

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**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>WALLACE RICHARD P</u> _____ (Last) (First) (Middle) <u>C/O KLA-TENCOR CORPORATION</u> <u>ONE TECHNOLOGY DRIVE</u> _____ (Street) <u>MILPITAS CA 95035</u> _____ (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>KLA TENCOR CORP [ KLAC ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>President and CEO</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>11/11/2017</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**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 <sup>(1)</sup>	11/11/2017		M		8,364 <sup>(2)</sup>	D	\$0	180,345 <sup>(3)</sup>	D	
Common Stock	11/11/2017		M		8,364 <sup>(2)</sup>	A	\$0	61,106	D	
Common Stock	11/11/2017		F		4,365 <sup>(4)</sup>	D	\$102.44	56,741	D	
Common Stock								9,182	I	By Trust <sup>(5)</sup>

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date					

**Explanation of Responses:**

- Each RSU represents a contingent right to receive one share of KLA-Tencor common stock.
- Represents 25% of the RSUs that vested from the grant made on November 11, 2016.
- 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.
- 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 November 10, 2017.
- 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.

**Remarks:**

Teri Little as Attorney-in-Fact 11/13/2017  
for Richard P. Wallace

\*\* Signature of Reporting Person Date

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

\* 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).

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

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 Number.