

MCDONNELL THOMAS A
 Form 4
 February 13, 2012

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 *
 MCDONNELL THOMAS A

(Last) (First) (Middle)
 333 WEST 11TH STREET
 (Street)

KANSAS CITY, MO 64105

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 DST SYSTEMS INC [DST]

3. Date of Earliest Transaction (Month/Day/Year)
 02/09/2012

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing (Check Applicable Line)
 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)
			Code	V	Amount or Price		
Common Stock	02/09/2012		M		44,700 A \$ 48.23	781,348	D
Common Stock	02/09/2012		F		42,528 (1) 52.845	738,820	D
Common Stock	02/09/2012		M		388,075 A \$ 31.045	1,126,895	D
Common Stock	02/09/2012		F		297,543 (1) 52.845	829,352	D
Common Stock	02/09/2012		M		11,925 A \$ 37.62	841,277	D

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Common Stock 02/09/2012 F 9,982 ⁽¹⁾ D \$ 52.845 831,295 D

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)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Common Stock	\$ 48.23	02/09/2012		M	44,700	05/04/2005	05/14/2012	Common Stock	44,700
Common Stock	\$ 31.045	02/09/2012		M	388,075	02/26/2004	11/01/2012	Common Stock	388,075
Common Stock	\$ 37.62	02/09/2012		M	11,925	02/26/2004	01/14/2013	Common Stock	11,925

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MCDONNELL THOMAS A 333 WEST 11TH STREET KANSAS CITY, MO 64105	X		Chief Executive Officer	

Signatures

Randall D. Young for Thomas A. McDonnell by power of attorney 02/13/2012

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) This number is an aggregate of the number of shares of Issuer common stock that the Reporting Person surrendered to the Issuer in payment of the exercise price of the option and the number of shares of Issuer common stock that were withheld from the shares being purchased in order to satisfy the Reporting Person's tax withholding obligation. The surrender and withholding of shares ("Allowable

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Transactions") occurred in accordance with procedures of the Compensation Committee of the Issuer's Board of Directors, which approved the Reporting Person's Allowable Transactions at the time it granted the options to him.

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