

**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): **March 31, 2008**

**FORMFACTOR, INC.**

(Exact name of Registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation)

**000-50307**  
(Commission  
File Number)

**13-3711155**  
(IRS Employer  
Identification No.)

**7005 Southfront Road, Livermore, CA**  
(Address of principal executive offices)

**94551**  
(Zip Code)

**(925) 290-4000**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(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.):

- 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))

**Item 5.02. Appointment of Certain Officers.**

On March 28, 2008, FormFactor, Inc. announced the appointment of Jean Bernard Vernet as Chief Financial Officer and a Senior Vice President, reporting to Dr. Mario Ruscev, the company's President. Mr. Vernet joined the company effective March 31, 2008.

Mr. Vernet, age 47, previously served as Director of Risk and Assistant Treasurer of Rio Tinto Alcan, the aluminum product group of Rio Tinto plc, an international mining group, from July 2007 to March 2008. Prior to joining Rio Tinto, Mr. Vernet worked at Schlumberger Limited, a services company supplying technology, project management and information solutions for optimizing performance in the oil and gas industry, from October 1996 to June 2007, where he held several leadership positions, including Finance Director and Controller of REW Wireline Business Unit and Corporate R&D from July 2004 to June 2007, Treasurer of Atlantic Asia from January 2003 to June 2004, and Market Risk Manager — Treasury Center Managing Director from April 1999 to December 2002. Mr. Vernet received a B.S. equivalent in mathematics and physics from Lycée Janson de Sailly, France, a M.S. in mechanical engineering from École Centrale de Lyon, France, and a M.B.A in analytic finance and accounting from the University of Chicago.

As Chief Financial Officer of FormFactor, Mr. Vernet will be paid an annual base salary of \$325,000 and is eligible to receive a bonus under the company's Key Employee Bonus Plan at a target rate of 90% of base salary pursuant to his letter agreement with FormFactor, which is included as Exhibit 10.01 to this Form 8-K. For the 1<sup>st</sup> half of 2008, his semi-annual bonus is guaranteed at 100% of base salary. Mr. Vernet will receive a sign-on bonus of \$100,000. The company will reimburse his relocation expenses from Canada, including real estate agent commissions up to \$40,000 and costs for moving his family and household goods, and pay him one month's base salary as a relocation allowance.

FormFactor granted Mr. Vernet, as of March 31, 2008, a stock option under the company's 2002 Equity Incentive Plan to purchase 50,000 shares of FormFactor common stock with an exercise price of \$19.10 (the closing price of the company's stock on the Nasdaq Global Market on March 31<sup>st</sup>) that vests over 4 years, with 25% vesting on March 31, 2009 and the remainder vesting in equal monthly installments over the following three years. FormFactor also

granted Mr. Vernet, as of March 31, 2008, restricted stock units under the company's 2002 Equity Incentive Plan that represent the right to receive 20,000 shares of FormFactor common stock upon vesting. The restricted stock units will vest in four equal installments on March 31 of each of 2009, 2010, 2011 and 2012. The stock option and the restricted stock units are subject to vesting acceleration upon the occurrence of certain change in control events.

Mr. Vernet will enter into an indemnity agreement and a change of control severance agreement, the terms of which are identical in all material respects to the forms of these agreements that FormFactor has previously entered into with its executive officers. The forms of these agreements and the company's 2002 Equity Incentive Plan and Key Employee Bonus Plan are described in the company's Proxy Statement, which FormFactor filed with the Securities and Exchange Commission, and are exhibits to the Company's Form 10-K for the fiscal year ended December 29, 2007.

FormFactor issued a press release regarding Mr. Vernet's appointment, which is included as Exhibit 99.01 to this Form 8-K.

**Item 9.01. Exhibits.**

<u>Exhibit Number</u>	<u>Exhibit Title or Description</u>
10.01	Employment Letter Agreement dated March 1, 2008.
99.01	Press release dated March 28, 2008.

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**SIGNATURE**

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 hereunto duly authorized.

Date: March 31, 2008

**FORMFACTOR, INC.**

By: /s/ STUART L. MERKADEAU  
Stuart L. Merkadeau  
Senior Vice President,  
General Counsel and Secretary

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**EXHIBIT INDEX**

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10.01	Employment Letter Agreement dated March 1, 2008.
99.01	Press release dated March 28, 2008.

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## [FORMFACTOR LETTERHEAD]

March 1, 2008

Jean Bernard Vernet  
[Home Address]

Dear Jean,

We welcome the opportunity to offer you a salaried, exempt position with FormFactor, Inc. (the "Company") as Senior Vice President and Chief Financial Officer with a start date to be determined upon your acceptance. We look forward to having you join us at this exciting time for the Company. We are very impressed with your background, demonstrated abilities, and fundamental understanding of the challenges involved in a fast paced, growing company, and look forward to your participation in meeting the opportunities ahead.

In your capacity as Senior Vice President and CFO you will report to Mario Ruscev, President, and will receive an annual salary of \$325,000, which will be paid bi-weekly in accordance with, and subject to, the Company's normal payroll procedures. Additionally, you will be eligible to participate in the key management bonus plan at a target rate of 90% of your earned annual salary. This bonus is conditioned upon the company's performance and your individual achievement of objectives. For the 1<sup>st</sup> half of 2008, the semi-annual bonus is guaranteed at 100% of base salary and will be prorated based upon your start date through the end of the bonus period. As long as you remain a regular full-time employee of the Company, you are eligible to receive certain employee benefits that are offered to our regular full-time employees which may from time to time change at the Company's discretion. These currently include:

- Medical, Dental and Vision Insurance Benefits
- Short-Term and Long-Term Disability Insurance Coverage
- Group Life Insurance
- Paid Time-Off
- 401k Plan
- 401(k) match
- 401(k) Variable Compensation Plan
- Section 125 Flex Spending Plan
- Employee Assistance Program
- Employee Stock Purchase Plan

Coverage for the above-mentioned medical, dental, vision, disability and life insurance benefits begin on your date of hire. Dependent coverage is also available through this plan. Employee and dependent contributions to the plan are outlined in our employee benefits guide.

You will be entitled to fifteen days (15) of paid time-off annually. Paid time-off will accrue at the rate of 4.62 hours per pay period starting from your first day of employment. Paid time-off may be used for vacation or sick leave.

Following your employment commencement date, you will be granted a stock option, entitling you to purchase 50,000 shares of common stock of the Company. The exercise price of your option will be set at the fair market value of the Company's common stock as determined by the closing price on the Nasdaq National Market on the date of grant, which will be your date of hire. The "Vesting Commencement Date" will also be your date of

hire. The option shall be subject to the terms and conditions of the Company's 2002 Equity Incentive Plan. The option vests over a four-year period. On the first anniversary of the Vesting Commencement Date, the option shall be vested as to twenty-five percent (25%) of the shares covered by the option. The remaining Shares subject to the option shall then vest on a monthly basis commencing one year after the Vesting Commencement Date in increments of 1/36 of the remaining shares subject to the option.

You will also be granted under the Plan, as of the date you commence employment with the Company, Restricted Stock Units ("RSUs") which represent the right to receive 20,000 shares of Company stock upon vesting. The RSUs shall vest in four equal installments on the anniversary of your date of hire on each of 2009, 2010, 2011 and 2012.

Your agreement to accept this offer is contingent upon your ability to show proof of your legal right to work for the Company in the United States as well as successfully completing a background check required for all new hires.

The Company will pay you a one time "sign on" bonus of \$100,000 which you will receive as a separate check, less applicable withholding taxes, included with your first paycheck.

Should your employment with FormFactor be terminated voluntarily at any time during the 12-month period after your start date, a pro-rated portion of the "sign on" bonus must be paid back to the Company within 30 days.

The Company will assist you in the following areas for your relocation to a convenient area to our offices in Livermore, California:

- Up to two (2) months of temporary living;
  - Moving of household goods (refer to "Movement of Household Goods Policy" for definitions)
  - Storage of household goods for up to two (2) months;
  - One (1) roundtrip airfare for two (2) people for a house hunting trip;
  - Rental car for up to 30 days
  - One-way travel costs for you and your family from your home to the Bay Area
  - Reimbursement of the real estate agent's commission on the sale of your current home up to a maximum of \$40,000.
- Any of the above non qualified relocation allowances or expenses (as defined by the IRS) will be grossed up for taxes.
- The following expense will not be grossed up for taxes:  
-Pay you one month's salary as a miscellaneous relocation allowance payable when you close escrow on your residence in California.

All relocation transactions must be completed within one year of start date.

Should you resign from FormFactor voluntarily at any time during the 12-month period after your start date, any relocation assistance paid to you or paid on your behalf must be paid back to the Company within 30 days.

Consistent with company policy we will enter in to a change of control agreement with you after you begin employment with the company.

You should be aware that your employment with the Company is for no specified period and constitutes at will employment. As a result, you are free to resign at any time, for any reason or for no reason. Similarly, the Company is free to conclude its employment relationship with you at any time, with or without cause.

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I have enclosed our standard Agreement Regarding Employment, Confidential Information, Invention Assignment, and Arbitration as a condition of your employment. We will not be able to commence your employment until we have received a signed copy of this document. If you accept this offer, please return a signed copy to me.

Additionally, you will be required to comply at all times with the Company's various rules, policies and procedures, including those set forth in our Employee Handbook, our Statement of Corporate Code of Business Conduct ("Corporate Code"), and our Statement of Policy regarding Insider Trading ("Insider Trading Policy"). Copies of these three documents, and all our policies and procedures will be available in hard copy and on inFORM - our internal intranet site. Within 30 days of the commencement of your employment, you will be required to provide the Company with signed acknowledgements relating to the Employee Handbook, the Corporate Code and the Insider Trading Policy. You should understand that, while referenced in this offer letter, the Company rules, policies and procedures are not incorporated by reference into this offer letter, and they can be changed, replaced or withdrawn at any time at the discretion of the Company.

In the event of any dispute or claim relating to or arising out of our employment relationship, you and the Company agree that all such disputes shall be fully and finally resolved by binding arbitration conducted by the American Arbitration Association in Alameda County, California. However, the parties shall continue to have the right to seek judicial relief in the form of injunctive and/or equitable relief, including but not limited to relief for threatened or actual misappropriation of trade secrets or other unfair competition.

To indicate your acceptance of the Company's offer, please sign and date this letter in the space provided below and return it to me. A duplicate original is enclosed for your records. This letter, along with the agreement relating to proprietary rights between you and the Company, set forth the terms of your employment with the Company and supersede any prior representations or agreements, whether written or oral. This letter may not be modified or amended except by a written agreement, signed by an officer of the Company and by you.

Jean, we look forward to your favorable reply and to a productive, fun and exciting work relationship. To confirm your acceptance of this offer, please sign and date one copy of this letter and return to me. The other copy is for you to retain for your records. This offer, if not accepted, will expire ten (10) days from the offer date. Please call me if you have any questions.

Sincerely,

/s/ HANK FEIR  
Hank Feir  
VP Human Resources,  
FormFactor, Inc

ACCEPTED AND AGREED TO this 10 day of March, 2008

/s/ JEAN BERNARD VERNET  
Jean Bernard Vernet

Anticipated start date: April 1 08



**Investor Contact:**

Michael Magaro  
 Investor Relations  
 (925) 290-4949  
 ir@formfactor.com

**Trade Press Contact:**

David Viera  
 Corporate Communications  
 (925) 290-4681  
 dviera@formfactor.com

**FormFactor Names Jean Bernard Vernet as Chief Financial Officer**

LIVERMORE, Calif. — March 28, 2008 — FormFactor, Inc. (Nasdaq: FORM) today announced the appointment of Jean Bernard Vernet as chief financial officer and senior vice president, reporting to Mario Ruscev, FormFactor’s president, effective March 31, 2008.

Vernet joins FormFactor from Rio Tinto, a leading international mining group, where he served as the director of risk and assistant treasurer of Rio Tinto Alcan (the company’s aluminum product group). Prior to joining Rio Tinto, Vernet worked for more than 10 years at Schlumberger Limited, where he held several key leadership positions, including finance director and controller of the REW Wireline Business Unit and corporate R&D, as well as various risk management and treasury roles. Vernet holds a master’s degree in mechanical engineering from the Ecole Centrale de Lyon in France and an MBA in analytic finance and accounting from the University of Chicago.

“Jean Bernard’s broad experience in balancing and managing costs and risks will make him a valuable leader at FormFactor,” stated Ruscev. “His skills in implementing corporate financial strategies and success in guiding revenue growth will be a strong asset to the company.”

“FormFactor is a company with significant opportunity,” commented Vernet. “I look forward to taking on this new role and joining the management team.”

**Forward-Looking Statements:**

Statements in this press release that are not strictly historical in nature are forward-looking statements within the meaning of the federal securities laws, including statements regarding future growth and opportunities. These forward-looking statements are based on current information and expectations that are inherently subject to change and involve a number of risks and uncertainties. Actual events or results might differ materially from those in any forward-looking statement due to various factors, including, but not limited to: the company’s ability to

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implement operational efficiencies for supporting growth, to execute its corporate and financial strategies, and to timely and efficiently deliver and qualify innovative products that meet its customers’ testing requirements. Additional information concerning factors that could cause actual events or results to differ materially and adversely from those in any forward-looking statement is contained in the company’s Form 10-K for the fiscal period ended December 29, 2007 filed with the Securities and Exchange Commission and subsequent SEC filings. Copies of the company’s SEC filings are available at <http://investors.formfactor.com/edgar.cfm>. The company assumes no obligation to update the information in this press release, to revise any forward-looking statements or to update the reasons actual results could differ materially and adversely from those anticipated in forward-looking statements.

**About FormFactor:**

Founded in 1993, FormFactor, Inc. (Nasdaq: FORM) is the leader in advanced wafer probe cards, which are used by semiconductor manufacturers to electrically test integrated circuits, or ICs. The company’s wafer sort, burn-in and device performance testing products move IC testing upstream from post-packaging to the wafer level, enabling semiconductor manufacturers to lower their overall production costs, improve yields, and bring next-generation devices to market. FormFactor is headquartered in Livermore, California with operations in Europe, Asia and North America. For more information, visit the company’s website at [www.formfactor.com](http://www.formfactor.com).

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FormFactor and the FormFactor logo are registered trademarks of FormFactor, Inc. All other product, trademark, company or service names mentioned herein are the property of their respective owners.

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