

KANSAS CITY SOUTHERN
Form 8-K
May 23, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

May 21, 2008

Kansas City Southern

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

1-4717

(Commission
File Number)

44-0663509

(I.R.S. Employer
Identification No.)

427 West 12th Street, Kansas City, Missouri

(Address of principal executive offices)

64105

(Zip Code)

Registrant's telephone number, including area code:

816-983-1303

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

On May 21, 2008, Kansas City Southern (the "Company"), its wholly-owned subsidiary, The Kansas City Southern Railway Company ("KCSR"), and certain subsidiaries of the Company that guaranty KCSR's 9.5% Senior Notes due 2008 (the "Notes") pursuant to the terms of the indenture governing the Notes (the "Indenture"), and The Bank of New York Trust Company, N.A., as trustee under the Indenture, entered into the Fourth Supplemental Indenture (the "Supplemental Indenture") to the Indenture. The Supplemental Indenture will not become effective until the satisfaction or waiver of certain conditions including, but not limited to, KCSR's receipt of proceeds from a new note offering in an amount sufficient to purchase the Notes.

The Supplemental Indenture amends the terms of the Indenture to, among other things, delete certain covenants that:

- restrict the ability of the Company, KCSR and certain of their affiliates to incur certain forms and amounts of indebtedness;
- restrict the ability of the Company, KCSR and certain of their affiliates to (i) declare or pay dividends to certain parties, (ii) purchase, redeem, retire or otherwise acquire for value capital stock held by certain parties and (iii) make certain investments, interest payments and other distributions;
- prohibit the Company, KCSR and certain of their affiliates from causing or permitting to exist restrictions on the ability of certain of their subsidiaries to pay dividends or indebtedness, make distributions or loans or transfer property or assets to the guarantors or their subsidiaries;
- prohibit the Company, KCSR and certain of their affiliates from disposing of assets or issuing or selling shares of capital stock of certain of their subsidiaries;
- restrict the ability of the Company, KCSR and certain of their affiliates to enter into, renew or extend any transaction with certain stockholders and affiliates;
- prohibit the Company, KCSR and certain of their affiliates from creating, incurring, assuming or suffering to exist certain liens;
- prohibit the Company, KCSR and certain of their affiliates from entering into sale-leaseback transactions;
- require the KCSR to commence and consummate an offer to purchase the Notes upon a change in control;
- require the Company, KCSR and certain of their affiliates to pay taxes and other claims;
- require the Company to deliver compliance certificates to the trustee;
- require the Company to file reports with the Securities and Exchange Commission; and
- in connection with a defeasance, require the Company and KCSR to deliver certain legal opinions and allow a certain number of days to pass before such defeasance becomes effective.

The elimination or modification of the foregoing provisions permit the Company, KCSR and certain of their affiliates to take actions that could increase the credit risk faced by the holders of any remaining outstanding Notes (although KCSR remains subject to the restrictions and covenants set forth in its other outstanding indebtedness), adversely affect the market price of such Notes or otherwise be adverse to the interests of the holders of such remaining Notes.

The amendments do not relieve KCSR from its obligations to make scheduled payments of principal and accrued interest on the Notes that are outstanding in accordance with the terms of the Indenture.

The foregoing discussion is qualified in its entirety by the terms and conditions of the Supplemental Indenture, a copy of which is attached to this Form 8-K as Exhibit 10.1 and incorporated herein by this reference.

Item 9.01 Financial Statements and Exhibits.

(d)

Fourth Supplemental Indenture dated as of May 21, 2008 between The Kansas City Southern Railway Company, Kansas City Southern, Gateway Eastern Railway Company, Pabtex I, L.P., Southern Development Company, Southern Industrial Services, Inc., and Trans-Serve, Inc., and The Bank of New York, N.A., as Trustee, is attached hereto as Exhibit 10.1.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Kansas City Southern

May 23, 2008

By: */s/ Paul J. Weyandt*

Name: Paul J. Weyandt

Title: Senior Vice President-Finance and Treasurer

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Exhibit No.	Description
10.1	Fourth Supplemental Indenture dated as of May 21, 2008 between The Kansas City Southern Railway Company, Kansas City Southern, Gateway Eastern Railway Company, Pabtex I, L.P., Southern Development Company, Southern Industrial Services, Inc., and Trans-Serve, Inc., and The Bank of New York, N.A., as Trustee.