

WALLACE RICHARD P  
Form 4  
September 05, 2017

**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 \*  
WALLACE RICHARD P

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
08/31/2017

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
President and CEO

C/O KLA-TENCOR CORPORATION, ONE TECHNOLOGY DRIVE

(Street)

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

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

MILPITAS, CA 95035

(City) (State) (Zip)

**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) |
|---|--------------------------------------|--|--------------------------------|---|---|--|---|
|   |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price   |
| Common Stock - Restricted Stock Units (1) | 08/31/2017                           |  | A                              |   | 51,480 (2)  | A  | \$ 0  |
|   |                                      |  |                                |   | 214,449 (3)   | D  |   |
| Common Stock - Restricted Stock Units (1) | 08/31/2017                           |  | M                              |   | 25,740 (4)  | D  | \$ 0  |
|   |                                      |  |                                |   | 188,709 (3)   | D  |   |
|   | 08/31/2017                           |  | M                              |   | 66,174  | D  | \$ 0  |



## 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 RSU represents a contingent right to receive one share of KLA-Tencor common stock.

On August 7, 2014, in addition to the RSUs granted on that date that were subject only to service-vesting requirements (which RSUs were previously reported on Form 4), the Reporting Person was also granted RSUs covering up to a maximum of 55,000 shares (based on 125% of the target shares of 44,000) of KLA-Tencor common stock, subject to both performance-vesting and service-vesting requirements. On August 31, 2017 the independent members of the KLA-Tencor Board of Directors determined the level at which the corporate performance goals were attained and, based on the assessment, determined that the number of shares subject to the RSUs is 51,480.

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.

The Reporting Person vested fifty percent (50%) of the performance-based RSUs upon the date on which the independent members of the KLA-Tencor Board of Directors determined the level at which the underlying performance goals were attained (August 31, 2017) and will vest in the remaining fifty percent (50%) upon his completion of four years of service following the grant date of the award (August 7, 2014). The shares of common stock will be issued as the performance-based RSUs vest.

Pursuant to the terms of the grant, 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 August 31, 2017.

(6) Shares held under the Wallace Living Trust u/a/d 03/27/01, as amended, a trust of which the Reporting Person is a trustee and beneficiary.

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.