FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Washington, D.C. 20549

| OMB APPROVAL |         |  |  |  |  |  |  |  |  |
|--------------|---------|--|--|--|--|--|--|--|--|
| OMB Number   | 3235-02 |  |  |  |  |  |  |  |  |

Estimated average burden hours per response: 0.5

## Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b)

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

|   |   |  |  |         | 0. 00   | ,                     | (, 0.  |     | investment c  | J U      | July 7 101     | 0. 20.0  |                                |   |   |  |   |  |  |
|---|---|--|--|---------|---|---|--|-----|---|----------|----------------|--|--------------------------------|---|---|--|---|--|--|
| 1. Name and Address of Reporting Person* <u>Jarvis Scot B</u> |   |  |  |         | 2. Issuer Name and Ticker or Trading Symbol KRATOS DEFENSE & SECURITY |   |  |     |   |          |                |  |                                | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) |   |  |   |  |  |
|   |   |  |  |         | SOLUTIONS, INC. [ KTOS ]  |   |  |     |   |          |                |  |                                | X   | Directo   | Director   |   | 10% Owner  |  |
| (Last) (First) (Middle)                                       |   |  |  |         |   | SOLUTIONO, INC. [ RIGG ]                                    |  |     |   |          |                |  |                                |   | Officer below)  | r (give title<br>)   |   | Other (s<br>below)   | pecify   |
| C/O KRATOS DEFENSE & SECURITY SOLUTIONS                       |   |  |  |         |   | 3. Date of Earliest Transaction (Month/Day/Year) 01/04/2016 |  |     |   |          |                |  |                                |   |   |  |   |  |  |
| 4820 EASTGATE MALL  |   |  |  |         | 4. If Amendment, Date of Original Filed (Month/Day/Year)              |   |  |     |   |          |                |  |                                | 6. Individual or Joint/Group Filing (Check Applicable Line)             |   |  |   |  |  |
| (Street)  |   |  |  |         |   |   |  |     |   |          |                |  |                                | X   | Form fi   | led by One   | Reno  | rting Person   |  |
| SAN DII   | EGO CA  | A  | 92121  |         |   |   |  |     |   |          |                |  |                                | 71  |   | led by More  |   | One Report   |  |
| (City)  | (Si   | tate)                                      | (Zip)  |         |   |   |  |     |   |          |                |  |                                |   |   |  |   |  |  |
|   |   | Tab  | le I - Non-  | Derivat | tive S  | Securi  | ties   | Acc | quired, D   | ispo     | osed o         | f, or Be   | nefic                          | ially   | Owned   |  |   |  |  |
| 1. Title of Security (Instr. 3)  2. Transar Date (Month/Da    |   |  |  |         |   | Execu   | 2A. Deemed<br>Execution Date,<br>f any<br>Month/Day/Year |     | 3. Transaction Code (Instr. ) 8) 4. Securities Acqui Disposed Of (D) (Instr. 5) |          |                |  |                                |   | 5. Amount of<br>Securities<br>Beneficially<br>Owned Following |  | 6. Ownership<br>Form: Direct<br>(D) or Indirect<br>(I) (Instr. 4) |  | 7. Nature<br>of Indirect<br>Beneficial<br>Ownership                |
|   |   |  |  |         |   |   |  |     | Code V  |          | Amount         | mount (A) or (D)   |                                | ice   | Reported<br>Transact<br>(Instr. 3 a                           | ction(s)   |   |  | (Instr. 4)   |
|   |   | -  | Γable II - D<br>(ε                                   |         |   |   |  |     | uired, Dis<br>, options   |          |                |  |                                |   | Owned   |  |   |  |  |
| 1. Title of<br>Derivative<br>Security<br>(Instr. 3)           | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction<br>Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Da<br>if any<br>(Month/Day/Y | Co      | Transactio<br>Code (Inst  |   |  |     | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year)                  |          |                | 7. Title and Amoun<br>of Securities<br>Underlying<br>Derivative Security<br>(Instr. 3 and 4) |                                |   | 8. Price of<br>Derivative<br>Security<br>(Instr. 5)           | 9. Number of<br>derivative<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 4) |   | 10.<br>Ownership<br>Form:<br>Direct (D)<br>or Indirect<br>(I) (Instr. 4) | 11. Nature<br>of Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|   |   |  |  | Cod     | de V  | (A)   |  | (D) | Date<br>Exercisable   | Ex<br>Da | piration<br>te | Title  | Amo<br>or<br>Num<br>of<br>Shar | ber   |   |  |   |  |  |
| Restricted<br>Stock<br>Units                                  | (2)   | 01/04/2016                                 |  | A       | 1   | 10,0  | 000  |     | (1)   |          | (1)            | Common<br>Stock  | 10,0                           | 000   | \$0   | 10,000   | )   | D  |  |

## **Explanation of Responses:**

- 1.5,000 RSUs vest 100% on the five year anniversary of the date of grant, unless earlier vested or terminated pursuant to the terms of the RSU agreement. The other 5,000 RSUs vest 20% upon each 10% increase in the closing market price of the Issuer's common stock measured from the RSU grant date through the 10-year anniversary of the RSU grant date, unless earlier vested or terminated pursuant to the terms of the RSU agreement.
- 2. Each RSU represents a contingent right to receive one share of Issuer's common stock.

Scot B. Jarvis, by Eva Yee, 01/05/2016 Attorney-In-Fact

\*\* Signature of Reporting Person

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.