

KRATOS DEFENSE &amp; SECURITY SOLUTIONS, INC.

Form 4

January 05, 2015

**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

OMB  
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Goodwin Benjamin M.

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)

4820 EASTGATE MALL

(Street)

SAN DIEGO, CA 92121

(City) (State) (Zip)

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/02/2015

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

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

President, PSS 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)
Common Stock	01/02/2015		M	(A) or (D) 2,500 (1) A \$ 0	34,323 (5)	D	
Common Stock	01/03/2015		M	1,000 (2) A \$ 0	35,323 (5)	D	
Common Stock	01/03/2015		M	2,000 (3) A \$ 0	37,323 (5)	D	

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

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SEC 1474  
(9-02)

number.

**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. Pr Der Secu (Instr		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Restricted Stock Unit	(4)	01/02/2015		M	2,500	(1)	(1)	Common Stock	2,500	\$
Restricted Stock Unit	(4)	01/03/2015		M	1,000	(2)	(2)	Common Stock	1,000	\$
Restricted Stock Unit	(4)	01/03/2015		M	2,000	(3)	(3)	Common Stock	2,000	\$

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Goodwin Benjamin M. 4820 EASTGATE MALL SAN DIEGO, CA 92121	President, PSS Division

## Signatures

Benjamin M. Goodwin, by Eva Yee,  
Attorney-In-Fact

01/05/2015

\_\_\_\_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).

- (1) Common Stock issued to reporting person pursuant to settlement of vested shares under RSU granted on January 2, 2010, where 12,500 RSUs granted vest in five equal installments annually beginning on January 2, 2011.

- (2) Common Stock issued to reporting person pursuant to settlement of vested shares under RSU granted on January 3, 2011, where 10,000 RSUs were granted, 5,000 of which vest in five equal installments annually beginning on January 3, 2012 and 5,000 of which vest 100% on the fifth anniversary of the grant date.

- (3) Common Stock issued to reporting person pursuant to settlement of vested shares under RSU granted on January 3, 2014, where 20,000 RSUs were granted, 10,000 of which vest 100% on the five year anniversary of the date of grant, unless earlier vested pursuant to the

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terms of the RSU agreement, and 10,000 of which vest 20% upon each 10% increase in the closing market price of the Issuer's common stock measured from the RSU grant date through the 10-year anniversary, provided that the first vesting shall not occur until the first anniversary of the RSU grant date, at which time the percentage of RSUs shall vest based on increases in the closing market price measured from the RSU grant date through the first anniversary.

- (4) Each RSU represents a contingent right to receive one share of Issuer's common stock.
- (5) Includes 561 shares purchased through Issuer's Employee Stock Purchase Plan.

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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