

CARANO BANDEL L
 Form 4
 March 22, 2018

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2015
 Estimated average burden hours per response... 0.5

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

(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, 901 MAIN AVENUE, SUITE 600

3. Date of Earliest Transaction (Month/Day/Year)
 03/21/2018

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

(Street)
 NORWALK, CT 06851

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 Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|-----|-------|
| | | | | (A) or (D) | Code | V | Amount | (D) | Price |

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)

Edgar Filing: CARANO BANDEL L - Form 4

| 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 (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) | | |
|--|--|--------------------------------------|--|--------------------------------|--|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Director Option (Right to Buy) | \$ 9.71 | 03/21/2018 | | A | 1,442 <u>(1)</u> | 03/21/2018 ⁽²⁾ | 03/21/2028 | Common Stock | 1,442 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| CARANO BANDEL L C/O OAK INVESTMENT PARTNERS 901 MAIN AVENUE, SUITE 600 NORWALK, CT 06851 | X | X | | |
| Oak Investment Partners XIII, Limited Partnership 901 MAIN AVENUE SUITE 600 NORWALK, CT 06851 | | | X | |
| OAK INVESTMENT PARTNERS X LTD PARTNERSHIP 901 MAIN AVENUE SUITE 600 NORWALK, CT 06851 | | | X | |
| OAK X AFFILIATES FUND LP 901 MAIN AVENUE SUITE 600 NORWALK, CT 06851 | | | X | |
| OAK INVESTMENT PARTNERS IX L P 901 MAIN AVENUE SUITE 600 NORWALK, CT 06851 | | | X | |
| OAK IX AFFILIATES FUND LP 901 MAIN AVENUE SUITE 600 NORWALK, CT 06851 | | | X | |

OAK IX AFFILIATES FUND A LP
 901 MAIN AVENUE
 SUITE 600
 NORWALK, CT 06851

X

Signatures

| | |
|---|------------|
| Bandel L. Carano | 03/22/2018 |
| **Signature of Reporting Person | Date |
| /s/ Bandel L. Carano, Managing Member of Oak Associates XIII, LLC, general partner of Oak Investment Partners XIII, Limited Partnership | 03/22/2018 |
| **Signature of Reporting Person | Date |
| /s/ Bandel L. Carano, Managing Member of Oak Associates X, LLC, general partner of Oak Investment Partners X, Limited Partnership | 03/22/2018 |
| **Signature of Reporting Person | Date |
| /s/ Bandel L. Carano, Managing Member of Oak X Affiliates, LLC, general partner of Oak X Affiliates Fund, Limited Partnership | 03/22/2018 |
| **Signature of Reporting Person | Date |
| /s/ Bandel L. Carano, Managing Member of Oak Associates IX, LLC, general partner of Oak Investment Partners IX, Limited Partnership | 03/22/2018 |
| **Signature of Reporting Person | Date |
| /s/ Bandel L. Carano, Managing Member of Oak IX Affiliates, LLC, general partner of Oak IX Affiliates Fund, Limited Partnership | 03/22/2018 |
| **Signature of Reporting Person | Date |
| /s/ Bandel L. Carano, Managing Member of Oak IX Affiliates, LLC, general partner of Oak IX Affiliates Fund-A, Limited Partnership | 03/22/2018 |
| **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) Represents options received in lieu of cash fees from Mr. Carano's service on the Issuer's Board of Directors as approved by the Board of Directors. The grant is effective March 21, 2018.
- (2) The Director Options became fully exercisable on the date of the grant.
- (3) Not applicable
- (4) Includes Director Option to purchase 186 shares of Common Stock, which is held by Mr. Carano on behalf of Oak Investment Partners X, Limited Partnership ("Oak X"); Director Option to purchase 3 shares of Common Stock, which is held by Mr. Carano on behalf of Oak X Affiliates Fund, Limited Partnership ("Oak X Affiliates"); and Director Option to purchase 1,253 shares of Common Stock, which is held by Mr. Carano on behalf of Oak Investment Partners XIII, Limited Partnership ("Oak XIII"). Mr. Carano is 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.

Remarks:

Bandel L. Carano is a Director of the Issuer.

This Form 4 is being filed by Bandel L. Carano, Oak XIII, Oak X, Oak X Affiliates, Oak Investment Partners IX, Limited Partnership

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

Edgar Filing: CARANO BANDEL L - Form 4

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.