KANSAS CITY SOUTHERN

Form 4

January 19, 2007

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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obligations

Check this box

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).

Common

Stock

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading ERDMAN WARREN K Issuer Symbol KANSAS CITY SOUTHERN [KSU] (Check all applicable) (First) (Middle) (Last) 3. Date of Earliest Transaction (Month/Day/Year) Director 10% Owner X_ Officer (give title Other (specify KANSAS CITY SOUTHERN, PO 01/17/2007 below) BOX 219335 Sr. Vice President (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 Form filed by More than One Reporting KANSAS CITY, MO 64121-9335 Person (City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 2. Transaction Date 2A. Deemed 3. 4. Securities Acquired 5. Amount of 6. Ownership 7. Nature of Security (Month/Day/Year) Execution Date, if Transaction(A) or Disposed of Securities Form: Direct Indirect (Instr. 3) Code (D) Beneficially (D) or Beneficial Indirect (I) Ownership (Month/Day/Year) (Instr. 8) (Instr. 3, 4 and 5) Owned Following (Instr. 4) (Instr. 4) Reported (A) Transaction(s) (Instr. 3 and 4) Code V Amount (D) Price Common 01/17/2007 A 11,392 Α \$0 35,640 D Stock

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

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$\label{thm:convergence} \begin{tabular}{ll} Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned \\ (\emph{e.g.}, puts, calls, warrants, options, convertible securities) \\ \end{tabular}$

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. onNumber 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)		81 5
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Option (Right to Buy) (2)	\$ 1.7861					(3)	01/27/2008	Common Stock	12,501	
Limited Right (2)	\$ 1.7861					(2)	(2)	Common Stock	12,501	
Option (Right to Buy) (2)	\$ 2.6604					01/01/2000	11/16/2008	Common Stock	3,000	
LSAR (2)	\$ 2.6604					(2)	(2)	Common Stock	3,000	
Option (Right to Buy) (2)	\$ 2.6604					<u>(4)</u>	11/16/2008	Common Stock	87	
LSAR (2)	\$ 2.6604					(2)	(2)	Common Stock	87	
Option (Right to Buy) (2)	\$ 2.7665					<u>(4)</u>	01/25/2009	Common Stock	72	
LSAR (2)	\$ 2.7665					(2)	(2)	Common Stock	72	
Option (Right to Buy) (2)	\$ 5.1637					(5)	02/28/2010	Common Stock	71	
LSAR (2)	\$ 5.1637					(2)	(2)	Common Stock	71	
Option (Right to Buy) (2)	\$ 5.75					07/13/2003	07/12/2010	Common Stock	15,400	
LSAR (2)	\$ 5.75					(2)	(2)		15,400	

8. Pri Deriv Secur (Instr

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				Common Stock	
Option (Right to Buy) (2)	\$ 5.75	07/13/2001	07/12/2010	Common Stock	77,000
LSAR (2)	\$ 5.75	(2)	(2)	Common Stock	77,000
Option (Right to Buy) (2)	\$ 14.34	<u>(6)</u>	02/26/2011	Common Stock	480
LSAR (2)	\$ 14.34	(2)	(2)	Common Stock	480
Option (Right to Buy) (2)	\$ 13.42	02/06/2002	02/05/2012	Common Stock	513
LSAR (2)	\$ 13.42	(2)	(2)	Common Stock	513
Option (Right to Buy) (2)	\$ 12.55	01/16/2003	01/15/2013	Common Stock	670
LSAR (2)	\$ 12.55	(2)	(2)	Common Stock	670
Option (Right to Buy) (2)	\$ 12.55	01/16/2008	01/15/2013	Common Stock	15,000
LSAR (2)	\$ 12.55	(2)	(2)	Common Stock	15,000
Option (Right to Buy) (2)	\$ 14.6	01/02/2005	01/01/2014	Common Stock	6,000
LSAR (2)	\$ 14.6	(2)	(2)	Common Stock	6,000
Option (Right to Buy) (2)	\$ 14.53	02/09/2004	02/08/2014	Common Stock	699
LSAR (2)	\$ 14.53	(2)	(2)	Common Stock	699

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		

Reporting Owners 3

ERDMAN WARREN K KANSAS CITY SOUTHERN PO BOX 219335 KANSAS CITY, MO 64121-9335

Sr. Vice President

Signatures

Julie D. Powell, Attorney-in-fact

01/19/2007

**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) 930.284 shares have accrued to my account under the Company's employee stock ownership plan.
 - Limited Rights and Limited Stock Appreciation Rights ("LSARs") are granted in tandem with stock options. Limited Rights and LSARs
- (2) become exercisable only following a change-in-control of the Company in lieu of related options and are exercisable only for cash. Limited Rights and LSARs terminate when the related options are exercised or terminated.
- (3) Became exercisable when the KCS Common stock price reached defined benchmark levels that were maintained or exceeded for 30 consecutive trading days.
- (4) These options became exercisable in installments: 25% on 06/23/99, 25% on 06/23/00 and 50% on 06/23/01.
- (5) These options became exercisable in installments: 25% on 03/01/00, 25% on 06/23/00 and 50% on 06/23/01.
- (6) 240 options became exercisable on 02/27/01 and 240 options became exercisable on 06/23/01.

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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