

Upchurch Michael W
 Form 4
 November 21, 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 *
 Upchurch Michael W

(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)

11/20/2012

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)
 EVP & Chief Financial Officer

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	11/20/2012		M	4,566 A \$ 35.41	43,465 ⁽¹⁾	D	
Common Stock	11/20/2012		M	2,317 A \$ 52.62	45,782 ⁽¹⁾	D	
Common Stock	11/20/2012		S	13,883 D \$ 75.9275 ⁽²⁾	31,899 ⁽¹⁾	D	

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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy) ⁽³⁾	\$ 39.53					03/28/2013	03/27/2018	Common Stock	2,500
LSAR ⁽³⁾	\$ 39.53					⁽³⁾	⁽³⁾	Common Stock	2,500
Employee Stock Option (Right to Buy)	\$ 35.41	11/20/2012		M ⁽⁵⁾	4,566	01/07/2011	02/29/2020	Common Stock	4,566
Employee Stock Option (Right to Buy)	\$ 52.62	11/20/2012		M ⁽⁵⁾	2,317	⁽⁴⁾	02/22/2021	Common Stock	2,317
Employee Stock Option (Right to Buy)	\$ 66.99					⁽⁴⁾	02/21/2022	Common Stock	4,690

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Upchurch Michael W KANSAS CITY SOUTHERN			EVP & Chief Financial Officer	

PO BOX 219335
KANSAS CITY, MO 64121-9335

Signatures

Julie D. Powell,
Attorney-in-fact

11/21/2012

__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).

3,539 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

(1) contingent upon continued employment by the reporting person through that date. 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) The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$75.90 to \$76.06, inclusive. The reporting person undertakes to provide to Kansas City Southern, any security holder of Kansas City Southern, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the range set forth in this footnote.

(3) 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.

(4) These options become exercisable in three equal installments beginning on the first anniversary of the date of grant.

(5) Options exercised 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.

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