

CARANO BANDEL L
Form 4
September 04, 2009

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

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

2. Issuer Name and Ticker or Trading Symbol
KRATOS DEFENSE & SECURITY SOLUTIONS, INC. [KTOS]

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

(Last) (First) (Middle)
C/O OAK INVESTMENT PARTNERS, ONE GORHAM ISLAND

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

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

(Street)
WESTPORT, CT 06880

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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 (1)
Common Stock	09/02/2009		P	13,598 A \$ 0.72	28,540	I	See Note (2)
Common Stock	09/02/2009		P	30,622 A \$ 0.72	64,277	I	See Note (3)
Common Stock					3,669,189	I	See Note (4)
					58,894	I	

Common Stock							See Note (5)
Common Stock				2,554		D (6)	

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

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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 Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Transaction (Instr. 5)
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Reporting Owners

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

Signatures

Bandel L.
Carano
09/04/2009
Date

**Signature of Reporting Person

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.").

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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