SEC Form 4

FORM 4

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

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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)
Beaman Gerald R	KRATOS DEFENSE & SECURITY SOLUTIONS, INC. [KTOS]	

(Last) (First) (Middle)
4820 EASTGATE MALL
SUITE 200

(Street)
SAN DIEGO   CA   92121

| (City) (State) (Zip) |

3. Date of Earliest Transaction (Month/Day/Year)
09/22/2016

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

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

	Director		10% Owner
X	Officer (give title below)		Other (specify below)

President, US Division

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	09/22/2016		M		3,000[2]	A	$0	86,423[4]	D	
Common Stock	09/22/2016		F		1,127[3]	D	$7.39	85,296[4]	D	

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				
Restricted Stock Units	[1]	09/22/2016		M			3,000	[2]	[2]	Common Stock	3,000	$0	15,000	D	

Explanation of Responses:

1. Each restricted stock unit (RSU) represents a contingent right to receive one share of Issuer's common stock.

2. RSUs were granted and previously reported on a Form 4 filed January 5, 2015. Of these RSUs, 3,000 were released on September 22, 2016.

3. Shares withheld in a net transaction to satisfy minimum tax liability, in accordance with Issuer's trading policies, in connection with shares released as reported in this Form 4.

4. Includes 7,320 shares purchased through Issuer's Employee Stock Purchase Plan; 6,938 shares held in Issuer's 401(k) Plan; and 50,000 RSUs granted on August 5, 2016 which vest in three equal installments annually beginning August 5, 2017 subject to the terms of the RSU agreement, as reported on the Form 4 filed August 8, 2016.

Gerald R. Beaman, by Eva Yee, Attorney-In-Fact

09/23/2016

** 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.