

HAVERTY MICHAEL R
Form 4
October 16, 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 *
HAVERTY MICHAEL R

(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)

10/15/2012

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)
Executive Chairman

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V Amount (D) Price | | | |
| Common Stock | 09/18/2012 | | G | V 1,750 D \$ 0 | 667,706 ⁽²⁾ | D | |
| Common Stock | 10/15/2012 | | J ⁽¹⁾ | 20,324 A \$ 74.61 | 688,030 ⁽²⁾ | D | |
| Common Stock | | | | | 51,100.06 ⁽³⁾ | I | Held by 401(k) and P/S Plan |

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

Persons who respond to the collection of information contained in this form are not

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) | 8. Amount or Number of Shares |
|---|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Employee Stock Option (Right to Buy) ⁽⁴⁾ | \$ 12.55 | | | | | 01/16/2003 01/15/2013 | Common Stock | 15,901 |
| LSAR ⁽⁴⁾ | \$ 12.55 | | | | | ⁽⁴⁾ ⁽⁴⁾ | Common Stock | 15,901 |
| Employee Stock Option (Right to Buy) ⁽⁴⁾ | \$ 12.55 | | | | | 01/16/2008 01/15/2013 | Common Stock | 5,510 |
| LSAR ⁽⁴⁾ | \$ 12.55 | | | | | ⁽⁴⁾ ⁽⁴⁾ | Common Stock | 5,510 |
| Employee Stock Option (Right to Buy) ⁽⁴⁾ | \$ 14.6 | | | | | 01/02/2005 01/01/2014 | Common Stock | 90,000 |
| LSAR ⁽⁴⁾ | \$ 14.6 | | | | | ⁽⁴⁾ ⁽⁴⁾ | Common Stock | 90,000 |
| Employee Stock Option (Right to Buy) ⁽⁴⁾ | \$ 14.53 | | | | | 02/09/2004 02/08/2014 | Common Stock | 13,689 |
| LSAR ⁽⁴⁾ | \$ 14.53 | | | | | ⁽⁴⁾ ⁽⁴⁾ | Common | 13,689 |

| | | | | Stock | |
|--|----------|---------------------------|------------|-----------------|--------|
| Employee Stock Option (Right to Buy) | \$ 35.41 | 03/01/2013 ⁽⁵⁾ | 02/29/2020 | Common Stock | 49,200 |
| Employee Stock Option (Right to Buy) | \$ 52.62 | <u>(6)</u> | 02/22/2021 | Common Stock | 15,700 |
| Employee Stock Option (Right to Buy) | \$ 66.99 | <u>(6)</u> | 02/21/2022 | Common Stock | 10,611 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| HAVERTY MICHAEL R KANSAS CITY SOUTHERN PO BOX 219335 KANSAS CITY, MO 64121-9335 | X | | Executive Chairman | |

Signatures

Brian P. Banks,
 Attorney-in-fact
 10/16/2012
**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) On October 16, 2008, Mr. Haverty's wife, Mrs. Haverty, established and contributed Kansas City Southern common stock to a grantor retained annuity trust (the "2008 GRAT"). Mr. Haverty does not have a reporting duty for the shares held in the 2008 GRAT under Section 16(a) of the Securities Exchange Act of 1934 because Mrs. Haverty is not the trustee and does not have investment control over the shares. On October 15, 2012, 20,324 shares were distributed from the 2008 GRAT to Mr. & Mrs. Haverty.

8,042 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) Includes 142.133 shares acquired under the KCS 401(k) and Profit Sharing Plan since the date of the reporting person's last ownership report.
 - (3) 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.
 - (4)
 - (5)

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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 16,400 of these options became exercisable on November 19, 2010. The second target was met and 16,400 of these options became exercisable on December 8, 2010. The third target was met and 16,400 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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