KISPERT JOHN H

Form 4

October 21, 2008

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

OMB 3235-0287

OMB APPROVAL

Number:

January 31, Expires: 2005

0.5

Estimated average burden hours per

response...

Check this box if no longer subject to Section 16. Form 4 or Form 5

SECURITIES obligations may continue.

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(b).

(Last)

Stock -Restricted

See Instruction

1. Name and Address of Reporting Person * KISPERT JOHN H

2. Issuer Name and Ticker or Trading Symbol

KLA TENCOR CORP [KLAC]

5. Relationship of Reporting Person(s) to

(Check all applicable)

Issuer

(First)

(Middle)

3. Date of Earliest Transaction

Director 10% Owner

C/O KLA-TENCOR CORPORATION, ONE 10/18/2008

(Month/Day/Year)

X_ Officer (give title Other (specify below) President and COO

TECHNOLOGY DRIVE

(Street)

4. If Amendment, Date Original

6. Individual or Joint/Group Filing(Check

Filed(Month/Day/Year) Applicable Line)

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

MILPITAS, CA 95035

(City)	(State) (Z	Zip) Table	e I - Non-D	erivative S	ecuri	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. Transactic Code (Instr. 8)	4. Securities Acquired ction(A) or Disposed of (D) (Instr. 3, 4 and 5)		5. Amount of Securities Beneficially Owned Following	6. Ownership Form: Direct (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code V	Amount	(A) or (D)	Price	Reported (Instr. 4) Transaction(s) (Instr. 3 and 4)		
Common Stock	10/18/2008	10/18/2008	A	24,167	A	<u>(1)</u>	45,806	D	
Common Stock	10/18/2008	10/18/2008	F	11,056 (2)	D	\$ 21.45 (2)	34,750	D	
Common Stock							6,667	I	Trust
Common							182,707 <u>(4)</u>	D	

Stock Units

(3)

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474

(9-02)

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)	4. Transacti Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		ate	Secur	int of rlying	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
			Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships
Renorting () wher Name / Address	

Director 10% Owner Officer Other

KISPERT JOHN H

C/O KLA-TENCOR CORPORATION President
ONE TECHNOLOGY DRIVE and COO
MILPITAS, CA 95035

Signatures

Brian M. Martin as Attorney-in-Fact for John H. Kispert 10/21/2008

**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) On October 18, 2004, Mr. Kispert received a grant of restricted stock units ("RSUs") covering 48,333 shares of KLA-Tencor Corporation common stock. On October 18, 2008, Mr. Kispert vested in fifty persent (50%) of such RSUs.
- (2) Pursuant to the terms of the October 18, 2004 RSU grant, 11,056 shares of KLA-Tencor common stock were automatically withheld at vesting to cover required tax withholding. Because the vesting date of such RSUs occurred on a day on which the NASDAQ Stock

Reporting Owners 2

Edgar Filing: KISPERT JOHN H - Form 4

Market was closed for trading, 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 on the last completed trading day immediately prior to such vesting date.

- (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 asssessment has not yet been made
- (4) 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.