
**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 12, 2013

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

On July 15, 2013, FARO Technologies, Inc. (the “Company”), entered into an employment agreement (the “Agreement”) with Kathleen Hall, pursuant to which Ms. Hall will serve as the Company’s Senior Vice President and Managing Director – Americas of the Company effective as of July 15, 2013. Under the Agreement, Ms. Hall will receive base salary at the rate of \$325,000 per year and is eligible to participate in the Company’s bonus and equity award program, with a target award value of 40% and 100%, respectively, reflected as a percentage of her base salary. Pursuant to the Agreement, in the event Ms. Hall’s employment is terminated by the Company other than for “cause” or disability or by Ms. Hall for “good reason” (as such terms are defined in the Agreement), Ms. Hall will be entitled to receive severance equal to her annual base salary, payable in approximately equal installments over a 12-month period (provided that she has executed and not revoked a general release of claims and covenant not to sue in favor of the Company and complies with certain non-competition restrictions), and her outstanding and unvested stock options and restricted stock units will become fully vested as of the date of termination. In addition, by virtue of her appointment as an executive officer, Ms. Hall will be covered by the Company’s Change in Control Severance Policy, as amended, which policy is described in the Company’s most recent proxy statement filed with the Securities and Exchange Commission on April 12, 2013. Ms. Hall is subject to non-competition restrictions during the term of the Agreement and confidentiality obligations that survive the employment relationship.

In connection with her commencement of employment, Ms. Hall received an option to purchase 26,252 shares of Company common stock, which vest in three equal annual installments beginning on the first anniversary of the date of grant.

The forgoing description is qualified in its entirety by reference to the Agreement, filed as Exhibit 10.1 hereto and incorporated herein by reference.

On July 15, 2013, the Company issued a press release announcing Ms. Hall’s appointment as Senior Vice President and Managing Director – Americas. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 7.01 Other Events.

On July 12, 2013, the Company issued a press release announcing that it entered into a settlement agreement with Nikon Metrology, Inc. (formerly Metris U.S.A., Inc.) and its affiliates in resolution the pending patent litigation in the case captioned Metris U.S.A., Inc., et al. v. Faro Technologies, Inc., Civil Action No.: 08-cv-11187 (PBS). A copy of the press release is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

The information furnished pursuant to Item 7.01 and Exhibit 99.2 of this Current Report on Form 8-K shall not be deemed to be “filed” 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. The information in this Current Report shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date of this Current Report, regardless of any general incorporation language in the filing.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits**

Exhibit Number	Description
10.1	Employment Agreement between FARO Technologies, Inc. and Kathleen Hall, dated as of July 15, 2013.
99.1	Press release dated July 15, 2013.
99.2	Press release dated July 12, 2013.

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.

FARO TECHNOLOGIES, INC.
(Registrant)

Date: July 17, 2013

/s/ Keith Bair

By: Keith Bair
Its: Chief Financial Officer

EXHIBIT INDEX

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10.1	Employment Agreement between FARO Technologies, Inc. and Kathleen Hall, dated as of July 15, 2013.
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99.2	Press release dated July 12, 2013.

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into this 15th day of July, 2013 by and between FARO Technologies, Inc., a Florida corporation (the "Company"), and Kathleen Hall ("Executive"), to be effective as of July 15, 2013 (the "Effective Date").

BACKGROUND

The Company desires to engage Executive as the Senior Vice President and Managing Director – Americas of the Company from and after the Effective Date, in accordance with the terms of this Agreement. Executive is willing to serve as such in accordance with the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Employment. Executive is hereby employed on the Effective Date as the Senior Vice President and Managing Director – Americas of the Company. In such capacity, Executive shall have the duties, responsibilities and authority commensurate with such position as shall be assigned to her by the Chief Executive Officer of the Company (the "CEO"), and will report directly to the CEO.

2. Employment Period. Unless earlier terminated in accordance with Section 6, Executive's employment shall be for a term beginning on the Effective Date and ending on July 15, 2014 (the "Employment Period"). Beginning on July 15, 2014 and on each July 15 thereafter, the Employment Period shall, without further action by Executive or the Company, be extended by an additional one-year period; *provided, however*, that either party may cause the Employment Period to cease to extend automatically, by giving written notice to the other not less than 60 days prior to any July 15 renewal date. Upon such notice, the Employment Period shall terminate upon the expiration of the then-current term, including any prior extensions.

3. Extent of Service. During the Employment Period, Executive shall devote substantially all of her business effort, time, energy, and skill to the business of the Company, to the promotion of the interests of the Company, and to the fulfillment of Executive's obligations under this Agreement. Executive acknowledges and agrees that from time to time the Company may assign Executive to different or additional positions with the Company or one of the Company's affiliated companies, with such title, duties, and responsibilities as determined by the Company in its sole discretion. Executive agrees to serve any and all such positions without additional compensation.

4. Compensation and Benefits.

(a) Base Salary. During the Employment Period, the Company will pay to Executive base salary at the rate of U.S. \$325,000 per year ("Base Salary"), less normal withholdings, payable in approximately equal bi-weekly or other installments as are or become customary under the Company's payroll practices for its employees from time to time. The Compensation Committee of the Board of Directors (the "Board") shall review Executive's Base Salary annually and may adjust Executive's Base Salary from year to year. Such adjusted salary then shall become Executive's Base Salary for purposes of this Agreement.

(b) Incentive, Savings and Retirement Plans. During the Employment Period, Executive shall be entitled to participate in all incentive, savings and retirement plans, practices, policies and programs available to employees of the Company based in the United States. Without limiting the foregoing, the following shall apply:

(i) during the Employment Period, Executive will have an opportunity to receive an annual cash bonus based upon the achievement of performance goals established from year to year by the Compensation Committee of the Board, with a target bonus of forty percent (40%) of her Base Salary. Notwithstanding the foregoing, Executive's annual bonus for fiscal year 2013, if any, shall be prorated based on the number of days Executive is employed by the Company during fiscal year 2013. Except as otherwise provided by the Board, Executive must be employed by the Company on the date the annual bonus, if any, is paid in order to receive the annual bonus; and

(ii) during the Employment Period, Executive 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 of one hundred percent (100%) of her Base Salary. Grants are expected to be awarded as a combination of stock options and restricted stock units, in a ratio of 75% and 25%, respectively. Nothing in this Agreement requires the Board to make grants of options or other awards in any year or to make grants of any specific types of awards or in any certain amount or ratio.

(c) Welfare Benefit Plans. During the Employment Period, Executive and Executive's eligible dependents shall be eligible for participation in, and shall receive all benefits under, the welfare benefit plans, practices, policies and programs provided by the Company to the extent available to all senior executive employees of the Company based in the United States, subject to the terms and conditions of any such plans.

(d) Expenses. During the Employment Period, Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by Executive in the course of performing her duties and responsibilities under this Agreement, in accordance with the policies, practices and procedures of the Company to the extent available to employees of the Company based in the United States with respect to travel, entertainment and other business expenses. Notwithstanding the foregoing, (i) the reimbursements provided in any one calendar year shall not affect the amount of reimbursements provided in any other calendar year; (ii) the reimbursement of an eligible expense shall be made in accordance with the policies, practices and procedures of the Company but no later than December 31 of the year following the year in which the expense was incurred; and (iii) Executive's rights pursuant to this Section 4(d) shall not be subject to liquidation or exchange for another benefit.

5. Change in Control. Executive shall be a participant in the FARO Technologies, Inc. Change in Control Severance Policy, as amended (the "CIC Policy"), a copy of which has been provided to Executive. For the avoidance of doubt, if Executive becomes eligible to receive benefits under the CIC Policy, she shall not be eligible to receive any benefits pursuant to Section 7. In addition, upon a Change in Control (as defined in the Company's long-term incentive plan or plans), (a) any outstanding and unvested stock options held by Executive shall become fully vested and exercisable, and such stock options shall thereafter continue or lapse in accordance with the other provisions of the applicable award certificate; and (b) any outstanding restricted stock units held by Executive shall become fully vested and shall immediately convert to shares of Company common stock.

6. Termination of Employment.

(a) Death or Retirement. Executive's employment shall terminate automatically upon Executive's death or retirement during the Employment Period.

(b) Disability. If the Company determines in good faith that Executive has become Disabled (as defined below) during the Employment Period, it may give to Executive written notice of its intention to terminate Executive's employment. In such event, Executive's employment with the Company shall terminate effective on the 30th day after receipt of such written notice by Executive (the "Disability Effective Date"), provided that, within the 30 days after such receipt, Executive shall not have returned to full-time performance of Executive's duties. For purposes of this Agreement, Executive shall be Disabled if, as determined by the Board in good faith, Executive is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company, as determined by the Board in good faith.

(c) Termination by the Company. The Company may terminate Executive's employment during the Employment Period with or without Cause. For purposes of this Agreement, "Cause" means (i) Executive's failure to perform substantially her duties with the Company and/or any affiliate (excluding any such failure resulting from Executive's Disability) after a written demand for substantial performance is delivered to Executive by or on behalf of the Board which identifies the manner in which the Board believes that Executive has not substantially performed her duties and providing Executive 30 days to cure the identified deficiencies, (ii) Executive engages in illegal conduct or gross misconduct that is materially injurious to the Company or any affiliate, (iii) Executive engages in conduct or misconduct that materially harms the reputation or financial position of the Company or any affiliate, (iv) Executive is convicted of, or pleads nolo contendere to, a felony or to a crime involving fraud, dishonesty, violence or moral turpitude, (v) Executive is found liable in any SEC or other civil or criminal securities law action, (vi) Executive commits an act of fraud or embezzlement against the Company or any affiliate, or (vii) Executive accepts a bribe or kickback.

(d) Termination by Executive. Executive's employment may be terminated by Executive with or without Good Reason. Executive's termination without Good Reason shall require 30 days' prior written notice to the Company. Executive's termination for Good Reason must occur within a period of 120 days after the occurrence of an event of Good Reason. For purposes of this Agreement, "Good Reason" shall mean, without Executive's consent, the Company's relocation of her principal office more than 50 miles from her current office location in Kennett Square, PA. A termination by Executive shall not constitute termination for Good Reason unless Executive shall first have delivered to the Company written notice setting forth with specificity the occurrence deemed to give rise to a right to terminate for Good Reason within 30 days after the initial occurrence of such event. Following receipt of such notice from Executive, the Company shall have a period of 60 days within which it may take action to correct, rescind or otherwise substantially reverse the occurrence supporting termination for Good Reason as identified by Executive. Good Reason shall not include Executive's death or Disability. The parties intend, believe and take the position that a resignation by Executive for Good Reason as defined above effectively constitutes an involuntary separation from service within the meaning of Section 409A of the Code and Treas. Reg. Section 1.409A-1(n)(2).

(e) Notice of Termination. Any termination by the Company or Executive shall be communicated by Notice of Termination to the other party given in accordance with Section 12(d). For purposes of this Agreement, a "Notice of Termination" means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in

reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated, and (iii) if the Date of Termination (as defined below) is other than the date of receipt of such notice, specifies the termination date. The failure by Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of Executive or the Company, respectively, under this Agreement or preclude Executive or the Company, respectively, from asserting such fact or circumstance in enforcing Executive's or the Company's rights under this Agreement.

(f) Date of Termination. "Date of Termination" means (i) if Executive's employment is terminated by the Company other than for Disability, the date specified in the Notice of Termination (which shall be not less than 60 days after delivery of such notice, but Executive may waive such notice), (ii) if Executive's employment is terminated by Executive, the date specified in Executive's Notice of Termination (which shall be not less than 60 days after delivery of such notice, but the Company may waive such notice), or (iii) if Executive's employment is terminated by reason of death or Disability, the Date of Termination shall be the date of death of Executive or the Disability Effective Date, as the case may be.

7. Obligations of the Company upon Termination.

(a) Termination by Executive for Good Reason; Termination by the Company Other Than for Cause or Disability. If, during the Employment Period, the Company shall terminate Executive's employment other than for Cause or Disability, or Executive shall terminate employment for Good Reason, then:

(i) the Company shall pay to Executive in a lump sum in cash on the first regular payday following the Date of Termination, Executive's Base Salary through the Date of Termination to the extent not previously paid (the "Accrued Salary");

(ii) the Company shall pay to Executive severance equal to Executive's Base Salary, payable in approximately equal installments over a period of twelve (12) months, the first payment to be made within the first 60 days after the Date of Termination (such first payment date during such period to be determined exclusively by the Company), or such later date as may be required pursuant to Section 11, and with monthly payments thereafter in accordance with the Company's normal payroll practices; provided, that (A) within 45 days after the Date of Termination Executive shall have executed a general release of claims and covenant not to sue in favor of the Company and its affiliates, in the form provided by the Company and such release shall not have been revoked within any revocation period specified in such release, and (B) Executive complies with the Non-Competition Addendum, dated as of July 15, 2013. Each installment payment shall be considered a separate payment, as described in Treas. Reg. Section 1.409A-2(b)(2), for purposes of Section 409A of the Code;

(iii) any outstanding and unvested stock options held by Executive shall become fully exercisable as of the Date of Termination, and such stock options shall thereafter continue or lapse in accordance with the other provisions of the applicable award certificate;

(iv) any outstanding restricted stock units held by Executive shall become fully vested as of the Date of Termination and shall immediately convert to shares of Company common stock on the Date of Termination; and

(v) to the extent not previously paid or provided, the Company shall timely pay or provide to Executive any other amounts or benefits required to be paid or provided or which

Executive is eligible to receive under any plan, program, policy or practice or contract or agreement of the Company and its affiliated companies (such other amounts and benefits, the "Other Benefits").

(b) Death, Disability or Retirement. If Executive's employment is terminated by reason of Executive's death, Disability or retirement during the Employment Period, this Agreement shall terminate without further obligations to Executive or Executive's legal representatives under this Agreement, other than for payment of Accrued Salary and the timely payment or provision of Other Benefits. Accrued Salary shall be paid to Executive or Executive's estate or beneficiary, as applicable, in a lump sum in cash within 30 days after the Date of Termination. With respect to the provision of Other Benefits, the term Other Benefits as used in this Section 7(b) shall include without limitation, and Executive or Executive's estate and/or beneficiaries shall be entitled to receive, benefits under such plans, programs, practices and policies relating to death, disability or retirement benefits, if any, as are applicable to Executive on the Date of Termination.

(c) Cause; Other than for Good Reason. If Executive's employment shall be terminated for Cause during the Employment Period, or Executive shall resign other than for Good Reason or Disability, this Agreement shall terminate without further obligations to Executive, other than for payment of Accrued Salary and the timely payment or provision of Other Benefits. Accrued Salary shall be paid to Executive in a lump sum in cash on the first regular payday following the Date of Termination.

(d) Expiration of Employment Period. If Executive's employment shall be terminated due to the normal expiration of the Employment Period, this Agreement shall terminate without further obligations to Executive, other than for payment of Accrued Salary and the timely payment or provision of Other Benefits. Accrued Salary shall be paid to Executive in a lump sum in cash within 30 days after the Date of Termination.

(e) Resignations. Termination of Executive's employment for any reason whatsoever shall constitute Executive's resignation as an officer of the Company, its subsidiaries and affiliates.

8. Non-exclusivity of Rights. Nothing in this Agreement shall prevent or limit Executive's continuing or future participation in any employee benefit plan, program, policy or practice provided by Parent or its affiliated companies and for which Executive may qualify, except as specifically provided in this Agreement. Amounts that are vested benefits or which Executive is otherwise entitled to receive under any plan, policy, practice or program of the Company or any of its affiliated companies at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program except as explicitly modified by this Agreement.

9. Full Settlement; No Mitigation. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations under this Agreement shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against Executive or others. In no event shall Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not Executive obtains other employment.

10. Successors.

(a) This Agreement is personal to Executive and without the prior written consent of the Company shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

11. Code Section 409A.

(a) General. This Agreement shall be interpreted and administered in a manner so that any amount or benefit payable hereunder shall be paid or provided in a manner that is either exempt from or compliant with the requirements of Section 409A of the Code and applicable Internal Revenue Service guidance and Treasury Regulations issued thereunder (and any applicable transition relief under Section 409A of the Code). Nevertheless, the tax treatment of the benefits provided under the Agreement is not warranted or guaranteed. Neither the Company nor its directors, officers, employees or advisers shall be held liable for any taxes, interest, penalties or other monetary amounts owed by Executive as a result of the application of Section 409A of the Code.

(b) Definitional Restrictions. Notwithstanding anything in this Agreement to the contrary, to the extent that any amount or benefit that would constitute non-exempt "deferred compensation" for purposes of Section 409A of the Code ("Non-Exempt Deferred Compensation") would otherwise be payable hereunder by reason of Executive's termination of employment, such Non-Exempt Deferred Compensation will not be payable to Executive by reason of such circumstance unless the circumstances giving rise to such termination of employment meet any description or definition of "separation from service" in Section 409A of the Code and applicable regulations (without giving effect to any elective provisions that may be available under such definition). This provision does not affect the dollar amount or prohibit the *vesting* of any Non-Exempt Deferred Compensation upon a termination of employment, however defined. If this provision prevents the payment of any Non-Exempt Deferred Compensation, such payment shall be made at the time and in the form that would have applied absent the non-409A-conforming event.

(c) Six-Month Delay in Certain Circumstances. Notwithstanding anything in this Agreement to the contrary, if any amount or benefit that would constitute Non-Exempt Deferred Compensation would otherwise be payable or distributable under this Agreement by reason of Executive's separation from service during a period in which she is a Specified Employee (as defined below), then, subject to any permissible acceleration of payment by the Company under Treas. Reg. Section 1.409A-3(j)(4)(ii) (domestic relations order), (j)(4)(iii) (conflicts of interest), or (j)(4)(vi) (payment of employment taxes): (i) the amount of such Non-Exempt Deferred Compensation that would otherwise be payable during the six-month period immediately following Executive's separation from service will be accumulated through and paid or provided on the first day of the seventh month following Executive's separation from service (or, if Executive dies during such period, within 30 days after

Executive's death) (in either case, the "Required Delay Period"); and (ii) the normal payment or distribution schedule for any remaining payments or distributions will resume at the end of the Required Delay Period. For purposes of this Agreement, the term "Specified Employee" has the meaning given such term in Code Section 409A and the final regulations thereunder.

(e) Timing of Release of Claims. Whenever in this Agreement a payment or benefit is conditioned on Executive's execution of a release of claims, such release must be executed and all revocation periods shall have expired within 60 days after the Date of Termination; failing which such payment or benefit shall be forfeited. If such payment or benefit constitutes Non-Exempt Deferred Compensation, then, subject to subsection (c) above, such payment or benefit (including any installment payments) that would have otherwise been payable during such 60-day period shall be accumulated and paid on the 60th day after the Date of Termination provided such release shall have been executed and such revocation periods shall have expired. If such payment or benefit is exempt from Section 409A of the Code, the Company may elect to make or commence payment at any time during such period.

12. Miscellaneous.

(a) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, without reference to principles of conflict of laws. Executive agrees that the exclusive forum for any action to enforce this Agreement, as well as any action relating to or arising out of this Agreement, shall be the state or federal courts of the State of Florida. With respect to any such court action, Executive hereby (a) irrevocably submits to the personal jurisdiction of such courts; (b) consents to service of process; (c) consents to venue; and (d) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction, service of process, or venue. Both parties hereto further agree that the state and federal courts of the State of Florida and the State of Pennsylvania are convenient forums for any dispute that may arise herefrom and that neither party shall raise as a defense that such courts are not convenient forums.

(b) Captions. The captions of this Agreement are not part of the provisions of this Agreement and shall have no force or effect. Except as otherwise provided, all references in this Agreement to "Section" or "Sections" refer to the corresponding section or sections of this Agreement.

(c) Amendments. This Agreement may not be amended or modified otherwise than-by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(d) Notices. All notices and other communications under this Agreement shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

<u>If to Executive:</u>	Kathleen Hall 117 Montana Drive Chadds Ford, PA 19317
<u>If to the Company:</u>	FARO Technologies, Inc. 250 Technology Park Lake Mary, Florida 32746 <u>Attention:</u> Secretary

or to such other address as either party shall have furnished to the other in writing in accordance with this Section 12(d). Notice and communications shall be effective when actually received by the addressee.

(e) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(f) Withholding. The Company may withhold from any amounts payable under this Agreement such Federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(g) Waivers. Executive's or the Company's failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right Executive or the Company may have under this Agreement, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(h) Entire Agreement. Except as otherwise provided in this Agreement, this Agreement contains the entire agreement between the Company and Executive with respect to the subject matter hereof and, from and after the Effective Date, this Agreement shall supersede any other agreement between the parties with respect to the subject matter hereof. The parties agree that this Agreement shall not supersede the Patent & Confidentiality Agreement or the Non-Competition Addendum, both of which shall remain in full force and effect in accordance with their terms.

IN WITNESS WHEREOF, Executive has hereunto set Executive's hand and, pursuant to the authorization from the Board, the Company has caused these presents to be executed in its name on its behalf, all as of the day and year first above written.

/s/ Kathleen Hall

Kathleen Hall

FARO TECHNOLOGIES, INC.

By: /s/ Jay Freeland

Its: President and Chief Executive Officer



FARO Technologies Inc.
250 Technology Park
Lake Mary, FL 32746

The Measure of Success

FOR IMMEDIATE RELEASE

SOURCE/CONTACT: Nancy Setteducati
nancy.setteducati@faro.com, 407-333-9911

**Kathleen J. Hall Named Senior Vice President and
Managing Director for FARO Americas**

July 15, 2013 - Lake Mary, FL – FARO Technologies, Inc., (NASDAQ: FARO) announced today that Kathleen J. Hall has been named Senior Vice President and Managing Director for FARO Americas. She will be responsible for all of FARO’s sales, marketing, manufacturing, supply chain and R&D functions across North, Central and South America.

Most recently, Ms. Hall served as a Corporate Officer at Avery Dennison as Vice President & General Manager of the company’s Graphics and Reflective Solutions and Performance Tapes Americas’ businesses.

Prior to joining Avery Dennison, she spent twenty-six years at E.I. duPont de Nemours & Company in roles of increasing responsibility, ranging from operations and sourcing to sales, marketing and global business leadership.

“We are excited to welcome Kathleen to the team,” said Jay Freeland, FARO’s President and CEO. “Her broad range of global business leadership, profit & loss expertise, and deep functional experience will further strengthen our executive team and complement our expanding business.”

Ms. Hall holds a Bachelor of Science degree in Industrial Engineering from Lehigh University in Bethlehem, PA. She has served on the Board of Trustees of the Avery Dennison Foundation and on the Board of Directors for Power Up Gambia, a non-profit organization committed to providing power and water to health care facilities in The Gambia through solar energy.

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 Ms. Hall’s contribution to FARO and the expansion of FARO’s business. 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 “will” and similar expressions 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:

- *Ms. Hall’s ability to integrate into FARO’s management team and operations;*

- *development by others of new or improved products, processes or technologies that make FARO's products obsolete or less competitive;*
- *declines or other adverse changes, or lack of improvement, in industries that FARO serves or the domestic and international economies in the regions of the world where FARO operates and other general economic, business, and financing conditions;*
- *risks associated with international operations, such as fluctuations in currency exchange rates, difficulties in staffing and managing foreign operations, political and economic instability, compliance with import and export regulations, and the burdens and potential exposure of complying with a wide variety of U.S. and foreign laws and labor practices;*
- *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, 2012.*

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

About FARO

FARO is the world's most trusted source for 3D measurement & imaging technology. The Company develops and markets computer-aided measurement and imaging devices and software. Technology from FARO permits high-precision 3D measurement, imaging and comparison of parts and compound structures within production and quality assurance processes. The devices are used for inspecting components and assemblies, production planning, documenting large volume spaces or structures in 3D, surveying and construction, as well as for investigation and reconstruction of accident sites or crime scenes.

Worldwide, approximately 15,000 customers are operating more than 30,000 installations of FARO's systems. The Company's global headquarters is located in Lake Mary, FL, its European head office in Stuttgart, Germany and its Asia/Pacific head office in Singapore. FARO has branches in Brazil, Mexico, Germany, United Kingdom, France, Spain, Italy, Poland, Netherlands, India, China, Singapore, Malaysia, Vietnam, Thailand and Japan.

Further information: <http://www.faro.com>.

###

NEWS BULLETIN



The Measure of Success

FARO Technologies Inc.
250 Technology Park
Lake Mary, FL 32746

Keith Bair, Senior Vice President and CFO
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FARO and Nikon Metrology Settle Patent Litigation

LAKE MARY, FL, July 12, 2013 – FARO Technologies, Inc. (NASDAQ: FARO) today announced that it entered into a settlement agreement with Nikon Metrology, Inc. (formerly Metris U.S.A., Inc.) and its affiliates. The settlement agreement resolves the pending patent litigation in the case captioned Metris U.S.A., Inc., et al. v. Faro Technologies, Inc., Civil Action No.: 08-cv-11187 (PBS), together with all related appeals. The parties to the settlement agreement have agreed to keep the terms of the settlement confidential.

About FARO

FARO is the world's most trusted source for 3D measurement technology. The Company develops and markets computer-aided measurement and imaging devices and software. Technology from FARO permits high-precision 3D measurement, imaging and comparison of parts and complex structures within production and quality assurance processes. The devices are used for inspecting components and assemblies, rapid prototyping, documenting large volume spaces or structures in 3D, surveying and construction, as well as for investigation and reconstruction of accident sites or crime scenes.

Approximately 15,000 customers are operating more than 30,000 installations of FARO's systems, worldwide. The Company's global headquarters is located in Lake Mary, FL; its European regional headquarters in Stuttgart, Germany; and its Asia/Pacific regional headquarters in Singapore. FARO has offices in Brazil, Mexico, United Kingdom, France, Spain, Italy, Poland, Netherlands, India, China, Malaysia, Vietnam, Thailand and Japan.

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