KANSAS CITY SOUTHERN

Form 4 May 10, 2006

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL

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January 31,

2005

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obligations

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

may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person ** Brook James S			2. Issuer Name and Ticker or Trading Symbol KANSAS CITY SOUTHERN [KSU]	5. Relationship of Reporting Person(s) to Issuer			
(Last) (First) (Middle)		(Middle)	3. Date of Earliest Transaction	(Check all applicable)			
			(Month/Day/Year)	Director 10% Owner			
KANSAS CITY SOUTHERN, PO BOX 219335		ERN, PO	05/08/2006	_X_ Officer (give title Other (specify below) Vice President & Comptroller			
	(Street)		4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check			
			Filed(Month/Day/Year)	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) Tabl	le I - Non-L	Derivative :	Secur	ities Acqu	ired, Disposed of	f, or Beneficial	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	Transaction(A) or Code (Instr.		. Securities Acquired A) or Disposed of (D) Instr. 3, 4 and 5) (A) or		5. Amount of Securities Ownership Beneficially Form: Direct Owned (D) or Following Indirect (I) Reported (Instr. 4) Transaction(s)		7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common	05/08/2006		Code V M	Amount 10,000	(D)	Price \$	(Instr. 3 and 4) 23,890	D	
Stock	03/08/2000		IVI	10,000	A	16.59	23,890	D	
Common Stock	05/08/2006		S	3,000	D	\$ 27.09	20,890	D	
Common Stock	05/08/2006		S	4,000	D	\$ 27.13	16,890	D	
Common Stock	05/08/2006		S	3,000	D	\$ 27.2	13,890	D	
Common Stock	05/09/2006		M	6,000	A	\$ 16.59	19,890	D	

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Common Stock	05/09/2006	S	1,400	D	\$ 27.15	18,490	D
Common Stock	05/09/2006	S	1,200	D	\$ 27.16	17,290	D
Common Stock	05/09/2006	S	400	D	\$ 27.18	16,890	D
Common Stock	05/09/2006	S	3,000	D	\$ 27.3	13,890	D

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

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(9-02)

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)			6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount o Underlying Securities (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Share
Employee Stock Option (right to buy) (1)	\$ 14.77						09/28/2009	09/27/2014	Common Stock	5,000
LSAR (1)	\$ 14.77						<u>(1)</u>	<u>(1)</u>	Common Stock	5,000
Employee Stock Option (right to buy) (1)	\$ 16.59	05/08/2006		M(2)		10,000	11/04/2005	11/03/2014	Common Stock	10,000
LSAR (1)	\$ 16.59	05/08/2006		J(2)		10,000	<u>(1)</u>	<u>(1)</u>	Common Stock	10,000
Employee Stock Option (right to	\$ 16.59	05/09/2006		M(3)		6,000	11/04/2005	11/03/2014	Common Stock	6,000

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buy	((1)
<i>ouy</i>	,	

LSAR (1)	\$ 16.59	05/09/2006	J <u>(3)</u>	6,000	<u>(1)</u>	<u>(1)</u>	Common Stock	6,000
Common Stock	\$ 16.59				11/04/2005	11/03/2014	Common Stock	4,000
LSAR (1)	\$ 16.59				<u>(1)</u>	<u>(1)</u>	Common Stock	4,000

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Brook James S

KANSAS CITY SOUTHERN

PO BOX 219335

KANSAS CITY, MO 64121-9335

Vice President
& Comptroller

Signatures

Jay M. Nadlman, Attorney-in-fact 05/10/2006

**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).
- 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.
- (2) Employee stock options exercised for 10,000 shares, limited stock appreciation rights cancelled with respect to such shares in Rule 16b-3 exempt transaction.
- (3) Employee stock options exercised for 6,000 shares, limited stock appreciation rights cancelled with respect to such shares in Rule 16b-3 exempt transaction.

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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