

FARO TECHNOLOGIES, INC.
Governance and Nominating Committee Charter
(As amended on May 15, 2012)

This Governance and Nominating Committee Charter (“Charter”) is intended to assist the Governance and Nominating Committee (“Committee”) of the Board of Directors (“Board”) of FARO Technologies, Inc. (“Company”) in carrying out its duties and responsibilities. This Charter is in addition to, and is not intended to change or interpret, any federal or state law or regulation, the rules of the Securities and Exchange Commission (“SEC”), the listing standards of the NASDAQ Stock Market (“Nasdaq”), the Florida Business Corporation Act, or the Company’s Articles of Incorporation or Bylaws. This Charter is not intended to, and does not, create any legal or fiduciary duties or responsibilities or form the basis for a breach of fiduciary duty or potential liability. This Charter is subject to modification and interpretation by the Board.

A. General Role.

The Committee is responsible for selecting and recommending for approval by the Board and the Company’s shareholders a slate of director nominees for election at each of the Company’s annual meetings of shareholders, as well as recommending to the Board director nominees to fill vacancies or new positions on the Board that may occur or be created from time to time. The Committee is also responsible for selecting and recommending for approval by the Board the members and chairperson of the various committees of the Board. The Committee is further responsible for developing, implementing and evaluating the corporate governance guidelines and policies applicable to the Company.

B. Members.

The Committee shall consist of two or more directors, all of whom shall meet the independence and other requirements of the SEC, Nasdaq, other applicable laws, rules and regulations and the Company’s Bylaws, except as otherwise determined by the Board in accordance with the requirements of the SEC, Nasdaq, other applicable laws, rules and regulations and the Company’s Bylaws. Members of the Committee shall be appointed by the Board, upon the recommendation of the Committee. Committee members may be removed in accordance with the Company’s Bylaws. Unless appointed by the Board, the Committee shall elect a Chairperson by majority vote.

C. Meetings.

Absent unusual circumstances, the Committee shall meet at least twice annually in accordance with the Company’s Corporate Governance Guidelines. In addition, special meetings shall be held as circumstances require, in accordance with the Company’s Bylaws. The Committee may invite to its meetings such other directors, members of Company management and such other persons or advisors as the Committee or its Chairperson deems necessary or appropriate in order to carry out the Committee’s duties and responsibilities. The Committee shall keep minutes of its meetings as it shall deem

appropriate. The Chairperson will chair all regular sessions of the Committee and, in consultation with the Company's management, set the agenda for Committee meetings; provided that in the Chairperson's absence, the Chairperson's responsibilities may be undertaken by another member of the Committee. The Committee, through its Chairperson, shall regularly report its activities to the Board so that the Board is kept fully informed of the Committee's activities on a current basis. Minutes of each Committee meeting shall also be distributed to the Board as and when appropriate.

D. Responsibilities.

The Committee's responsibilities shall include the following:

1. To annually assess the experience, tenure, skills, qualifications and attributes of the Board, in the context of the perceived needs of the Board at that time, and to add or replace directors as the Committee deems advisable.
2. To establish written criteria for evaluating prospective director nominees, which shall include consideration of background, experience, qualifications, attributes, skills, reputation, judgment, character and contribution to the diversity of the Board.
3. To establish and effectively communicate to shareholders a method for shareholders to recommend director nominees for the Committee's consideration in accordance with the Company's Bylaws.
4. To evaluate all prospective director nominees, including those nominated by shareholders, in accordance with the written criteria for prospective director nominees established by the Committee, which shall apply the same criteria for director nominees proposed by shareholders as for other director nominees.
5. To conduct appropriate inquiries into the background, experience, qualifications, attributes and skills of prospective director nominees, including review of any current or previous directorships held by prospective director nominees at public companies.
6. To conduct appropriate inquiries regarding the reputation, judgment and character of prospective director nominees, including review of any legal proceedings involving the nominee and professional or financial relationships that might pose a conflict of interest.
7. Except to the extent the Company is required by contract, its Articles of Incorporation, Bylaws or otherwise to provide third parties with the right to nominate directors, to annually select and recommend for approval by the Board and the Company's shareholders a slate of director nominees for election at the annual meeting of shareholders, and to otherwise recommend for approval by the Board director nominees to fill vacancies or new positions on the Board as they may occur or be created from time to time, all in accordance with the Company's Bylaws.

8. To review and recommend to the Board an appropriate course of action with respect to or upon the resignation, retirement or removal of any then currently serving director, including whether a new director should be appointed by the Board prior to the Company's next shareholder meeting, all in accordance with the Company's Bylaws.
9. To, on an annual basis, select and recommend for approval by the Board which directors shall serve as members and as chair of the Board's committees. In making its determinations, the Committee shall take into consideration (a) subject matter expertise; (b) applicable SEC, IRS or Nasdaq requirements; (c) tenure; and (d) the desires of individual Board members.
10. To plan in advance for continuity on the Board as current directors are expected to retire from the Board.
11. If a current director retires or otherwise undergoes a change in employment, to review, in consultation with the Chairperson of the Board, the continued appropriateness of such director's Board membership and to take such action as the Committee deems necessary or appropriate, including the acceptance or rejection of any offer of resignation by such director, subject to compliance with the Company's Bylaws.
12. To annually review the Company's Corporate Governance Guidelines and other corporate governance policies and, if necessary or appropriate, develop additional policies or recommend proposed changes to existing policies to the Board for approval.
13. To establish stock ownership requirements for the members of the Board and the Company's executive officers and, at least annually, evaluate compliance with such requirements.
14. To, from time to time, if the Committee determines it to be necessary or appropriate, conduct such reviews, investigations and surveys as the Committee may consider necessary or appropriate in the exercise of its duties and responsibilities.
15. To establish, or identify and provide access to, orientation programs, sessions or materials for new directors.
16. To coordinate training, at least annually, for Board members with respect the Foreign Corrupt Practices Act, foreign business practices and regulations, business ethics, and legal and regulatory changes affecting the Company.
17. To plan, in consultation with the Company's Chief Executive Officer, for succession of the Company's Chief Executive Officer, including transitional leadership in the event of an unplanned vacancy.

18. To oversee an annual self-evaluation of the Board and each standing committee of the Board, including the Committee, to determine whether they are functioning effectively.
19. To perform such other duties as the Board may from time to time delegate to the Committee.

E. Unrestricted Committee Communications; Resources.

The Committee shall have unrestricted lines of communication with the Company's chief executive officer, chief financial officer, independent auditors, and outside legal counsel at all times. The Committee may also, as it deems necessary or appropriate, obtain advice and assistance from independent legal, accounting or other advisors, including director search firms, with respect to the Company's director nominees and nominating policies, practices and procedures and otherwise with respect to the Committee's duties and responsibilities, which advisors shall be paid for by the Company. The Company shall also provide appropriate funding, as determined by the Committee, for ordinary administrative expenses incurred by the Committee in carrying out its duties.

F. Subcommittees.

The Committee may form and delegate authority to one or more subcommittees (including a subcommittee consisting of a single member) as it deems necessary or appropriate from time to time.

G. Annual Review of Charter.

The Committee shall, at such times as it deems appropriate, review and reassess the adequacy of this Charter and, if determined necessary or appropriate, make recommendations to the Board. During this review process, the Committee may seek the input of the Company's chief executive officer, outside legal counsel and/or other experts or advisors with regard to the adequacy of this Charter and the necessity or desirability of any amendments.