

**KANSAS CITY SOUTHERN
("KCS" or the "Company")**

DIRECTORS' QUESTIONNAIRE

NAME: _____

Purpose of this Questionnaire

This Questionnaire seeks information related to the nomination of a director by a stockholder of the Company. It also requests information required for the Board to determine compliance with NYSE independence standards.

**PLEASE RETURN YOUR COMPLETED AND SIGNED QUESTIONNAIRE TO BRIAN BANKS
AT P.O. BOX 219335, KANSAS CITY, MO 64121-9335.**

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GENERAL INSTRUCTIONS

- Please answer every question, indicating “Yes,” “No,” “None” or “Not Applicable.” Do not leave blanks.
- Provide answers as of the date you complete this Questionnaire unless otherwise specified.
- Some questions ask for information concerning subsidiaries of the Company. A listing of the Company’s subsidiaries is attached.
- If you need more space, please attach more sheets as necessary, but add your name and signature to each.
- Please see the Glossary for definitions used throughout the Questionnaire. Defined terms are noted in bold italics within the Questionnaire.

PART I – STOCK OWNERSHIP

You should consider yourself the **beneficial owner** of shares of the Company if you, your spouse, or any member of your immediate family or household owns such stock, whether directly or indirectly (*i.e.*, through Company plans, trusts, estates, holding companies, partnership, limited partnership or syndicates, or through any other groups formed for the purpose of acquiring, holding or disposing of such stock, of which you, your spouse, or any member of your immediate family or household is a member).

You should also consider that a person or entity beneficially owns shares of the Company if such person or entity directly or indirectly has or shares voting power (*i.e.*, the power to vote or direct the voting) or investment power (*i.e.*, the power to dispose or direct the disposition) of such stock, whether through any contract, arrangement, understanding, relationship or otherwise.

A person or entity is also deemed to have voting or investment power with respect to shares of KCS stock if such person or entity has the right to acquire either of such powers at any time within the next 60 days through the exercise of any option, warrant, right or conversion privilege or pursuant to the power to revoke a trust, a discretionary account or similar arrangement or pursuant to the automatic termination of a trust, discretionary account or similar arrangement. Because voting power or investment power may be held jointly by two or more persons, the same shares of KCS stock may be beneficially owned by more than one person. (For example, if you hold shares as trustee for the benefit of your minor child, both you and your child may be deemed to be **beneficial owners** of such shares.)

Question 1- Stock Ownership

Please set forth below your direct and indirect **beneficial ownership** of common stock, par value \$0.01 per share (“common stock”) and 4% noncumulative preferred stock, par value \$25.00 per share (“preferred stock”) of the Company.

Question 2 - Stock Pledged as Security

Are any of the shares of common stock or preferred stock that you beneficially own “pledged” with a lender or other third party as security for any obligation or held in a margin account? For purposes of this question, please include any shares subject to any form of pledge, margin loan, hypothecation, lien or other arrangement with a lender, broker or other third party, in which these shares serve as collateral for any of your obligations or for obligations of any other person.

Yes No

If Yes, please specify below the number and class of shares pledged, the name of the lender, brokerage firm, or other third party, and the nature of the pledge or transaction:

Question 3 - Stock Option Ownership

This Question 3 asks about any right you may have to acquire additional Company stock. You would also be considered the **beneficial owner** of securities on any date if you have the right to acquire **beneficial ownership**, as defined above, within 60 days of that date, including pursuant to the exercise of an option, warrant, or other right, through conversion of a security, or pursuant to the power to revoke a trust, discretionary account, or similar arrangement.

Do you have the right to acquire on or before 60 days from the date of this Questionnaire **beneficial ownership** of the Company’s common stock or preferred stock pursuant to the exercise of an option, warrant, or other right, through conversion of a security, or pursuant to the power to revoke a trust, discretionary account, or similar arrangement.

Yes No

If Yes, please list below the number of shares, the class of shares, the nature of your right to acquire and the intended method of holding if acquired:

Number of Shares	Class of Shares	Nature of Right to Acquire
_____	_____	_____
_____	_____	_____
_____	_____	_____

Question 4 - Disclaimer of Beneficial Ownership

Do you disclaim beneficial ownership of any shares of the Company's common stock or preferred stock? If so, please explain below.

PART II – PERSONAL DATA

Question 5 - Biography

Please provide, for the past five years, any information regarding your employment or principal occupation; the company or business entity with which your employment or occupation is carried on; and the affiliation, if any, that this company or organization has with the Company. Also include the names of any other companies (including any investment company) of which you are a director.

Question 6 - Election Agreements

Are you a nominee for director pursuant to any arrangement or understanding between you and any other person or persons?

Yes No

If yes, provide details.

Question 7 - Family Relationships

Is there any *family relationship* between you and (i) any other director, *executive officer*, or person nominated to become a director or *executive officer* of the Company, or (ii) any *executive officer* of any subsidiary or other *affiliate* of the Company?

Yes No

If Yes, please describe such *family relationships*:

PART III – BUSINESS AFFILIATIONS

Question 8- Relationships with Entities that Make Payments to the Company

Are you, or at any time during the last year have you been, an *executive officer* or more-than-10% equity owner of any business or professional entity that made payments to the Company or its subsidiaries during the last year, or that proposes to make payments this year?

Yes No

If Yes, please state the name of the entity, the nature of your affiliation with it, the relationship between the entity and the Company, and the aggregate payments.

<u>Name of Entity</u>	<u>Affiliation; Relationship</u>	<u>Aggregate Payments</u>

Question 9 - Relationships with Entities that Receive Payments from the Company

Are you, or at any time during the last year have you been, an *executive officer* or more-than-10% equity owner of any business or professional entity to which the Company or its subsidiaries made payments during the last year, or to which the Company proposes to make payments in 2012?

Yes No

If Yes, please state the name of the entity, the nature of your affiliation with it, the relationship between the entity and the Company, and the aggregate payments.

<u>Name of Entity</u>	<u>Affiliation; Relationship</u>	<u>Aggregate Payments</u>

Question 10 -Relationships with Law Firms

Are you now or have you during the last year been a member of, or of counsel to, a law firm retained by the Company during the last year?

Yes No

If Yes, please state the name of the firm and the nature of your affiliation with it and any payments to the Company in the last year. The aggregate dollar amount of all payments made by the Company to the firm in the Company's last fiscal year should be stated if the amount exceeds 5% of the law firm's gross revenues for its last fiscal year.

<u>Name of Entity</u>	<u>Affiliation; Relationship</u>	<u>Aggregate Payments</u>

Question 11 - Relationships with Investment Bankers

Are you a partner or *executive officer* of any investment banking firm that has performed services for the Company (other than as a participating underwriter in a syndicate) during the last year?

Yes No

If you answered Yes, please state the name of each firm and the nature of your affiliation with it. The amount of compensation should be stated if the amount exceeds 5% of the investment banking firm's consolidated gross revenues for that firm's last fiscal year.

<u>Name of Entity</u>	<u>Affiliation; Relationship</u>	<u>Aggregate Payments</u>

Question 12 - Relationship with Entities to Which the Company Was Indebted

Are you, or at any time during 2011 have you been, an *executive officer* or more-than-10% equity owner of any business or professional entity to which the Company or its subsidiaries was indebted at the end of the last year?

Yes No

If you answered Yes, please state the name of each entity, the nature of your affiliation with it, the relationship between the entity and the Company, and the aggregate indebtedness.

<u>Name of Entity</u>	<u>Affiliation; Relationship</u>	<u>Aggregate Indebtedness</u>

Question 13 - Other Relationships That May Require Disclosure

The following is designed to elicit disclosure of any other relationship of a business, family or personal nature that could be deemed to affect your independent judgment on matters affecting the Company.

Do you believe that you now have or have had in the last year any other relationship with the Company or its management that is substantially similar in nature and scope to those relationships described in Questions 8-12?

Yes No

If Yes, please explain.

Question 14 - Membership on Other Companies' Compensation Committees

In answering this Question, do not include any tax exempt entity under Section 501(c)(3) of the Internal Revenue Code.

(a) At any time during the last year, have you served as an *executive officer* of any entity other than the Company?

Yes No

If Yes, please list the name of the entity(ies) and provide details.

(b) At any time during the last year, have you served as a director or as a member of the compensation committee, or other committee performing equivalent functions, of any entity which has an *executive officer* who serves or during the last year served on the compensation committee, or as a director, of the Company?

Yes No

If Yes, please list the name of the entity(ies) and provide details.

Question 15 - Transactions with the Company in Which You Have an Interest

Instructions: The following question relates to any transaction or series of similar transactions in which the Company and/or its subsidiaries was or is to be a participant and in which you or any member of **your immediate** family have a “direct or **indirect** material interest.” Subsidiaries of the Company are listed in Appendix A to this Questionnaire.

Before answering, please review the following guidelines:

1. No answer need be given unless the transaction, or series of similar transactions, exceeds \$120,000.
2. Direct compensation for employment, fees received as a director and normal contributions or benefits under benefit plans of the Company and/or its subsidiaries should not be reported under this Question.
3. In computing the amount involved in the transaction or series of transactions, include all periodic installments in the case of any lease or other agreement providing for periodic payments or installments.
4. In calculating payments for property and services or the amount of indebtedness, you need not include:
 - Payments where the rates or charges involved in the transaction are determined by competitive bids, or the transaction involves the rendering of services as a public utility at rates or charges fixed in conformity with law or governmental authority.
 - Payments which arise solely from the ownership of the Company’s securities on the same basis as other holders of those securities.
 - Debt securities which have been publicly offered, admitted to trading on a national securities exchange, or quoted on the automated quotation system of a registered securities association.
 - Amounts due for purchases subject to usual trade terms.
5. Note that this Question calls for disclosure of **indirect**, as well as direct, material interests in transactions. You would normally be considered to have an **indirect** interest in a transaction if it involves an entity and/or its subsidiaries of which you or an **immediate family member** are an **executive officer** or of which you or members of your **immediate family** own at least 10% of the equity interests or if it involves a trust or other estate in which you have a substantial interest or as to which you serve as a trustee or in a similar fiduciary capacity. We refer to the latter company as a “Director-related company.”

Since the beginning of last year have you had a “direct or **indirect** material interest” (as defined above) in any transaction or series of similar transactions, or any currently proposed transaction, to which the Company or any of its subsidiaries was or is to be party, or do you now have a relationship with a Director-related company which had or proposes to enter into any such transaction?

Yes

No

If your response is Yes, please describe the transaction below as required in the instructions preceding this Question and include the following in your response to the extent applicable:

- The name of the Director-related company.
- The nature of your affiliation with it.
- The relationship or proposed relationship between the Director-related company and the Company and/or its subsidiaries.

- The dollar amount or percentage of revenues of the business done or proposed to be done between the Director-related company and the Company and/or its subsidiaries (without regard to the amount of profit or loss).

PART IV – NYSE DIRECTOR INDEPENDENCE REQUIREMENTS

All references to the Company in Questions 16 through 26, below, include any parent or subsidiary consolidated with the Company, unless otherwise indicated.

Question 16 - Employment with the Company

Are you now or have you been an employee of the Company at any time in the last three years, or is there an *immediate family member*, who currently is or has been an *executive officer* of the Company at any time in the last three years?

Yes No

If Yes, provide details, including name of the *immediate family member* if applicable, title of position, name of entity and period of such relationship.

Question 17- Compensation

Do you now receive, expect to receive, or have you received at any time in the last three years, or is there an *immediate family member* who receives, expects to receive, or has received at any time in the last three years, more than \$120,000 during any twelve month period in direct compensation from the Company (including payments to a business entity solely owned by you or such *immediate family member*), other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service)?

Yes No

If Yes, provide details, including name of the *immediate family member* if applicable, amount of compensation and the service for which compensation is or was paid, name of entity and period of such compensation being paid.

Question 18 - Employment or Affiliation with External Auditor

Are you now or have you been at any time since in the last three years affiliated with or employed by, or is there an *immediate family member* who is now or has been at any time in the last three years affiliated* with or employed by, KPMG LLP?

Yes No

If Yes, provide details, including name of the *immediate family member* if applicable, name of entity, period of the affiliation or employment relationship, position, type of work performed, and any fees received or receivable. For example, a “position” could include partner, manager, senior accountant, staff accountant or administrative assistant and “type of work performed” would be audit, assurance, tax planning or tax compliance.

Please also indicate whether you or the *immediate family member* ever worked on the Company’s audit.

Yes No

*In responding to this question, you should consider relationships such as advisor or consultant, in addition to those listed in the definition of *affiliate* and *affiliated person*.

Question 18A - Other Business Relationships with KPMG

At any time in the last three years have you, your spouse or any *dependent* had any actual or proposed *direct business relationships* or *indirect business relationships* with KPMG LLP or have you provided services to KPMG LLP, other than as you described in detail in Question 18 above?

Yes No

If Yes, please describe the relationship and any fees and revenues received or receivable.

Question 19 - Compensation Committee Interlock

Are you or an *immediate family member* now employed as an *executive officer*, or have you or an *immediate family member* been at any time in the last three years employed as an *executive officer*, of another company where any of the Company’s present *executive officers* serve or have served at any time in the last three years on that other company’s compensation committee, or board or other committee performing equivalent functions if that company has no compensation committee?

Yes

No

If Yes, provide details, including name of the *immediate family member*, if applicable, name of other company and period of the employment relationship as an *executive officer*.

Question 20 - Payments for Property or Services to or by the Company

Are you now, or, at any time in the last three years, have you been an *executive officer* or an employee, or is there an *immediate family member* who is now, or, at any time in the last three years, has been an *executive officer*, of a company or tax exempt organization that makes payments to, or receives payments from, the Company for property or services in an amount which, in any single fiscal year, exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues, for any of the three prior fiscal years of such other company or its present fiscal year?

Yes

No

If Yes, provide details, including name of *immediate family member* if applicable, title of *executive officer* or employment position, name of other company, and amount and period of payment and nature of property or services provided or received.

Question 21 - Consulting Fees

Do you now receive or expect or propose to receive directly or *indirectly** any consulting, advisory, or other compensatory fee from the Company or any subsidiary of the Company.

Yes

No

If Yes, provide details.

* *Indirectly*. Indirect receipt of any fee includes receipt by a spouse, minor child or stepchild, or a child or stepchild sharing a home with you, or by an entity in which you are a partner, member, an officer such

*as a managing director occupying a comparable position, principal or **executive officer**, or occupy a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the Company or any subsidiary of the Company.*

Question 22 - Affiliated Person of the Company

Are you an *affiliated person* of the Company or any subsidiary?

Yes No

If Yes, provide details.

Question 23 - Serving on Board of Directors of Other Public Companies

Do you currently serve, or have you served within the last five years, on the board of directors of any other public company?

Yes No

If Yes, provide the names of the other companies for which you serve or served on the board of directors and list the years of service on the board of directors for each company.

Question 24 - Serving on Audit Committee of Other Public Companies

Do you serve on the audit committee of any other public company?

Yes No

If Yes, provide the names of the other companies for which you serve on the audit committee.

Question 25 - Charitable Organizations - During the current or the past three fiscal years, did you or any *immediate family member* serve as a director, trustee, advisory board member, *executive officer* or other similar position of any *charitable organization*?

Yes No

Question 25A - Information Regarding Charitable Organization Relationships

If you answered Yes to Question 25 above, please indicate below (a) the name of the *charitable organization*, (b) the name of the person and the relationship to you, (c) the position held with the *charitable organization* and (d) whether you are aware of any contributions made by the Company to the *charitable organization*, specifying the dollar amount of any such contributions.

- (a) _____
- (b) _____
- (c) _____
- (d) _____

Question 26- Other Relationships

Are you aware of any other relationship not described above between yourself or an *immediate family member* (directly or as a partner, shareholder, director or officer of any entity or organization which has a relationship with the Company) and the Company or the management of the Company about which you believe the Board should be informed in making its determination whether you have a material relationship with the Company?

Yes No

If Yes, describe the relationship or relationships.

PART V – LEGAL PROCEEDINGS AND PERSONAL INDEBTEDNESS

LEGAL PROCEEDINGS

If you answer **YES** to any of the following questions, please provide details, including the court or agency in which the proceeding is, or was, pending, the date it was instituted, the principal parties, a description of the factual basis alleged to underlie the proceeding, the relief sought and any mitigating circumstances.

Question 27 - Bankruptcy and Similar Proceedings

During the past ten years, has a petition under the Federal bankruptcy laws or any state insolvency law been filed by or against you, or has a receiver, fiscal agent or similar officer been appointed by a court for your business or property; or has such a petition been filed by or against, or such a receiver, agent or officer been appointed for, the business or property of, (A) any partnership in which you were a general partner at or within two years before the time of such filing, or (B) any corporation or business association of which you were an *executive officer* at or within two years before the time of such filing?

Yes No

Question 28 - Criminal Proceedings

During the past ten years, have you been convicted in a criminal proceeding or are you a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses)?

Yes No

Question 29 - Restrictions on Participating in Securities Market Activities

During the past ten years, have you been the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining you, or otherwise limiting you, from the following activities:

i) acting as a futures commission merchant, introducing broker, commodity trading adviser, commodity pool operator, floor broker, leverage transaction merchant, any other person regulated by the Commodity Futures Trading Commission, or an associated person of any of the foregoing, or as an investment adviser, underwriter, broker or dealer in securities, or as an affiliated person, director or employee of any investment company, bank, savings and loan association or insurance company, or engaging in, or continuing any conduct or practice in connection with, such activity?

Yes No

(ii) engaging in any type of business practice?

Yes No

(iii) engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of Federal or State securities laws or Federal commodities laws?

Yes No

Question 30 - Subject of Governmental Order

During the past ten years, have you been the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any Federal or State authority barring, suspending or otherwise limiting for more than 60 days your right to engage in any activity described above in Question 29 subparagraph (i), or to be associated with persons engaged in any such activity?

Yes No

Question 31 - Violation of Securities Laws

During the past ten years, have you been found by a court of competent jurisdiction in a civil action or by the SEC to have violated any Federal or State securities law, and the judgment in the civil action or SEC finding has not been subsequently reversed, suspended or vacated?

Yes No

Question 32 - Violation of Commodities Laws

During the past ten years, have you been found by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission (“CFTC”) to have violated any Federal commodities law, and the judgment in the civil action or CFTC finding has not been subsequently reversed, suspended or vacated?

Yes

No

Question 33 - Other Judicial or Administrative Proceedings

During the past ten years, have you been the subject of, or a party to, any Federal or State judicial or administrative order, judgment, decree, or finding (other than any settlement of a civil proceeding among private litigants), not subsequently reversed, suspended or vacated, relating to an alleged violation of:

(a) Any federal or state securities or commodities law or regulation?

Yes

No

(b) Any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order?

Yes

No

(c) Any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity?

Yes

No

Question 34 - Disciplinary Sanctions by a Self-Regulatory Organization

During the last ten years, have you been the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any stock, commodities or derivatives exchange or other self-regulatory organization, or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member?

Yes

No

Question 35 - Proceedings Adverse to the Company

Are you, or is any *associate* of yours, a party to any pending legal proceeding in which you are, or any such *associate* is, either a party adverse to the Company or any Subsidiary, or in which you or any such *associate* have a material interest adverse to the Company or a Subsidiary?

Yes

No

I hereby consent to being named as a nominee for director of the Company in the Proxy Statement of the Company to be used in connection with the upcoming Annual Meeting of Stockholders and agree to serve as a director if elected. I understand that the information that I am furnishing to you herein will be used by the Company in the preparation of its Proxy Statement for the Annual Meeting of its Stockholders, and I will notify the Company immediately of any changes in the foregoing answers which occur prior to the mailing date of the Proxy Statement.

I further understand that this information may be used for additional purposes, such as state regulatory reports, throughout the fiscal year. As a result, I will promptly update the Company with respect to any changes in the foregoing information.

Date

Signature

Print Name

REMINDER: PLEASE DO NOT LEAVE ANY ANSWERS BLANK.

GLOSSARY

Affiliate of any entity means any person or other entity that directly, or indirectly through one or more intermediaries, *controls*, is *controlled* by, or is under common *control* with such entity.

Affiliated Person means an *affiliate*, as defined above. For purposes of Question 26, a director who is not an Executive Officer of the Company or any subsidiary and does not beneficially own directly or indirectly more than 10% of any class of equity securities of the Company or any subsidiary is not deemed an *affiliated person* of the Company. An *affiliate* or *affiliated person* of the Company includes an *executive officer*, general partner or managing member, principal or designee of an *affiliate* of the Company, or a director who also is an employee of an *affiliate*, and any *associate* of an *affiliate* or *affiliated person*.

Associate means (a) any corporation or organization (other than the registrant or one of its majority-owned subsidiaries) of which you are an *executive officer* or partner or are, directly or indirectly, the *beneficial owner* of 10% or more of any class of equity securities, (b) any trust or other estate in which you have a substantial beneficial interest or of which you serve as trustee or in a similar fiduciary capacity, and (c) any of your *immediate family members*.

Beneficial Ownership - You should consider yourself the *beneficial owner* of shares of the Company if you, your spouse, or any member of your *immediate family* or household owns such stock, whether directly or *indirectly* (i.e., through Company plans, trusts, estates, holding companies, partnerships, limited partnerships or syndicates, or through any other groups of which you, your spouse, or any member of your *immediate family* or household is a member that were formed for the purpose of acquiring, holding or disposing of such stock).

You should also consider that a person or entity *beneficially owns* shares of KCS stock if such person or entity directly or indirectly, has or shares voting power (i.e., the power to vote or direct the voting) or investment power (i.e., the power to dispose or direct the disposition) of such stock, whether through any contract, arrangement, understanding, relationship or otherwise.

A person or entity is also deemed to have voting or investment power with respect to shares of a company if such person or entity has the right to acquire either of such powers at any time within the next 60 days through the exercise of any option, warrant, right or conversion privilege or pursuant to the power to revoke a trust, a discretionary account or similar arrangement or pursuant to the automatic termination of a trust, discretionary account or similar arrangement. Because voting power or investment power may be held jointly by two or more persons, the same shares of KCS stock may be beneficially owned by more than one person. (For example, if you hold shares as trustee for the benefit of your minor child, both you and your child may be deemed to be *beneficial owners* of such shares.)

Charitable Organization means any tax-exempt organization under the U.S. Internal Revenue Code such as universities, scientific and research organizations, non-profit organizations, civic, religious, community welfare, health care entities and similar organizations. Charitable organization also includes international charities and similar groups listed above that are not tax-exempt in the United States.

Control means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the Company, whether through the ownership of voting securities, by contract or otherwise.

Direct Business Relationship - An individual enters into a *direct business relationship* when that individual or entity enters into a business relationship as one of the principal parties to that relationship.

Executive Officer of a company means the chief executive officer, president, principal financial officer, principal accounting officer (or, if there is no such accounting officer, the controller), any vice president in charge of a principal business unit or function (such as sales, administration or finance) or any other officer or other person who performs a policy-making function. Officers of the issuer's parent(s) or subsidiaries shall be deemed officers of the issuer if they perform such policy-making functions for the issuer. In addition, when the issuer is a limited partnership, officers or employees of the general partner(s) who perform policy-making functions for the limited partnership are deemed officers of the limited partnership. When the issuer is a trust, officers or employees of the trustee(s) who perform policy-making functions for the trust are deemed officers of the trust.

Family Relationship means any relationship by blood, marriage or adoption, not more remote than first cousin.

Immediate Family or Immediate Family Member includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home. When applying the three-year "look-back" provisions, companies need not consider individuals who are no longer immediate family members as a result of legal separation or divorce, or those who have died or become incapacitated.

Indirect - You would normally be considered to have an *indirect* interest in a transaction if it involves an entity and/or its subsidiaries of which you or an *immediate family member* are an *executive officer* or of which you or members of your *immediate family* own at least 10% of the equity interests.

Indirect Business Relationship - An individual or entity enters into an *indirect business relationship* when a third party controlled by the individual or entity enters into a business relationship as one of the principal parties to that relationship. This includes instances when, for example, a trust or personal holding company controlled by an individual enters into a business relationship.

APPENDIX A
AFFILIATED COMPANIES OF THE COMPANY

Arrendadora KCSM, S. de R.L. de C.V.
Canama Transportation
Caymex Transportation, Inc.
Ferrocarril y Terminal del Valle de México, S.A. de C.V.
Gateway Eastern Railway Company
Joplin Union Depot Company
Kansas City Northern Railway Company, The
Kansas City Southern de México, S.A. de C.V.
Kansas City Southern Railway Company, The
Kansas City Terminal Railway Company
Kara Sub, Inc.
KCS Holdings I, Inc.
KCS Ventures I, Inc.
KCSM Holdings LLC
KCSM Internacional, S.A. de C.V.
KCSM Servicios, S.A. de C.V.
KCS Investment I, Ltd.
KCSRC y Compania, S. de N.C. de C.V.
Meridian Speedway, LLC
Mexrail, Inc.
NAFTA Rail, S.A. de C.V.
North American Freight Transportation Alliance Railroad Corporation
Pabtex, Inc.
Panama Canal Railway Company
Panarail Tourism Company
Servicios Ferroviarios Europeos, S. de R.L.
Southern Capital Corporation, LLC
Southern Development Company
Southern Industrial Services, Inc.
Texas Mexican Railway Company, The
TransFin Insurance, Ltd.
Trans-Serve, Inc.
Veals, Inc.