#### KANSAS CITY SOUTHERN

Form 4

February 24, 2014

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

**OMB** Number:

Washington, D.C. 20549

3235-0287 January 31,

if no longer subject to Section 16. Form 4 or

Check this box

Expires: STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

2005 Estimated average

**OMB APPROVAL** 

**SECURITIES** 

burden hours per response...

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

0.5

1(b).

(Last)

(Print or Type Responses)

1. Name and Address of Reporting Person \* Starling David L

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

below)

KANSAS CITY SOUTHERN [KSU] 3. Date of Earliest Transaction

(Check all applicable)

KANSAS CITY SOUTHERN, PO

(Street)

(First)

(Month/Day/Year) 02/20/2014

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

President & CEO

BOX 219335

4. If Amendment, Date Original

6. Individual or Joint/Group Filing(Check Applicable Line)

Filed(Month/Day/Year)

3.

\_X\_ Form filed by One Reporting Person Form filed by More than One Reporting

Person

KANSAS CITY, MO 64121-9335

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year) Execution Date, if

(Middle)

4. Securities Acquired Transaction(A) or Disposed of Code (D) (Instr. 3, 4 and 5)

5. Amount of 6. Ownership 7. Nature of Securities Form: Direct Indirect Beneficially (D) or Beneficial Indirect (I) Ownership Owned Following (Instr. 4) (Instr. 4)

(Month/Day/Year) (Instr. 8)

(A)

Reported Transaction(s) (Instr. 3 and 4)

Common Stock

02/20/2014

Code V Amount (D) Price  $109,280 \frac{(1)}{(2)}$ 12,857 \$0 Α (1) (3)(4)

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)

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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. Transacti Code (Instr. 8)	5. Number of orDerivative 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 Underlying Securition (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amou or Numb of Sha
Employee Stock Option (Right to Buy) (5)	\$ 51.55					07/30/2013	07/29/2018	Common Stock	3,88
LSAR (5)	\$ 51.55					<u>(5)</u>	(5)	Common Stock	3,88
Employee Stock Option (Right to Buy)	\$ 35.41					03/01/2013(6)	02/29/2020	Common Stock	20,6
Employee Stock Option (Right to Buy)	\$ 52.62					<u>(7)</u>	02/22/2021	Common Stock	21,9
Employee Stock Option (Right to Buy)	\$ 66.99					<u>(7)</u>	02/21/2022	Common Stock	16,4
Employee Stock Option (Right to Buy)	\$ 97.77					<u>(7)</u>	02/20/2023	Common Stock	13,0
Employee Stock Option (Right to Buy)	\$ 94.23	02/20/2014		A	13,835	<u>(7)</u>	02/19/2024	Common Stock	13,8

# **Reporting Owners**

Reporting Owner Name / Address Relationships

Reporting Owners 2

### Edgar Filing: KANSAS CITY SOUTHERN - Form 4

Director 10% Owner Officer Other

Starling David L KANSAS CITY SOUTHERN PO BOX 219335 KANSAS CITY, MO 64121-9335

X President & CEO

**Signatures** 

Adam J. Godderz, Attorney-in-fact

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).
- 5,597 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. 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.
- 11,600 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. 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.
- 11,194 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.
- (4) Includes 56 shares acquired on December 31, 2013 through the KCS Employee Stock Purchase Plan.
- 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 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
- (6) consecutive trading days. The first target was met and 6,867 of these options became exercisable on November 19, 2010. The second target was met and 6,867 of these options became exercisable on December 8, 2010. The third target was met and 6,866 of these options became exercisable on January 7, 2011.
- (7) 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. 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.

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