

KANSAS CITY SOUTHERN  
Form FWP  
December 16, 2008  
Issuer Free Writing Prospectus  
Issued December 15, 2008

Term Sheet to  
Prospectus Supplement  
Registration Statement No. 333-155601  
Dated December 15, 2008  
Rule 433

**The Kansas City Southern Railway Company**  
**\$190,000,000 13% SENIOR NOTES DUE 2013**

The following information supplements the Preliminary Prospectus Supplement of The Kansas City Southern Railway Company ( KCSR ), dated December 15, 2008, filed as part of Registration Statement Number 333-155601 in relation to the 13% Senior Notes due 2013.

<b>Title of Securities:</b>	13% Senior Notes due 2013 (the Notes )
<b>Aggregate Principal Amount Offered:</b>	\$190,000,000
<b>Maturity:</b>	December 15, 2013
<b>Price to Public:</b>	88.405% per Note and accrued interest, if any
<b>Net Proceeds to KCSR after Expenses:</b>	\$164,169,500
<b>Underwriting Discount:</b>	2%
<b>Interest Rate:</b>	13%
<b>Yield:</b>	16.5%
<b>Interest Payment Dates:</b>	June 15 and December 15 of each year, beginning on June 15, 2009
<b>Record Dates:</b>	June 1 and December 1
<b>Optional Redemption:</b>	<p>KCSR may redeem some or all of the Notes prior to December 15, 2011 by paying either 101% of the principal amount of the Notes or a make whole premium, whichever is greater, plus, in each case, accrued and unpaid interest, if any, as set forth in the prospectus supplement.</p> <p>KCSR may redeem the Notes, in whole or in part, at any time on or after December 15, 2011. The redemption price for the Notes (expressed as a percentage of principal amount) will be as follows, plus accrued and unpaid interest to the redemption date, if redeemed during the 12-month period commencing on December 15 of any year set forth below:</p>

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<b>Year</b>	<b>Redemption Price</b>
2011	113.0%
2012	106.5%

In addition, at any time prior to December 15, 2010, KCSR may, on one or more occasions, redeem up to 35% of the aggregate principal amount of the Notes with net cash proceeds from specified equity offerings at the redemption price of 113% of the principal amount thereof, plus accrued and unpaid interest, if any.

**Tax Treatment:**

The Notes will be issued with original issue discount ( **OID** ) for U.S. federal income tax purposes and U.S. Holders will be required to accrue **OID** into gross income on a constant yield basis in advance of the receipt of some or all of the cash attributable to such **OID**, regardless of their regular method of tax accounting.

**Trade Date:**

December 15, 2008

**Settlement Date:**

December 18, 2008

**CUSIP:**

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<b>Underwriter</b>	<b>Principal Amount</b>
Morgan Stanley & Co. Incorporated	\$ 87,400,000
Banc of America Securities LLC	\$ 57,000,000
Scotia Capital (USA) Inc.	\$ 30,400,000
BMO Capital Markets	\$ 7,600,000
SunTrust Robinson Humphrey, Inc.	\$ 7,600,000