

CARANO BANDEL L  
Form 4  
September 04, 2009

**FORM 4**

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

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 OF  
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

## OMB APPROVAL

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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
CARANO BANDEL L

(Last) (First) (Middle)

C/O OAK INVESTMENT  
PARTNERS, ONE GORHAM  
ISLAND

(Street)

WESTPORT, CT 06880

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol

KRATOS DEFENSE & SECURITY  
SOLUTIONS, INC. [KTOS]

3. Date of Earliest Transaction  
(Month/Day/Year)  
09/02/2009

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

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
☒ 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                    | 09/02/2009                           |  | P                              |   | 1,275,780 | A          | \$ 0.72 | 2,677,864   | I  | See Note <u>(1)</u>                                   |
| Common Stock                    | 09/02/2009                           |  | P                              |   | 13,598    | A          | \$ 0.72 | 28,540  | I  | See Note <u>(2)</u>                                   |
| Common Stock                    | 09/02/2009                           |  | P                              |   | 30,622    | A          | \$ 0.72 | 64,277  | I  | See Note <u>(3)</u>                                   |
| Common Stock                    |                                      |  |                                |   |           |            |         | 3,669,189   | I  | See Note <u>(4)</u>                                   |
|                                 |                                      |  |                                |   |           |            |         | 58,894  | I  |   |

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|                 |       |       |                 |
|-----------------|-------|-------|-----------------|
| Common<br>Stock |       |       | See Note<br>(5) |
| Common<br>Stock | 2,554 | D (6) |                 |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**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 control number.**

SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of<br>Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed<br>of (D)<br>(Instr. 3,<br>4, and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and<br>Amount of<br>Underlying<br>Securities<br>(Instr. 3 and 4) | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. Number<br>of<br>Derivative<br>Securities<br>Beneficially<br>Owned<br>Following<br>Report<br>Transaction<br>(Instr. 6) |
|---|--|---|---|--------------------------------------|--|--|---|---|--|
|   |  |   |   | Code                                 | V (A) (D)  | Date<br>Exercisable  | Expiration<br>Date  | Title   | Amount<br>or<br>Number<br>of<br>Shares   |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships                    |
|---|----------------------------------|
|   | Director 10% Owner Officer Other |
| CARANO BANDEL L<br>C/O OAK INVESTMENT PARTNERS<br>ONE GORHAM ISLAND<br>WESTPORT, CT 06880 | X                                |

## Signatures

Bandel L.  
Carano

09/04/2009

\_\_\_\_\_  
Signature of  
Reporting Person

\_\_\_\_\_  
Date

## Explanation of Responses:

- \* 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).

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- (1) Represents shares directly owned by Oak Investment Partners IX, Limited Partnership ("Oak IX, L.P.").
- (2) Represents shares directly owned by Oak IX Affiliates Fund, Limited Partnership ("Oak IX Affiliates, L.P.").
- (3) Represents shares directly owned by Oak IX Affiliates Fund-A, Limited Partnership ("Oak IX Affiliates Fund-A, L.P.").
- (4) Represents shares directly owned by Oak Investment Partners X, Limited Partnership ("Oak X, L.P.").
- (5) Represents shares directly owned by Oak X Affiliates Fund, Limited Partnership ("Oak X Affiliates, L.P.").
- (6) Represents shares directly owned by Bandel L. Carano. Mr. Carano is a Director of the Issuer and is a Managing Member of Oak Associates VI, L.L.C., the General Partner of Oak Investment Partners VI, L.P.; a Managing Member of Oak VI Affiliates, L.L.C., the General Partner of Oak VI Affiliates Fund, L.P.; a Managing Member of Oak Associates IX, L.L.C., the General Partner of Oak Investment Partners IX, L.P., a Managing Member of Oak IX Affiliates, L.L.C., the General Partner of Oak IX Affiliates Fund, L.P. and Oak IX Affiliates Fund-A, L.P.; a Managing Member of Oak Associates X, L.L.C., the General Partner of Oak Investment Partners X, L.P.; and a Managing Member of Oak X Affiliates, L.L.C., the General Partner of Oak X Affiliates Fund, L.P. No other Reporting Person has any pecuniary interest in these shares.

### Remarks:

Each Reporting Person disclaims the existence of a "group" and disclaims beneficial ownership of any securities (except to the

On August 25, 2009, Oak Investment Partners VI, LP ("Oak VI, LP") and Oak VI Affiliates Fund, LP (together with Oak VI, LP

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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