#### KANSAS CITY SOUTHERN

Form 4 July 10, 2006

## 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. Form 4 or

January 31, Expires: 2005

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

Estimated average burden hours per response... 0.5

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 Address of Reporting Person * SLATER RODNEY E			2. Issuer Name <b>and</b> Ticker or Trading Symbol KANSAS CITY SOUTHERN [KSU]					Č	5. Relationship of Reporting Person(s) to Issuer			
								(Check all applicable)				
(Last)	(First) (1	Middle)	3. Date of Earliest Transaction						100			
KANSAS CITY SOUTHERN, PO BOX 219335			(Month/Day/Year) 07/07/2006						X Director Officer (give below)		Owner er (specify	
	(Street) 4. If Amendment, D				Da	te Original			6. Individual or Joint/Group Filing(Check			
Filed(Mo				onth/Day/Year)					Applicable Line)			
KANSAS CITY, MO 64121-9335									_X_ Form filed by One Reporting Person Form filed by More than One Reporting Person			
(City)	(State)	(Zip)	Tabl	le I - Nor	ı-D	Perivative S	Secur	ities Acq	uired, Disposed of	f, or Beneficial	ly Owned	
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	Execution		3. Transac Code (Instr. 8		4. Securition(A) or Dis (Instr. 3, 4	sposed	of (D)	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)	
Common Stock	07/07/2006			Code M	V	Amount 20,000	(D)	Price \$ 16.11	30,000	D		
Common Stock	07/07/2006			M		10,000	A	\$ 16.02	40,000	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.

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

#### 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)	Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)			6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option (Right to Buy) (1)	\$ 16.11	07/07/2006		M(2)		20,000	06/05/2002	06/04/2011	Common Stock	20,000
LSAR (1)	\$ 16.11	07/07/2006		J(2)		20,000	<u>(1)</u>	<u>(1)</u>	Common Stock	20,000
Option (Right to Buy) (1)	\$ 16.02	07/07/2006		M(2)		10,000	04/30/2003	05/01/2012	Common Stock	10,000
LSAR (1)	\$ 16.02	07/07/2006		J <u>(2)</u>		10,000	<u>(1)</u>	<u>(1)</u>	Common Stock	10,000

# **Reporting Owners**

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer	Other			
SLATER RODNEY E KANSAS CITY SOUTHERN PO BOX 219335 KANSAS CITY, MO 64121-9335	X						

## **Signatures**

Julie D. Powell, Attorney-In-Fact 07/10/2006 \*\*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 of terminated.
- (2) Options exercised in rule 16b-3 exempt transaction. LSARs canceled with respect to such shares.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Reporting Owners 2

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

ential persons who are to respond to the collection of information contained in this form are not required to respond unless the form arently valid OMB number.	displays