SEC Form 4	
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FORM 4

(State)

(Zip)

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

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Section 16. Form 4 or Form 5 obligations may continue. See	NT OF CHANGES IN BENEFICIAL OWNE	ERSHIP	OMB Number: Estimated average burd hours per response:	3235-0287 en 0.5
	or Section 30(h) of the Investment Company Act of 1940	E. Deletionship of D		
1. Name and Address of Reporting Person [*] CARANO BANDEL L	2. Issuer Name and Ticker or Trading Symbol <u>KRATOS DEFENSE & SECURITY</u> <u>SOLUTIONS, INC.</u> [KTOS]	X Director	10% C	
(Last) (First) (Middle) C/O OAK INVESTMENT PARTNERS ONE GORHAM ISLAND	3. Date of Earliest Transaction (Month/Day/Year) 05/11/2010	. below)	below)	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Join Line)	t/Group Filing (Check A	pplicable
(Street) WESTPORT CT 06880		1	by One Reporting Pers by More than One Rep	

(City)

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. Transa Code (8)		4. Securities Disposed Of (5)			5. Amount of Securities Beneficially Owned Following Reported	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	Transaction(s) (Instr. 3 and 4)		(1150.4)

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		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	Title	Amount or Number of Shares				
Director Option (Right to Buy)	\$12.46	05/11/2010		A		683 ⁽¹⁾		05/11/2010 ⁽²⁾	05/11/2020	Common Stock	683	(3)	683	D ⁽⁴⁾	

Explanation of Responses:

1. Represents options received in lieu of cash fees from Mr. Carano's service on the Issuer's Board of Directors as approved by the Board of Directors. The grant is effective May 11, 2010.

2. The Director Options became fully exercisable on the date of the grant.

3. Not applicable

4. Includes Director Option to purchase 672 shares of Common Stock, which is held by Mr. Carano on behalf of Oak Investment Partners X, Limited Partnership ("Oak X, L.P."); and Director Option to purchase 11 shares of Common Stock, which is held by Mr. Carano on behalf of Oak X Affiliates Fund, Limited Partnership ("Oak X Affiliates, L.P."). Mr. Carano is a Managing Member of Oak Associates X, L.L.C., the General Partner of Oak X, L.P. and a Managing Member of Oak X Affiliates, L.P."

Remarks:

Remarks Bandel L. Carano is a Director of Kratos Defense & Security Solutions, Inc. Mr. Carano is a Managing Member of Oak Associates X, L.L.C., the General Partner of Oak X, L.P.; and a Managing Member of Oak X Affiliates, L.L.C., the General Partner of Oak X Affiliates, L.P. Oak X, L.P. and Oak X Affiliates, L.P. are not reporting persons on this Form 4 because they are no longer subject to Section 16, as they are no longer 10% owners Each Reporting Person disclaims the existence of a "group" and disclaims beneficial ownership of any securities (except to the extent of such Reporting Person's pecuniary interest in such securities) other than any securities reported herein as being directly owned by such Reporting Person, and this report shall not be deemed an admission that such Reporting Person is the beneficial owner of any such securities for purposes of Section 16 or for any other purpose.

Bandel L. Carano

** Signature of Reporting Person

05/12/2010

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.