

DST SYSTEMS INC  
Form 4  
May 14, 2008

**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 \*  
NELSON WILLIAM C

(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)  
05/12/2008

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)

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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	05/12/2008		M		8,000	A	\$ 27.5313
Common Stock	05/12/2008		F		2,118	D	\$ 59.96
Common Stock	05/12/2008		S		483	D	\$ 59.94
Common Stock	05/12/2008		S		900	D	\$ 59.96
Common Stock	05/12/2008		S		100	D	\$ 59.99
Common Stock	05/12/2008		S		500	D	\$ 60.01

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Common Stock								
Common Stock	05/12/2008	S	1,500	D	\$ 60.02	27,112	D	
Common Stock	05/12/2008	S	400	D	\$ 60.03	26,712	D	
Common Stock	05/12/2008	S	180	D	\$ 60.04	26,532	D	
Common Stock	05/12/2008	S	1,819	D	\$ 60.06	24,713	D	
Common Stock	05/13/2008	A <sup>(1)</sup>	2,161	A	\$ 0	26,874	D	
Common Stock	05/13/2008	F	1,426	D	\$ 59.665	25,448	D	
Common Stock	05/13/2008	F	1,058	D	\$ 60.185	24,390	D	
Common Stock						200	I	IRA

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

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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 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. Amount or Number of Shares
Option to Purchase	\$ 27.5313	05/12/2008		M	8,000	<u>(2)</u> 05/12/2008	Common Stock	8,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
NELSON WILLIAM C 333 WEST 11TH STREET KANSAS CITY, MO 64105		X		

## Signatures

Randall D. Young for William C. Nelson by Power of Attorney

05/14/2008

\_\_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) The securities were acquired pursuant to the DST Systems, Inc. 2005 Non-Employee Directors' Award Plan.
- (2) One-half became exercisable on May 11, 1999; one-fourth became exercisable on May 8, 2000; one-fourth became exercisable on May 7, 2001.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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