

KEITHLEY INSTRUMENTS INC  
 Form 4  
 December 09, 2010

**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 \*  
 KEITHLEY JOSEPH P

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

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 KEITHLEY INSTRUMENTS,  
 INC., 28775 AURORA ROAD  
 (Street)

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 11/04/2010

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 Director, Chairman, CEO

SOLON, OH 44139

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

(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 Ownership (Instr. 4)		
			Code	V	Amount	(A) or (D)	Price		
Class B Common Shares	11/04/2010		G <sup>(1)</sup>		23,031	D	\$ 0 23,031	I	Trust <sup>(1)</sup> <sup>(2)</sup>
Class B Common Shares	11/04/2010		G <sup>(1)</sup>		23,031	A	\$ 0 23,031	I	Trust <sup>(1)</sup>
Class B Common Shares	11/04/2010		G <sup>(1)</sup>		23,031	D	\$ 0 0	I	Trust
Class B Common Shares	12/08/2010		D <sup>(3)</sup>		23,031	D	\$ 0 0	I	Trust <sup>(2)</sup>

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Common Shares						21.6		
Class B Common Shares	12/08/2010		D <sup>(3)</sup>	1,954,816	D	\$ 21.6	0	I Partnership <sup>(4)</sup>
Common Shares	12/08/2010		D <sup>(3)</sup>	91,298 <sup>(5)</sup>	D	\$ 21.6	0	D
Common Shares	12/08/2010		D <sup>(3)</sup>	2,448	D	\$ 21.6	0	I Wife

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

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(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 Security (Instr. 3 and 4)	Amount of Underlying Security	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount of Underlying Security
Common Share Option	\$ 18.41	12/08/2010		D <sup>(6)</sup>	100,000	07/25/2003 <sup>(7)</sup>	07/24/2011	Common Shares	100,000
Common Share Option	\$ 13.76	12/08/2010		D <sup>(8)</sup>	100,000	07/24/2004 <sup>(7)</sup>	07/23/2012	Common Shares	100,000
Common Share Option	\$ 16.12	12/08/2010		D <sup>(9)</sup>	100,000	08/10/2005	07/18/2013	Common Shares	100,000
Common Share Option	\$ 18.75	12/08/2010		D <sup>(10)</sup>	70,000	02/15/2005	07/16/2014	Common Shares	70,000
Common Share Option	\$ 15.05	12/08/2010		D <sup>(11)</sup>	55,000	10/04/2007 <sup>(7)</sup>	10/03/2015	Common Shares	55,000
Common Share Option	\$ 9.12	12/08/2010		D <sup>(12)</sup>	38,300	11/09/2009 <sup>(7)</sup>	11/09/2017	Common Shares	38,300

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KEITHLEY JOSEPH P KEITHLEY INSTRUMENTS, INC. 28775 AURORA ROAD SOLON, OH 44139	X	X	Director, Chairman, CEO	

## Signatures

Mark J. Plush,  
Attorney-in Fact

12/09/2010

\*\*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) 23,031 Class B Common Shares were gifted from the Joseph F. Keithley 1988 Trust to the Joseph F. Keithley 1988 Trust FBO Elizabeth M. Keithley of which reporting person is Trustee, and subsequently gifted to a charitable foundation.
- (2) Joseph F. Keithley 1988 Family Trust - reporting person is Trustee
- (3) 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.
- (4) Indirect ownership by Keithley Investment Co. Limited Partnership.
- (5) Includes 1,308 shares for which restrictions lapsed on December 1, 2010, which were previously reported as restricted shares.
- (6) 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.
- (7) Date reported applied to 50% of total, one-half of the balance was then exercisable in each succeeding year.
- (8) 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
- (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 \$16.12.
- (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 \$18.75.
- (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 \$15.05.
- (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 \$9.12.

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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