

KLA TENCOR CORP
Form 4
August 05, 2013

FORM 4

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

OMB APPROVAL

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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 *
Bell Bobby R

(Last) (First) (Middle)

C/O KLA-TENCOR CORPORATION, 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)
08/01/2013

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)
Executive Vice President

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | | (A) or (D) | Price | | |
| | | | | Code V | Amount | | |
| Common Stock | 08/01/2013 | | M | 3,100 | A \$ 58.1 | 17,580 | D |
| Common Stock | 08/01/2013 | | S ⁽¹⁾ | 3,100 | D \$ 60 | 14,480 | D |
| Common Stock | 08/02/2013 | | A | 2,625 | A <u>(2)</u> | 17,105 | D |
| Common Stock | 08/02/2013 | | F | 1,370 <u>(3)</u> | D \$ 59.5 | 15,735 | D |
| Common Stock | 08/03/2013 | | A | 9,225 | A <u>(4)</u> | 24,960 | D |

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| | | | | | | | |
|--|------------|---|----------------------|---|-------------|--------------------|---|
| Common Stock | 08/03/2013 | F | 4,814 <u>(5)</u> | D | \$ 59.5 | 20,146 | D |
| Common Stock | 08/03/2013 | A | 20,750 | A | <u>(6)</u> | 40,896 | D |
| Common Stock | 08/03/2013 | F | 10,828 <u>(7)</u> | D | \$ 59.5 | 30,068 | D |
| Common Stock | 08/03/2013 | A | 9,225 | A | <u>(8)</u> | 39,293 | D |
| Common Stock | 08/03/2013 | F | 4,126 <u>(9)</u> | D | \$ 59.5 | 35,167 | D |
| Common Stock | 08/04/2013 | A | 7,500 | A | <u>(10)</u> | 42,667 | D |
| Common Stock | 08/04/2013 | F | 3,914 <u>(11)</u> | D | \$ 59.5 | 38,753 | D |
| Common Stock - Restricted Stock Units <u>(12)</u> | | | | | | 77,675 <u>(13)</u> | D |

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) | 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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Non-Qualified Stock Option (Right to Buy) | \$ 58.1 | 08/01/2013 | | M | 3,100 | <u>(14)</u> | 01/27/2014 | Common Stock | 3,100 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Bell Bobby R C/O KLA-TENCOR CORPORATION ONE TECHNOLOGY DRIVE MILPITAS, CA 95035 | | | Executive Vice President | |

Signatures

Brian M. Martin as Attorney-in-Fact for Bobby
R. Bell 08/05/2013

**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) This sale was effected pursuant to the terms of a Rule 105-1 trading plan adopted by the Reporting Person on May 30, 2013.
- (2) On August 2, 2012, the Reporting Person received a grant of restricted stock units ("RSUs") covering 10,500 shares of KLA-Tencor common stock. On August 2, 2013, the Reporting Person vested in twenty-five percent (25%) of such RSUs.
- (3) Pursuant to the terms of the August 2, 2012 RSU grant, 1,370 shares of KLA-Tencor common stock were automatically withheld at vesting to cover required tax withholding.
- (4) On August 3, 2009, the Reporting Person received a grant of RSUs covering 18,450 shares of KLA-Tencor common stock. On August 3, 2013, the Reporting Person vested in fifty percent (50%) of such RSUs.
Pursuant to the terms of the August 3, 2009 RSU grant, 4,814 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 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 as reported on the NASDAQ Stock Market on the last completed trading day immediately prior to such vesting date.
- (5) On August 3, 2009, the Reporting Person received a grant of RSUs covering 41,500 shares of KLA-Tencor common stock. On August 3, 2013, the Reporting Person vested in fifty percent (50%) of such RSUs.
Pursuant to the terms of the August 3, 2009 RSU grant, 10,828 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 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 as reported on the NASDAQ Stock Market on the last completed trading day immediately prior to such vesting date.
- (6) On August 3, 2009, the Reporting Person received a grant of performance-based RSUs that, following the completion of fiscal year 2010, was determined by the Compensation Committee of KLA-Tencor's Board of Directors (in August 2010) to cover, based on KLA-Tencor's financial performance during fiscal year 2010, 18,450 shares of KLA-Tencor common stock. On August 3, 2013, the Reporting Person vested in fifty percent (50%) of such performance-based RSUs.
Pursuant to the terms of the August 3, 2009 RSU grant, 4,126 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 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 as reported on the NASDAQ Stock Market on the last completed trading day immediately prior to such vesting date.
- (7) On August 3, 2009, the Reporting Person received a grant of performance-based RSUs that, following the completion of fiscal year 2010, was determined by the Compensation Committee of KLA-Tencor's Board of Directors (in August 2010) to cover, based on KLA-Tencor's financial performance during fiscal year 2010, 18,450 shares of KLA-Tencor common stock. On August 3, 2013, the Reporting Person vested in fifty percent (50%) of such performance-based RSUs.
Pursuant to the terms of the August 3, 2009 RSU grant, 4,126 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 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 as reported on the NASDAQ Stock Market on the last completed trading day immediately prior to such vesting date.
- (8) On August 4, 2011, the Reporting Person received a grant of RSUs covering 15,000 shares of KLA-Tencor common stock. On August 4, 2013, the Reporting Person vested in fifty percent (50%) of such RSUs.
- (9) Pursuant to the terms of the August 4, 2011 RSU grant, 3,914 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 Market was closed for trading, the fair market value of KLA-Tencor common stock used for purposes of calculating the number of
- (10) Pursuant to the terms of the August 4, 2011 RSU grant, 3,914 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 Market was closed for trading, the fair market value of KLA-Tencor common stock used for purposes of calculating the number of
- (11) Pursuant to the terms of the August 4, 2011 RSU grant, 3,914 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 Market was closed for trading, the fair market value of KLA-Tencor common stock used for purposes of calculating the number of

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shares to be withheld was the closing price of KLA-Tencor common stock as reported on the NASDAQ Stock Market on the last completed trading day immediately prior to such vesting date.

(12) 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
(13) 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.

Represents a stock option granted on January 27, 2004, granting the Reporting Person the right to purchase up to 3,100 shares of
(14) KLA-Tencor common stock. 620 of the shares subject to this stock option vested on October 27, 2004, and 1/48th of the remaining 2,480 shares subject to this stock option vested on November 27, 2004 and each monthly anniversary thereafter until October 27, 2008.

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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