries that the Company serves or the domestic and international economies in the regions of the world where the Company operates and other general economic, business, and financial conditions; and*
- *other risks detailed in Part I, Item 1A. Risk Factors in the Company's Annual Report on Form 10-K for the year ended December 31, 2018.*

Forward-looking statements in this release represent the Company's judgment as of the date of this release. The Company undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise, unless otherwise required by law.

More information is available at <http://www.faro.com>