

KEITHLEY INSTRUMENTS INC

Form 4

December 10, 2010

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
HOERSTEN MARK A

(Last) (First) (Middle)

**KEITHLEY INSTRUMENTS,
INC., 28775 AURORA ROAD**

(Street)

SOLON, OH 44139

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
**KEITHLEY INSTRUMENTS INC
[KEI]**

3. Date of Earliest Transaction
(Month/Day/Year)
12/08/2010

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
__X__ Officer (give title ____ Other (specify
below) below)
VP Business Management

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ 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 (D)	Price
Common Shares	12/08/2010		D ⁽¹⁾		10,135	D	\$ 21.6
							0
							D

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

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information contained in this form are not
required to respond unless the form
displays a currently valid OMB control
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SEC 1474
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)**

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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 An Underlying Sec (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title
Common Share Option	\$ 18.41	12/08/2010		D ⁽²⁾	25,000	07/25/2003 ⁽³⁾ 07/24/2011	Common Shares
Common Share Option	\$ 13.76	12/08/2010		D ⁽⁴⁾	30,000	07/24/2004 ⁽³⁾ 07/23/2012	Common Shares
Common Share Option	\$ 16.12	12/08/2010		D ⁽⁵⁾	30,000	08/10/2005 ⁽⁶⁾ 07/18/2013	Common Shares
Common Share Option	\$ 18.75	12/08/2010		D ⁽⁷⁾	25,000	02/15/2005 ⁽⁸⁾ 07/16/2014	Common Shares
Common Share Option	\$ 15.05	12/08/2010		D ⁽⁹⁾	8,800	10/04/2007 ⁽³⁾ 10/03/2015	Common Shares
Common Share Option	\$ 14	12/08/2010		D ⁽¹⁰⁾	8,800	01/30/2009 ⁽³⁾ 01/30/2017	Common Shares
Common Share Option	\$ 9.12	12/08/2010		D ⁽¹¹⁾	7,500	11/09/2009 ⁽³⁾ 11/09/2017	Common Shares
Common Stock Option	\$ 2.99	12/08/2010		D ⁽¹²⁾	16,400	02/06/2011 ⁽³⁾ 02/06/2019	Common Shares
Restricted Unit Award	\$ 0	12/08/2010		D ⁽¹³⁾	5,500	⁽¹⁴⁾ ⁽¹⁴⁾	Common Shares
Common Share Option	\$ 4.26	12/08/2010		D ⁽¹⁵⁾	13,200	12/04/2011 ⁽¹⁶⁾ 12/04/2019	Common Shares
Performance Award Unit	\$ 0	12/08/2010		D ⁽¹³⁾	6,600	09/30/2012 ⁽¹⁷⁾ ⁽¹⁷⁾	Common Shares
Restricted Unit Award	\$ 0	12/08/2010		D ⁽¹³⁾	4,400	⁽¹⁸⁾ ⁽¹⁸⁾	Common Shares

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
HOERSTEN MARK A KEITHLEY INSTRUMENTS, INC. 28775 AURORA ROAD OLON, OH 44139	VP Business Management

Signatures

Mark J. Plush,
Attorney-in Fact

12/10/2010

__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) Disposed of pursuant to an Agreement and Plan of Merger, dated as of September 29, 2010 (the "Merger Agreement") by and among Danaher Corporation, Aegean Acquisition Corp. and the Issuer in exchange for the merger consideration of \$21.60 in cash per share.
- (2) The options were cancelled pursuant to the Merger Agreement in exchange for the merger consideration of \$21.60 in cash per share, less the exercise price per share of \$18.41.
- (3) Date reported applied to 50% of total, one-half of the balance was then exercisable in each succeeding year.
- (4) The options were cancelled pursuant to the Merger Agreement in exchange for the merger consideration of \$21.60 in cash per share, less the exercise price per share of \$13.76.
- (5) The options were cancelled pursuant to the Merger Agreement in exchange for the merger consideration of \$21.60 in cash per share, less the exercise price per share of \$16.12.
- (6) Option became fully vested on August 10, 2005
- (7) The options were cancelled pursuant to the Merger Agreement in exchange for the merger consideration of \$21.60 in cash per share, less the exercise price of \$18.75.
- (8) Option became fully vested on February 15, 2005
- (9) The options were cancelled pursuant to the Merger Agreement in exchange for the merger consideration of \$21.60 in cash per share, less the exercise price per share of \$15.05.
- (10) The options were cancelled pursuant to the Merger Agreement in exchange for the merger consideration of \$21.60 in cash per share, less the exercise price per share of \$14.00.
- (11) The options were cancelled pursuant to the Merger Agreement in exchange for the merger consideration of \$21.60 in cash per share, less the exercise price per share of \$9.12.
- (12) The options were cancelled pursuant to the Merger Agreement in exchange for the merger consideration of \$21.60 in cash per share, less the exercise price per share of \$2.99.
- (13) The units were cancelled pursuant to the Merger Agreement in exchange for the merger consideration of \$21.60 in cash per share.
- (14) Restricted unit awards were to become fully vested on February 6, 2013. Common shares represented by such vested restricted unit awards were to be delivered promptly after such vesting date.
- (15) The options were cancelled pursuant to the Merger Agreement in exchange for the merger consideration of \$21.60 in cash per share, less the exercise price per share of \$4.26.
- (16) Date applies to 50% of total, remaining balance is exercisable the following year on anniversary date
Each Performance Award Unit represented a right to receive one common share. The number of units comprising the initial award were to be adjusted (ranging from a maximum of twice the number of units comprising the initial award, to a minimum of no units), based on award program metrics that compare the Company's total shareholder return performance occurring during the Measurement Period to comparable total shareholder return performance reported by companies in the Russell Microcap Index. Awarded units earned based on these metrics as of September 30, 2012 (the vesting date) were to be converted to shares under the Plan and will be issued on or before December 31, 2012.
- (17)
- (18) Restricted unit awards were to become fully vested on December 4, 2013. Common Shares represented by such vested restricted unit awards were to be delivered promptly after such vesting date.

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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