

ERDMAN WARREN K  
Form 4  
February 23, 2012

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

OMB APPROVAL

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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 \*  
ERDMAN WARREN K

2. Issuer Name and Ticker or Trading Symbol  
KANSAS CITY SOUTHERN [KSU]

5. Relationship of Reporting Person(s) to Issuer  
(Check all applicable)

(Last) (First) (Middle)  
KANSAS CITY SOUTHERN, PO  
BOX 219335  
  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
02/22/2012

\_\_\_\_ Director  
 Officer (give title below) \_\_\_\_\_ 10% Owner  
\_\_\_\_\_ Other (specify below)  
Executive Vice President

KANSAS CITY, MO 64121-9335  
  
(City) (State) (Zip)

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

**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 (D) Price		
Common Stock	02/22/2012		A		4,538 (1)	A	\$ 0
Common Stock					54,266	D	
					954.067	I	Held by 401(k) & P/S Plan

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

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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)	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 35.41					03/01/2013 <sup>(2)</sup> 02/29/2020	Common Stock	11,400
Employee Stock Option (Right to Buy)	\$ 52.62					<sup>(3)</sup> 02/22/2021	Common Stock	4,980
Employee Stock Option (Right to Buy)	\$ 66.99	02/22/2012		A	3,362	<sup>(3)</sup> 02/21/2022	Common Stock	3,362

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ERDMAN WARREN K KANSAS CITY SOUTHERN PO BOX 219335 KANSAS CITY, MO 64121-9335			Executive Vice President	

## Signatures

Brian P. Banks,  
Attorney-in-fact  
02/23/2012  
Date

\*\*Signature of Reporting Person

## 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) 2,541 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. 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.

(2) 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 consecutive trading days. The first target was met and 3,800 of these options became exercisable on November 19, 2010. The second target was met and 3,800 of these options became exercisable on December 8, 2010. The third target was met and 3,800 of these options became exercisable on January 7, 2011.

(3) 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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