

KRATOS DEFENSE &amp; SECURITY SOLUTIONS, INC.

Form 4

January 07, 2014

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

OMB  
Number: 3235-0287  
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2005  
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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 \*  
Armstrong Wayne L2. 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, SUITE  
2003. Date of Earliest Transaction  
(Month/Day/Year)  
01/03/2014☐ Director ☐ 10% Owner  
☒ Officer (give title below) ☐ Other (specify  
below)  
President, ADTS Division

(Street)

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

SAN DIEGO, CA 92121

(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	(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)**

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities	8. I
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)		(Instr. 3 and 4)			
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock Units	(1)	01/03/2014	A		20,000		(2)	(2)	Common Stock	20,000

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Armstrong Wayne L 4820 EASTGATE MALL SUITE 200 SAN DIEGO, CA 92121	President, ADTS Division

## Signatures

Wayne L. Armstrong, by Eva Yee,  
Attorney-In-Fact 01/07/2014

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) Each Restricted Stock Unit (RSU) represents a contingent right to receive one share of Issuer's common stock.

10,000 of the RSUs vest 100% on the five year anniversary of the date of grant, unless earlier vested or terminated pursuant to the terms of the RSU agreement. 10,000 of the RSUs 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 of the RSU grant date, unless earlier vested or terminated pursuant to the terms of the RSU agreement, provided that the first vesting shall not occur until the first anniversary of the RSU grant date, at which time that percentage of RSUs shall vest based on increases in the closing market price measured from the RSU grant date through the first anniversary.

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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