

KANSAS CITY SOUTHERN  
Form 4  
February 24, 2014

**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

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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Derry John E

(Last) (First) (Middle)

KANSAS CITY SOUTHERN, PO  
BOX 219335

(Street)

KANSAS CITY, MO 64121-9335

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol

KANSAS CITY SOUTHERN [KSU]

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

02/20/2014

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

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

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

Sr. VP - Human Resources

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<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities<br>Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or<br>Indirect (I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|
| Common<br>Stock                       | 02/20/2014                              |                                                             | A                                    | (A)<br>or<br>(D)<br>1,007<br>(1)                                           | \$ 0                                                                                                               | 6,225 (1) (2) (3)                                                    | 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)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)**

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| 1. Title of<br>Derivative<br>Security<br>(Instr. 3)             | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4.<br>Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed of<br>(D)<br>(Instr. 3, 4,<br>and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) |     | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) |                    |                 |                                        |
|-----------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-----|---------------------------------------------------------------------|--------------------|-----------------|----------------------------------------|
|                                                                 |                                                                       |                                         |                                                             | Code                                    | V                                                                                                               | (A)                                                            | (D) | Date Exercisable                                                    | Expiration<br>Date | Title           | Amount<br>or<br>Number<br>of<br>Shares |
| Employee<br>Stock<br>Option<br>(Right to<br>Buy) <sup>(4)</sup> | \$ 39.53                                                              |                                         |                                                             |                                         |                                                                                                                 |                                                                |     | 03/28/2013                                                          | 03/27/2018         | Common<br>Stock | 200                                    |
| LSAR <sup>(4)</sup>                                             | \$ 39.53                                                              |                                         |                                                             |                                         |                                                                                                                 |                                                                |     | <sup>(4)</sup>                                                      | <sup>(4)</sup>     | Common<br>Stock | 200                                    |
| Employee<br>Stock<br>Option<br>(Right to<br>Buy)                | \$ 35.41                                                              |                                         |                                                             |                                         |                                                                                                                 |                                                                |     | 03/01/2013 <sup>(5)</sup>                                           | 02/29/2020         | Common<br>Stock | 3,800                                  |
| Employee<br>Stock<br>Option<br>(Right to<br>Buy)                | \$ 52.62                                                              |                                         |                                                             |                                         |                                                                                                                 |                                                                |     | <sup>(6)</sup>                                                      | 02/22/2021         | Common<br>Stock | 1,570                                  |
| Employee<br>Stock<br>Option<br>(Right to<br>Buy)                | \$ 66.99                                                              |                                         |                                                             |                                         |                                                                                                                 |                                                                |     | <sup>(6)</sup>                                                      | 02/21/2022         | Common<br>Stock | 1,167                                  |
| Employee<br>Stock<br>Option<br>(Right to<br>Buy)                | \$ 97.77                                                              |                                         |                                                             |                                         |                                                                                                                 |                                                                |     | <sup>(6)</sup>                                                      | 02/20/2023         | Common<br>Stock | 955                                    |
| Employee<br>Stock<br>Option<br>(Right to<br>Buy)                | \$ 94.23                                                              | 02/20/2014                              |                                                             | A                                       |                                                                                                                 | 1,018                                                          |     | <sup>(6)</sup>                                                      | 02/19/2024         | Common<br>Stock | 1,018                                  |

## Reporting Owners

| Reporting Owner Name / Address                                                      | Relationships |           |                                |       |
|-------------------------------------------------------------------------------------|---------------|-----------|--------------------------------|-------|
|                                                                                     | Director      | 10% Owner | Officer                        | Other |
| Derry John E<br>KANSAS CITY SOUTHERN<br>PO BOX 219335<br>KANSAS CITY, MO 64121-9335 |               |           | Sr. VP -<br>Human<br>Resources |       |

## Signatures

Adam J. Godderz,  
Attorney-in-fact

02/24/2014

\_\_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).

401 of these shares represent performance shares that were earned on February 20, 2014 when the KCS Compensation and Organization Committee determined that the 2013 performance goals were met. These performance shares will not vest until February 28, 2014

- (1) contingent upon continued employment by the reporting person through that date. With respect to these shares, the reporting person does not have the right to vote, receive, or be entitled to receive, cash or non-cash dividends or any other beneficial rights as a shareholder of the Company.

834 of these shares represent performance shares that were earned on February 21, 2013 when the KCS Compensation and Organization Committee determined that the 2012 performance goals were met. These performance shares will not vest until February 28, 2014

- (2) contingent upon continued employment by the reporting person through that date. With respect to these shares, the reporting person does not have the right to vote, receive, or be entitled to receive, cash or non-cash dividends or any other beneficial rights as a shareholder of the Company.

804 of these shares represent performance shares that were earned on February 22, 2012 when the KCS Compensation and Organization Committee determined that the 2011 performance goals were met. These performance shares will not vest until February 28, 2014

- (3) contingent upon continued employment by the reporting person through that date. With respect to these shares, the reporting person does not have the right to vote, receive, or be entitled to receive, cash or non-cash dividends or any other beneficial rights as a shareholder of the Company.

Limited Stock Appreciation Rights ("LSARs") are granted in tandem with stock options. LSARs become exercisable only following a

- (4) change-in-control of the Company in lieu of related options and are exercisable only for cash. LSARs terminate when the related options are exercised or terminated.

Prior to March 1, 2013, this option may become exercisable in 1/3 increments if the daily closing price of Kansas City Southern's common stock on the New York Stock Exchange is greater than or equal to \$38.95, \$42.85, and \$47.14, respectively, for at least 30

- (5) consecutive trading days. The first target was met and 1,267 of these options became exercisable on November 19, 2010. The second target was met and 1,267 of these options became exercisable on December 8, 2010. The third target was met and 1,266 of these options became exercisable on January 7, 2011.

- (6) These options become exercisable in three equal installments beginning on the first anniversary of the date of grant.

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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