

MCDONNELL THOMAS A  
Form 4  
October 17, 2011

**FORM 4**

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

OMB APPROVAL

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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 \*  
MCDONNELL THOMAS A

(Last) (First) (Middle)  
333 WEST 11TH STREET  
(Street)

KANSAS CITY, MO 64105

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
DST SYSTEMS INC [DST]

3. Date of Earliest Transaction  
(Month/Day/Year)  
10/17/2011

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)  
Chief Executive 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 or Price   |  |   |
| Common Stock                    | 10/17/2011                           |  | M                              |   | 301,930 A \$ 43.935   | 1,023,016  | D   |
| Common Stock                    | 10/17/2011                           |  | F                              |   | 289,165 (1) D \$ 47.485   | 733,851  | D   |
| Common Stock                    | 10/17/2011                           |  | M                              |   | 32,430 A \$ 42.55   | 766,281  | D   |
| Common Stock                    | 10/17/2011                           |  | F                              |   | 30,524 (1) D \$ 47.485  | 735,757  | D   |

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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(9-02)

**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 |     | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | Amount  |
|--|--|--------------------------------------|--|--------------------------------|------------------------------------|-----|--|-----------------|---|---------|
|  |  |                                      |  |                                | (A)                                | (D) | Date Exercisable   | Expiration Date |   |         |
| Employee Stock Option                      | \$ 43.935  | 10/17/2011                           |  | M                              | 301,930                            |     | 11/13/2004   | 11/13/2011      | Common Stock  | 301,930 |
| Employee Stock Option                      | \$ 42.55   | 10/17/2011                           |  | M                              | 32,430                             |     | 12/31/2004   | 02/26/2012      | Common Stock  | 32,430  |

## Reporting Owners

| Reporting Owner Name / Address                                      | Relationships |           |                         |       |
|---|---------------|-----------|-------------------------|-------|
|   | Director      | 10% Owner | Officer                 | Other |
| MCDONNELL THOMAS A<br>333 WEST 11TH STREET<br>KANSAS CITY, MO 64105 |               | X         | Chief Executive Officer |       |

## Signatures

Randall D. Young for Thomas A. McDonnell by power of attorney 10/17/2011

        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).

This number is an aggregate of the number of shares of Issuer common stock that the Reporting Person surrendered to the Issuer in payment of the exercise price of the option and the number of shares of Issuer common stock that were withheld from the shares being purchased in order to satisfy the Reporting Person's tax withholding obligation. The surrender and withholding of shares ("Allowable Transactions") occurred in accordance with procedures of the Compensation Committee of the Issuer's Board of Directors, which approved the Reporting Person's Allowable Transactions at the time it granted the options to him.

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