Derry John E Form 4 March 02, 2010

FORM 4

OMB APPROVAL

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

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16.

January 31, Expires: 2005

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Estimated average burden hours per response... 0.5

Form 4 or Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

| 1. Name and Ad Derry John E | • | orting Person * | 2. Issuer Name and Ticker or Trading Symbol | 5. Relationship of Reporting Person(s) to Issuer | | |
|--------------------------------|--|-----------------|--|---|--|--|
| | | | KANSAS CITY SOUTHERN [KSU] | (Check all applicable) | | |
| (Last) | (First) | (Middle) | 3. Date of Earliest Transaction | | | |
| | KANSAS CITY SOUTHERN, PO BOX 219335 | | (Month/Day/Year) 02/26/2010 | Director10% Owner Other (specify below) Sr. VP - Human Resources | | |
| | (Street) | | 4. If Amendment, Date Original Filed(Month/Day/Year) | 6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person | | |
| KANSAS CITY, MO 64121-9335 | | | | Form filed by More than One Reporting Person | | |
| (City) | (State) | (Zip) | Table I - Non-Derivative Securities Acq | uired, Disposed of, or Beneficially Owned | | |

| (- 3) | () | 1 abie | 1 - Non-De | erivative s | securi | ties Acq | juirea, Disposea o | i, or Beneficial | ly Ownea | |
|---------------------|---------------------|---|--------------------|-----------------------------|--------------------|----------------------|--|---------------------|------------------------|--|
| 1.Title of | 2. Transaction Date | | 3. | 4. Securi | | • | 5. Amount of | | | |
| Security (Instr. 3) | (Month/Day/Year) | Execution Date, if any | Transactio Code | on(A) or Disposed of (D) | | | Securities Beneficially | Form: Direct (D) or | Indirect Beneficial | |
| | | (Month/Day/Year) (Instr. 8) (Instr. 3, 4 and 5) | | 5) | Owned Following | Ownership (Instr. 4) | | | | |
| | | | | | (A) or | | Reported Transaction(s) (Instr. 3 and 4) | | | |
| Common Stock | 02/26/2010 | | Code V F | Amount 152 | (D) | Price \$ 34.3 | 13,802 | D | | |
| Common Stock | 03/01/2010 | | A | 2,107 | A | \$ 0 | 15,909 | D | | |

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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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. Transactic Code (Instr. 8) | 5. Number conf Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisab Expiration Date (Month/Day/Year | | 7. Title and 2 Underlying S (Instr. 3 and | Securities |
|--|---|--------------------------------------|---|--|---|---|--------------------|---|---------------------------------------|
| | | | | Code V | (A) (D) | Date Exercisable | Expiration Date | Title | Amoun or Number of Shares |
| Employee Stock Option (Right to Buy) (1) | \$ 39.53 | | | | | 03/28/2013 | 03/27/2018 | Common Stock | 200 |
| LSAR (1) | \$ 39.53 | | | | | <u>(1)</u> | <u>(1)</u> | Common Stock | 200 |
| Employee Stock Option (Right to Buy) | \$ 35.41 | 03/01/2010 | | A | 3,800 | 03/01/2013(2) | 02/29/2020 | Common Stock | 3,800 |

Reporting Owners

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

Signatures

Brian P. Banks,
Attorney-in-fact

**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) Limited Stock Appreciation Rights ("LSARs") are granted in tandem with stock options. LSARs become exercisable only following a change-in-control of the Company in lieu of related options and are exercisable only for cash. LSARs terminate when the related options

Reporting Owners 2

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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 consecutive trading days.

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.