KLA TENCOR CORP

Form 4

September 23, 2008

FORM 4

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

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

January 31, Expires: 2005

OMB APPROVAL

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0.5

Form 4 or Form 5 obligations may continue. See Instruction

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

1. Name and Addre KISPERT JOHN	•	ng Person *	2. Issuer Name and Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer			
(Last)	(First)	(Middle)	KLA TENCOR CORP [KLAC] 3. Date of Earliest Transaction	(Check all applicable)			
C/O KLA-TENCOR CORPORATION, ONE TECHNOLOGY DRIVE			(Month/Day/Year) 09/19/2008	Director 10% Owner Other (specify below) President & COO			
	(Street)		4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line)			

MILPITAS, CA 95035

Stock Units

X Form filed by One Reporting Person Form filed by More than One Reporting

(City)	(State)	Zip) Table	e I - Non-D	erivative S	Securi	ties Acqu	ired, Disposed of	, or Beneficiall	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. 4. Securities Acquired Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8) (A) or		5. Amount of Securities Ownership Beneficially Form: Direct Owned (D) or Following Indirect (I) Reported (Instr. 4)		7. Nature of Indirect Beneficial Ownership (Instr. 4)		
			Code V	Amount	(D)	Price	(Instr. 3 and 4)		
Common Stock	09/19/2008	09/19/2008	A	31,250	A	<u>(1)</u>	33,023	D	
Common Stock	09/19/2008	09/19/2008	F	11,384 (2)	D	\$ 34.33	21,639	D	
Common Stock							6,667	I	Trust
Common Stock - Restricted							206,874 (4)	D	

(3)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474

(9-02)

Price of

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exer	cisable and	7. Title	e and	8. Price of
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transac	tionNumber	Expiration D	ate	Amour	nt of	Derivative
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Underl	lying	Security
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8) Derivativ	e		Securit	ties	(Instr. 5)
	Derivative				Securities	S		(Instr.	3 and 4)	
	Security				Acquired					
	•				(A) or					
					Disposed					
					of (D)					
					(Instr. 3,					
					4, and 5)					
					.,					
									Amount	
						Date	Expiration		or	
						Exercisable Date	Title Nu	Number		
							Date		of	
				Code	V (A) (D)				Shares	

Reporting Owners

Relationships Reporting Owner Name / Address

> Director 10% Owner Officer Other

KISPERT JOHN H C/O KLA-TENCOR CORPORATION ONE TECHNOLOGY DRIVE MILPITAS, CA 95035

President & COO

Signatures

Brian M. Martin as Attorney-in-Fact for John H. Kispert

09/23/2008

**Signature of Reporting Person Date

Explanation of Responses:

If the form is filed by more than one reporting person, see Instruction 4(b)(v).

Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. **

On September 19, 2006, Mr. Kispert received a grant of restricted stock units ("RSUs") covering shares of KLA-Tencor Corporation common stock. Following the completion of KLA-Tencor's fiscal year 2007, KLA-Tencor's Board of Directors **(1)** determined that the number of shares of KLA-Tencor common stock subject to such RSU grant was 62,500. On September 19, 2008, Mr. Kispert vested in fifty percent (50%) of such RSUs.

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- Pursuant to the terms of the September 19, 2006 RSU grant, 11,384 shares of KLA-Tencor common stock were automatically withheld at vesting to cover required tax withholding.
- (3) Each RSU represents a contingent right to receive one share of KLA-Tencor common stock.
- Does not include performance-based RSUs, if any, held by the Reporting Person for which an assessment has not yet been made regarding the achievement of the applicable performance goals. Any such holdings will be reported on Form 4 within two business days of the date such assessment is made.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.