

<b>OMB APPROVAL</b>	
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

1. Name and Address of Reporting Person* <u>CARANO BANDEL L</u>  (Last) (First) (Middle) <u>C/O OAK INVESTMENT PARTNERS</u> <u>901 MAIN AVENUE, SUITE 600</u>  (Street) <u>NORWALK CT 06851</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>KRATOS DEFENSE &amp; SECURITY SOLUTIONS, INC. [ KTOS ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>08/07/2019</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**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	08/07/2019		s		250,000	D	\$19.1121	366,098	D <sup>(1)</sup>	
Common Stock	08/08/2019		s <sup>(2)</sup>		250,000	D	\$19.2558	449,090	I	See <sup>(3)(4)</sup>

**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					
Director Option	(5)							(5)	(5)	Common Stock	(5)	81,051 <sup>(5)</sup>	D	

1. Name and Address of Reporting Person\*  
CARANO BANDEL L  
 (Last) (First) (Middle)  
C/O OAK INVESTMENT PARTNERS  
901 MAIN AVENUE, SUITE 600  
 (Street)  
NORWALK CT 06851  
 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
Oak Investment Partners XIII, Limited Partnership  
 (Last) (First) (Middle)  
901 MAIN AVENUE  
SUITE 600  
 (Street)  
NORWALK CT 06851  
 (City) (State) (Zip)

1. Name and Address of Reporting Person\*

OAK INVESTMENT PARTNERS X LTD PARTNERSHIP

(Last) (First) (Middle)

901 MAIN AVENUE  
SUITE 600

(Street)  
NORWALK CT 06851

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

OAK X AFFILIATES FUND LP

(Last) (First) (Middle)

901 MAIN AVENUE  
SUITE 600

(Street)  
NORWALK CT 06851

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

OAK INVESTMENT PARTNERS IX L P

(Last) (First) (Middle)

901 MAIN AVENUE  
SUITE 600

(Street)  
NORWALK CT 06851

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

OAK IX AFFILIATES FUND LP

(Last) (First) (Middle)

901 MAIN AVENUE  
SUITE 600

(Street)  
NORWALK CT 06851

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

OAK IX AFFILIATES FUND A LP

(Last) (First) (Middle)

901 MAIN AVENUE  
SUITE 600

(Street)  
NORWALK CT 06851

(City) (State) (Zip)

**Explanation of Responses:**

1. Represents shares of Common Stock directly owned by Bandel L. Carano.
2. Represents 957 shares of Common Stock sold by Oak Investment Partners IX, L.P. ("Oak IX"); 29 shares of Common Stock sold by Oak IX Affiliates Fund, L.P. ("Oak IX Affiliates"); 64 shares of Common Stock sold by Oak IX Affiliates Fund-A, L.P. ("Oak IX Affiliates-A"); 102,081 shares of Common Stock sold by Oak Investment Partners X, Limited Partnership ("Oak X"); 262 shares of Common Stock sold by Oak X Affiliates Fund, L.P. ("Oak X Affiliates"); 146,607 shares of Common Stock sold by Oak Investment Partners XIII, L.P. ("Oak XIII").
3. Represents 1,721 shares of Common Stock beneficially owned by Oak IX; 183,636 shares of Common Stock beneficially owned by Oak X; 263,733 shares of Common Stock beneficially owned by Oak XIII.
4. Common Stock sold was held by Oak IX, Oak IX Affiliates, Oak IX Affiliates-A, Oak X, Oak X Affiliates, and Oak XIII. Oak Associates IX, L.L.C. is the General Partner of Oak IX; Oak IX Affiliates, L.L.C. is the General Partner of Oak IX Affiliates and Oak IX Affiliates-A; Oak Associates X, L.L.C. is the General Partner of Oak X; Oak X Affiliates, L.L.C. is the General Partner of Oak X Affiliates; and Oak Associates XIII, L.L.C. is the General Partner of Oak XIII and may be deemed to beneficially own the reported securities.
5. Consists of Director Option to purchase 19,430 shares of Common Stock, which is held by Mr. Carano on behalf of Oak X; Director Option to purchase 313 shares of Common Stock, which is held by Mr. Carano on behalf of Oak X Affiliates; and Director Option to purchase 61,308 shares of Common Stock, which is held by Mr. Carano on behalf of Oak XIII.

**Remarks:**

Bandel L. Carano is a Director of the Issuer. Mr. Carano is a Managing Member of Oak Associates IX, L.L.C., the General Partner of Oak IX; a Managing Member of Oak IX Affiliates, L.L.C., the General Partner of Oak IX Affiliates and Oak IX Affiliates-A; a Managing Member of Oak Associates X, L.L.C., the General Partner of Oak X; a Managing Member of Oak X Affiliates, L.L.C., the General Partner of Oak X Affiliates; and a Managing Member of Oak Associates XIII, L.L.C., the General Partner of Oak XIII. This Form 4 is being filed by Bandel L. Carano, Oak IX, Oak IX Affiliates, Oak IX Affiliates-A, Oak X, Oak X Affiliates, and Oak XIII (collectively the "Reporting Persons"). 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.

<u>Bandel L. Carano</u>	<u>08/09/2019</u>
<u>/s/ Bandel L. Carano,</u> <u>Managing Member of Oak</u> <u>Associates XIII, LLC, general</u> <u>partner of Oak Investment</u> <u>Partners XIII, Limited</u> <u>Partnership</u>	<u>08/09/2019</u>
<u>/s/ Bandel L. Carano,</u> <u>Managing Member of Oak</u> <u>Associates X, LLC, general</u> <u>partner of Oak Investment</u> <u>Partners X, Limited</u> <u>Partnership</u>	<u>08/09/2019</u>
<u>/s/ Bandel L. Carano,</u> <u>Managing Member of Oak X</u> <u>Affiliates, LLC, general partner</u> <u>of Oak X Affiliates Fund,</u> <u>Limited Partnership</u>	<u>08/09/2019</u>
<u>/s/ Bandel L. Carano,</u> <u>Managing Member of Oak</u> <u>Associates IX, LLC, general</u> <u>partner of Oak Investment</u> <u>Partners IX, Limited</u> <u>Partnership</u>	<u>08/09/2019</u>
<u>/s/ Bandel L. Carano,</u> <u>Managing Member of Oak IX</u> <u>Affiliates, LLC, general partner</u> <u>of Oak IX Affiliates Fund,</u> <u>Limited Partnership</u>	<u>08/09/2019</u>
<u>/s/ Bandel L. Carano,</u> <u>Managing Member of Oak IX</u> <u>Affiliates, LLC, general partner</u> <u>of Oak IX Affiliates Fund-A,</u> <u>Limited Partnership</u>	<u>08/09/2019</u>

\*\* 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.**