KLA TENCOR CORP

Form 4

November 13, 2008

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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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 Address of Reporting Person * **BARNHOLT EDWARD W**

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

(First) (Last)

(Middle)

KLA TENCOR CORP [KLAC]

(Check all applicable)

C/O KLA-TENCOR CORPORATION, ONE **TECHNOLOGY DRIVE** 3. Date of Earliest Transaction

(Month/Day/Year) 11/12/2008

_X__ Director 10% Owner Officer (give title __X_ Other (specify below)

below) CHAIRMAN OF THE BOARD

(Street)

(State)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line)

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

MILPITAS, CA 95035

(City)

(Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	3. Transactio Code (Instr. 8)	4. Securi or(A) or Di (Instr. 3,	ispose 4 and (A)	d of (D)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
		Code V	Amount	or (D)	Price	(Instr. 3 and 4)		
Common Stock - Restricted Stock Units	11/13/2008	A	8,000 (2)	A	\$ 0	12,457	D	
Common Stock	11/12/2008	M	5,832 (3)	A	\$ 17.59	7,832	D	

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

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SEC 1474 (9-02)

7. Nature 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 Derivative Security (Instr. 3)		2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transactio Code (Instr. 8)	5. Number out Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4,	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount Underlying Securitie (Instr. 3 and 4)	
					Code V	and 5) (A) (D)	Date Exercisable	Expiration Date	Title	Amour or Number of Shares
,	Non-Qualified Stock Option (right to buy)	\$ 17.59	11/12/2008		M	5,832	<u>(4)</u>	11/17/2008	Common Stock	5,83

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

BARNHOLT EDWARD W C/O KLA-TENCOR CORPORATION ONE TECHNOLOGY DRIVE MILPITAS, CA 95035

X

CHAIRMAN OF THE BOARD

Signatures

Brian M. Martin as Attorney-in-Fact for Edward W. Barnholt

11/13/2008

**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. 78ff(a).
- (1) Each restricted stock unit represents a contingent right to receive one share of KLA-Tencor common stock.
- (2) The restricted stock units will fully vest one year from date of grant and will be deliverable on such date.
- (3) Shares acquired through cash exercise of stock options.
- (4) The options were originally granted for 5,832 shares of KLA-Tencor common stock and were immediately exercisable for all of the underlying shares on the date of grant.

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.

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