

Bates Howard W.
Form 4/A
April 08, 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

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Bates Howard W.

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)
11405 N. PENNSYLVANIA
STREET, SUITE 200

3. Date of Earliest Transaction
(Month/Day/Year)
03/04/2009

____ Director ____ 10% Owner
____ Officer (give title ____X____ Other (specify
below) below)
Pres. Gov't Solutions Segment

(Street)

4. If Amendment, Date Original
Filed(Month/Day/Year)
04/08/2009

CAMEL, IN 46032

6. Individual or Joint/Group Filing(Check
Applicable Line)
X 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 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 (1)	(A) or (D)	Price (1)	
Common Stock	03/04/2009		M		18,750 (1)	A	\$ 0 (1)	458,418 D
Common Stock	03/31/2009		A		108,058 (2)	A	\$ 2.74 (2)	566,476 D

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

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information contained in this form are not
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SEC 1474
(9-02)

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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)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock Units	\$ 0 ⁽¹⁾	03/04/2009		M		18,750		12/31/2008	12/31/2017	Common Stock	18,750 ⁽¹⁾

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Bates Howard W. 11405 N. PENNSYLVANIA STREET SUITE 200 CAMEL, IN 46032	Pres. Gov't Solutions Segment

Signatures

Howard W. Bates, by Matthew G. Colvin,
Attorney-In-Fact

04/08/2009

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).
- (1) Common Stock issued to Reporting Person pursuant to settlement of vested shares under Restricted Stock Unit grant dated December 31, 2007 which vested on December 31, 2008 as to 25% of the total Restricted Stock Unit shares granted.
- On December 31, 2007, the Issuer acquired Haverstick Consulting, Inc., an Indiana corporation, of which the reporting person was President. Pursuant to the Agreement and Plan of Merger, the issuer issued to the reporting person 108,058 shares of common stock
- (2) pursuant to the Holdback provisions of the Agreement and Plan of Merger. The shares of Issuer's common stock were valued at \$2.74/share based upon a 20 day average trailing stock price of issuer's common stock prior to the execution of the definitive Agreement and Plan of Merger on November 2, 2007.
- Includes 200,000 shares underlying a Restricted Stock Unit grant dated January 2, 2009 as previously reported on Form 4 dated January
- (3) 6, 2009 and 56,250 shares underlying the Restricted Stock Unit grant dated December 31, 2007 as previously reported on Form 4 dated January 3, 2008.

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