### HAGER KENNETH V

Form 4 March 19, 2013

## FORM 4

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Check this box if no longer subject to Section 16. Form 4 or

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES** 

Form 5 Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Last)

(Print or Type Responses)

1. Name and Address of Reporting Person \* 2. Issuer Name and Ticker or Trading HAGER KENNETH V Symbol

(Middle)

DST SYSTEMS INC [DST]

3. Date of Earliest Transaction (Month/Day/Year) 03/15/2013

333 WEST 11TH STREET

(First)

(Street)

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner Other (specify Officer (give title below)

VP, Controller & Treasurer

**OMB APPROVAL** 

3235-0287

January 31,

2005

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OMB

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6. Individual or Joint/Group Filing(Check

Applicable Line) \_X\_ Form filed by One Reporting Person Form filed by More than One Reporting

Person

#### KANSAS CITY, MO 64105

(City)	(State)	(Zip) 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. Transactic Code (Instr. 8)	4. Securi on(A) or D (Instr. 3,	ispose 4 and (A) or	ed of (D)	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)		
Common Stock			Couc v	Amount	(D)	THEC	20,000	I	Irrevocable Trust		
Common Stock							20,000	I	GRAT		
Common Stock	03/15/2013		A	81 (1)	A	\$ 0	138,354	D			
Common Stock	03/15/2013		A	3 (2)	A	\$ 0	138,357	D			
Common Stock	03/15/2013		F	110 (3)	D	\$ 70.78	138,247	D			

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

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**SEC 1474** (9-02)

> 9. Ni Deriv Secu Bene Own Follo Repo Trans (Insti

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

	1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exerc	cisable and	7. Titl	e and	8. Price of	
	Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transact	ionNumber	Expiration D	ate	Amou	nt of	Derivative	
	Security	or Exercise		any	Code	of	(Month/Day/	Year)	Under	lying	Security	
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Securi	ties	(Instr. 5)		
		Derivative				Securities	1		(Instr.	3 and 4)		
		Security				Acquired						
						(A) or						
						Disposed						
						of (D)						
						(Instr. 3,						
						4, and 5)						
										Amount		
							Date	Expiration		or		
							Date		Number			
									of			
					Code V	I (A) (D)				Shares		

## **Reporting Owners**

Relationships Reporting Owner Name / Address

> Other Director 10% Owner Officer

HAGER KENNETH V 333 WEST 11TH STREET KANSAS CITY, MO 64105

VP, Controller & Treasurer

## **Signatures**

Randall D. Young for Kenneth V. Hager by power of attorney

03/19/2013

\*\*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).

The acquisition is of Restricted Stock Units (RSUs) granted automatically on March 15, 2013 (the payment date for a dividend on Issuer common stock). The new RSUs were granted as dividend equivalents (DE RSUs) pursuant to the terms and conditions of the applicable RSU award agreements. The Reporting Person received the DE RSUs in connection with the following previously reported RSUs that were unvested on the February 19, 2013 dividend record date but vested on March 8, 2013 (prior to the dividend payment date): (i) performance-vesting RSUs granted February 23, 2010, February 24, 2011 and December 1, 2011; (ii) a 30% tranche of time-vesting RSUs granted February 24, 2011; and (iii) DE RSUs previously received in connection with such underlying RSUs. The DE RSUs

reported in this row vested on the date they were issued (March 15, 2013). The vesting created taxable income subject to tax withholding in shares as described in note (3).

**(2)** 

Reporting Owners 2

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On the dividend payment date, the Reporting Person received additional DE RSUs in connection with the unvested portion (50%) of previously reported time-vesting RSUs granted on February 24, 2011 (as well as on DE RSUs previously issued on such underlying RSUs). The new DE RSUs are subject to the same vesting terms and conditions as the underlying RSUs, as shown in a previous Section 16 filing.

The Compensation Committee of the Issuers Board of Directors allows the withholding of shares (Tax Withholding Transactions) to satisfy the Reporting Persons income tax obligation from an RSU vesting. The Committee pre-approves, at the time of grant, the

(3) Reporting Persons Tax Withholding Transactions for RSUs. This form reports the number of shares retained for the Tax Withholding Transactions in connection with the DE RSU vesting described in note (1) and in connection with the March 15, 2013 vesting of certain other previously reported DE RSUs.

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.