

HAVERTY MICHAEL R
Form 5
February 13, 2009

FORM 5

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

OMB APPROVAL

OMB Number: 3235-0362
Expires: January 31, 2005
Estimated average burden hours per response... 1.0

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Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

1. Name and Address of Reporting Person *
HAVERTY MICHAEL R

(Last) (First) (Middle)

2. Issuer Name and Ticker or Trading Symbol
KANSAS CITY SOUTHERN [KSU]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)
 Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman & CEO

KANSAS CITY SOUTHERN, PO BOX 219335

(Street)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
12/31/2008

KANSAS CITY, MO 64121-9335

(City) (State) (Zip)

4. If Amendment, Date Original Filed (Month/Day/Year)

6. Individual or Joint/Group Reporting

(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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				(A) or (D) Amount or Price			
Common Stock	10/21/2008	Â	G	95,853 (1) D \$ 0	1,076,201 (2)	D	Â
Common Stock	10/21/2008	Â	G	95,853 (1) A \$ 0	200,000 (3) (4)	I	Held by spouse.
Common Stock	10/21/2008	Â	G(5)	200,000 D \$ 0 0		I	Held by spouse.

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

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SEC 2270 (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. Price of Derivative Security (Instr. 5)	9. Other
					(A) (D)	Date Exercisable Expiration Date	Title	Amount or Number of Shares	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HAVERTY MICHAEL R KANSAS CITY SOUTHERN PO BOX 219335 KANSAS CITY, MO 64121-9335	Â X	Â	Â Chairman & CEO	Â

Signatures

Brian P. Banks, 02/13/2009
Attorney-in-fact

__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) 95,853 shares held in a joint account for Mr. Haverty and Mr. Haverty's wife, Mrs. Haverty, were distributed to an account held only by Mrs. Haverty.
- (2) Includes 46,878 performance shares that were earned on February 28, 2008, when the KCS Compensation and Organization Committee determined that the 2007 performance goals were met. These performance shares will not vest until January 17, 2010. 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.
- (3) Mr. Haverty previously reported 306,134 shares as indirectly held "by spouse" which Mrs. Haverty held in her sole account. On August 17, 2007, Mrs. Haverty established and contributed 210,000 shares to a grantor retained annuity trust (the "2007 GRAT"), leaving 96,134 shares in the account held by Mrs. Haverty. Mr. Haverty did not have a reporting duty for the shares held in the 2007 GRAT under Section 16(a) of the Securities Exchange Act of 1934 because Mrs. Haverty is not the trustee and does not have investment control over the shares, though Mr. Haverty voluntarily continued to report the shares held in the 2007 GRAT. On April 10, 2008, 8,013 shares were distributed to Mrs. Haverty from the 2007 GRAT in an exempt 16a-13 transaction. Thereafter, Mrs. Haverty held 104,147 shares in the account held only by Mrs. Haverty. (Continued in Footnote 4.)

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- (4) Mr. Haverty has determined that he will not continue to voluntarily report the shares held in the 2007 GRAT, and thus, the shares held in the 2007 GRAT are not included in this balance.
- (5) 200,000 shares held in the account held only by Mrs. Haverty were distributed to a grantor retained annuity trust established in 2008 (the "2008 GRAT") for which Mrs. Haverty is the grantor, but is not the trustee and does not have investment control over the shares. Mr. Haverty has determined that he will not voluntarily report the shares held in the 2008 GRAT.

Note: File three copies of this Form, one of which must be manually signed. If space provided 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.