

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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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 *
Brook James S

(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)

05/08/2006

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)

Vice President & Comptroller

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 Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	05/08/2006		M	A	\$ 16.59	23,890	D
Common Stock	05/08/2006		S	D	\$ 27.09	20,890	D
Common Stock	05/08/2006		S	D	\$ 27.13	16,890	D
Common Stock	05/08/2006		S	D	\$ 27.2	13,890	D
Common Stock	05/09/2006		M	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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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 Share
Employee Stock Option (right to buy) ⁽¹⁾	\$ 14.77					09/28/2009 09/27/2014	Common Stock 5,000
LSAR ⁽¹⁾	\$ 14.77					⁽¹⁾ ⁽¹⁾	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	⁽¹⁾ ⁽¹⁾	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

buy) ⁽¹⁾

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

- (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) 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.

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