SEC Form 4

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

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*	2. Issuer Name **and** Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
CARANO BANDEL L (Last) (First) (Middle) C/O OAK INVESTMENT PARTNERS ONE GORHAM ISLAND (Street) WESTPORT CT 06880 (City) (State) (Zip)	KRATOS DEFENSE & SECURITY SOLUTIONS, INC. [KTOS] 3. Date of Earliest Transaction (Month/Day/Year) 02/08/2011 4. If Amendment, Date of Original Filed (Month/Day/Year)	X Director 10% Owner Officer (give title below) Other (specify below) 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02/08/2011		P		74,280	A	$13.25	539,618	I	See Note(1)
Common Stock	02/08/2011		P		1,192	A	$13.25	8,661	I	See Note(2)
Common Stock								267,786	I	See Note(3)
Common Stock								2,853	I	See Note(4)
Common Stock								6,427	I	See Note(5)
Common Stock								255	D(6)	

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	Title	Amount or Number of Shares				

Explanation of Responses:

1. Represents shares directly owned by Oak Investment Partners X, Limited Partnership ("Oak X, L.P.").
2. Represents shares directly owned by Oak X Affiliates Fund, Limited Partnership ("Oak X Affiliates, L.P.").
3. Represents shares directly owned by Oak Investment Partners IX, Limited Partnership ("Oak IX, L.P.").
4. Represents shares directly owned by Oak IX Affiliates Fund, Limited Partnership ("Oak IX Affiliates, L.P.").
5. Represents shares directly owned by Oak IX Affiliates Fund-A, Limited Partnership ("Oak IX Affiliates Fund-A, L.P.").
6. Represents shares directly owned by Bandel L. Carano, a Director of Kratos Defense & Security Solutions, Inc. No other Reporting Person has any pecuniary interest in these shares.

Remarks:

Remarks Bandel L. Carano is a Director of the Issuer. Mr. Carano is a Managing Member of each of the Oak IX Funds, and a Managing Member of each of the Oak X Funds listed as a purchaser in this Form 4. Oak IX, L.P., Oak IX Affiliates, L.P., Oak IX Affiliates Fund - A, 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 — 02/08/2011

** 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.