

KLA TENCOR CORP  
Form 4  
August 10, 2015

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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

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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Higgins Bren D.

(Last) (First) (Middle)

ONE TECHNOLOGY DRIVE

(Street)

MILPITAS, CA 95035

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
KLA TENCOR CORP [KLAC]

3. Date of Earliest Transaction  
(Month/Day/Year)  
08/06/2015

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
EVP & Chief Financial Officer

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount (A) or Price (D)		
Common Stock	08/06/2015		M		1,788 A \$ 0 <sup>(1)</sup>	1,788	D
Common Stock	08/06/2015		F		672 <sup>(2)</sup> D \$ 51.95	1,116	D
Common Stock	08/06/2015		M		5,000 A \$ 0 <sup>(3)</sup>	6,116	D
Common Stock	08/06/2015		F		1,880 <sup>(4)</sup> D \$ 51.95	4,236	D
Common Stock - Restricted	08/06/2015		A		13,250 <sup>(6)</sup> A \$ 0	36,514 <sup>(7)</sup>	D

Stock Unit

(5)

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

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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. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Transaction (Instr. 6)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Higgins Bren D. ONE TECHNOLOGY DRIVE MILPITAS, CA 95035			EVP & Chief Financial Officer	

## Signatures

Brian M. Martin as Attorney-in-Fact for Bren D. Higgins  
08/10/2015

\*\*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) On August 6, 2013, the Reporting Person received a grant of restricted stock units ("RSUs") covering 7,150 shares of KLA-Tencor common stock. On August 6, 2015, the Reporting Person vested in twenty-five percent (25%) of such RSUs.
  - (2) Pursuant to such terms of the August 6, 2013 RSU grant, 672 shares of KLA-Tencor common stock were automatically withheld at vesting to cover required tax withholding. The fair market value of KLA-Tencor common stock used for purposes of calculating the number of shares to be withheld was the closing price of KLA-Tencor common stock as reported on the NASDAQ Stock Market on such

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vesting date.

- (3) On August 6, 2013, the Reporting Person received a grant of restricted stock units ("RSUs") covering 10,000 shares of KLA-Tencor common stock. On August 6, 2015, the Reporting Person vested in fifty percent (50%) of such RSUs.
- Pursuant to such terms of the August 6, 2013 RSU grant, 1,880 shares of KLA-Tencor common stock were automatically withheld at vesting to cover required tax withholding. The fair market value of KLA-Tencor common stock used for purposes of calculating the number of shares to be withheld was the closing price of KLA-Tencor common stock as reported on the NASDAQ Stock Market on such vesting date.
- (4) Each RSU represents a contingent right to receive one share of KLA-Tencor common stock.
- Represents a grant of RSUs subject only to service-vesting requirements. The Reporting Person will vest twenty-five percent (25%) of the RSUs on the one-year anniversary of the grant date (August 6, 2016) and an additional twenty-five percent (25%) on each annual anniversary of the grant date thereafter through August 6, 2019, in each case subject to the Reporting Person continuing as a service provider to KLA-Tencor through the applicable vesting date. The shares of common stock will be issued as the RSUs vest.
- (6) 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 a Form 4 within two business days of the date such assessment is made.
- (7)

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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