

KANSAS CITY SOUTHERN  
Form 4  
January 17, 2008

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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 \*  
Arvidson Scott E

(Last) (First) (Middle)

KANSAS CITY SOUTHERN, PO  
BOX 219335

(Street)

KANSAS CITY, MO 64121

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

KANSAS CITY SOUTHERN [KSU]

3. Date of Earliest Transaction  
(Month/Day/Year)

01/15/2008

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 Vice President & CIO

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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V Amount (D) Price  |   |  |   |
| Common Stock                    | 01/15/2008                           |  | A                              | 933 A \$ 0  | 63,714 <sup>(3)</sup>   | D  |   |
| Common Stock                    |                                      |  |                                |   | 3,098.32  | I  | By ESOP <sup>(2)</sup>                                |
| Common Stock                    |                                      |  |                                |   | 9,551.127   | I  | by 401(k) & P/S Plan <sup>(4)</sup>                   |

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

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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. F. Derivative Securities (Instr. 3 and 4) |                            |
|---|--|--------------------------------------|--|--------------------------------|---|--|---|--|----------------------------|
|   |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title  | Amount or Number of Shares |
| Employee Stock Option (Right to Buy) <sup>(1)</sup> | \$ 2.6604  |                                      |  |                                |   | 11/17/1999   | 11/16/2008  | Common Stock                                 | 450                        |
| LSAR <sup>(1)</sup>                                 | \$ 2.6604  |                                      |  |                                |   | <u>(1)</u>   | <u>(1)</u>  | Common Stock                                 | 450                        |
| Employee Stock Option (Right to Buy) <sup>(1)</sup> | \$ 5.75  |                                      |  |                                |   | 07/13/2003   | 07/12/2010  | Common Stock                                 | 17,400                     |
| LSAR <sup>(1)</sup>                                 | \$ 5.75  |                                      |  |                                |   | <u>(1)</u>   | <u>(1)</u>  | Common Stock                                 | 17,400                     |
| Employee Stock Option (Right to Buy) <sup>(1)</sup> | \$ 5.75  |                                      |  |                                |   | 07/13/2001   | 07/12/2010  | Common Stock                                 | 92,000                     |
| LSAR <sup>(1)</sup>                                 | \$ 5.75  |                                      |  |                                |   | <u>(1)</u>   | <u>(1)</u>  | Common Stock                                 | 92,000                     |
| Employee Stock Option (Right to Buy) <sup>(1)</sup> | \$ 14.34   |                                      |  |                                |   | 02/27/2001   | 02/26/2011  | Common Stock                                 | 122                        |
| LSAR <sup>(1)</sup>                                 | \$ 14.34   |                                      |  |                                |   | <u>(1)</u>   | <u>(1)</u>  | Common Stock                                 | 122                        |

|   |          |            |            |                 |        |
|---|----------|------------|------------|-----------------|--------|
| Employee<br>Stock<br>Option<br>(Right to<br>Buy) <u>(1)</u> | \$ 13.42 | 02/06/2002 | 02/05/2012 | Common<br>Stock | 130    |
| LSAR <u>(1)</u>   | \$ 13.42 | <u>(1)</u> | <u>(1)</u> | Common<br>Stock | 130    |
| Employee<br>Stock<br>Option<br>(Right to<br>Buy) <u>(1)</u> | \$ 12.55 | 01/16/2003 | 01/15/2013 | Common<br>Stock | 500    |
| LSAR <u>(1)</u>   | \$ 12.55 | <u>(1)</u> | <u>(1)</u> | Common<br>Stock | 500    |
| Employee<br>Stock<br>Option<br>(Right to<br>Buy) <u>(1)</u> | \$ 12.55 | 01/16/2008 | 01/15/2013 | Common<br>Stock | 15,000 |
| LSAR <u>(1)</u>   | \$ 12.55 | <u>(1)</u> | <u>(1)</u> | Common<br>Stock | 15,000 |
| Employee<br>Stock<br>Option<br>(Right to<br>Buy) <u>(1)</u> | \$ 14.6  | 01/02/2005 | 01/01/2014 | Common<br>Stock | 6,000  |
| LSAR <u>(1)</u>   | \$ 14.6  | <u>(1)</u> | <u>(1)</u> | Common<br>Stock | 6,000  |
| Employee<br>Stock<br>Option<br>(Right to<br>Buy) <u>(1)</u> | \$ 14.53 | 02/09/2004 | 02/08/2014 | Common<br>Stock | 606    |
| LSAR <u>(1)</u>   | \$ 14.53 | <u>(1)</u> | <u>(1)</u> | Common<br>Stock | 606    |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                                |       |
|--|---------------|-----------|--------------------------------|-------|
|  | Director      | 10% Owner | Officer                        | Other |
| Arvidson Scott E<br>KANSAS CITY SOUTHERN<br>PO BOX 219335<br>KANSAS CITY, MO 64121 |               |           | Executive Vice President & CIO |       |

## Signatures

Brian P. Banks,  
Attorney-in-fact

01/17/2008

\_\_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  
(1) 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) 3,098.32 shares have accrued to my account under the KCS Employee Stock Ownership Plan.  
(3) Includes 250 shares acquired on January 1, 2008 through the KCS Employee Stock Purchase Plan.  
(4) Includes 224.968 shares acquired under the KCS 401(k) and Profit Sharing Plan since the date of the reporting person's last ownership report for a total of 9,551.127 shares.

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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