

DST SYSTEMS, INC.

Charter of the Compensation Committee of the Board of Directors

I. Committee Purposes

The Committee's primary purposes are to:

- Discharge the Board's responsibilities relating to compensation of the Company's executives.
- Produce an annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations.
- Consider and make recommendations to the Board on director compensation.
- Exercise, in its discretion, the powers granted to it in the Company's Bylaws.

II. Committee Duties and Responsibilities

The Committee's duties and responsibilities are:

- A. With respect to the Chief Executive Officer, to:
1. Review and approve corporate goals and objectives relevant to Chief Executive Officer ("CEO") compensation.
 2. Evaluate, in intervals it deems appropriate, the CEO's performance in light of such goals and objectives and report to the Corporate Governance/Nominating Committee that it has conducted such evaluation.
 3. Determine in its sole authority, based on such evaluation, the CEO's compensation level (including determination of the long-term incentive component of such compensation after considering the Company's performance and relative shareholder return, the value of similar incentive awards to CEO's at comparable companies, and the awards given to the Company's CEO in past years).

- B. With respect to other executive officers, to:
1. Review periodically the Company's compensation practices in relation to the practices of companies determined to be peers of the Company.
 2. Determine the components and structure of compensation packages (other than benefits available generally to Company employees).
 3. Review periodically the Company's evaluations of executive officer performance and, based on such evaluations, approve the salaries of and determine incentive award opportunity levels pertinent to specific executive officers.
 4. Report to the Corporate Governance/Nominating Committee that it has reviewed such evaluation information.
 5. Review and approve new executive officer employment agreements and modifications to existing agreements.
- C. To make recommendations to the Board with respect to compensation plans, incentive-compensation plans, and equity-based plans that require Board approval to amend.
- D. To oversee regulatory compliance with respect to compensation matters, including consulting with Company management on:
- The structuring of performance-based award programs taking into account the exclusion from the deduction limitation of Section 162(m) of the Internal Revenue Code.
 - Securities registration and shareholder approval requirements for equity-based plans.
- E. To interpret as requested by Company management, and to exercise its administrative responsibilities under, the terms of any health and welfare, retirement, pension, bonus, incentive compensation, deferred compensation or other employee or director benefits or benefits-related plan, trust, program or agreement of the Company or any of its subsidiaries.
- F. To review and make recommendations to the Board with respect to new benefit plan arrangements recommended by Company management for which Board approval is required.
- G. To review periodically the status of the Company's director compensation practices in relation to (a) director compensation principles in the Company's Bylaws and Corporate Governance Guidelines, and (b) companies determined to be peers of the Company and/or that have boards of directors performing functions similar in scope or complexity to those performed by the Board.
- H. To make recommendations to the Board with respect to director compensation.

- I. To review and approve a draft of Committee reports prior to their publication in any proxy statement or other securities law filings.
- J. To orient new Committee members to its practices and procedures.
- K. To perform such other tasks as are assigned to the Committee by the Board, or (unless the Board otherwise directs) are deemed by the Committee to be appropriate to its purposes.

III. Annual Evaluation of Committee Performance and Charter

The Committee shall annually evaluate its own performance and the adequacy of this Charter. The Committee shall submit to the Board the results of its evaluation and any proposed Charter modifications.

IV. Committee Member Qualifications

Each member of the Committee shall be:

- A. A “non-employee director” under Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended.
- B. An “outside director” under Section 162(m) of the Internal Revenue Code, as amended.
- C. “Independent” under New York Stock Exchange (“NYSE”) listing standards.

V. Committee Member Appointment and Removal

- A. Members of the Committee shall be selected as provided in the Company’s Bylaws.
- B. Committee members may be removed by Board action.

VI. Committee Structure and Operations

- A. The Company’s Bylaws govern the number of Committee members, the election of the Committee Chair, the scheduling and notice to members of special Committee meetings, the constitution of a quorum for the conduct of Committee business, the member vote necessary for Committee action, and Committee recordkeeping.
- B. The Committee shall meet on the days of regularly scheduled Board meetings, unless there is no business to come before the Committee as of any such date.

- C. The Committee may ask representatives of Company management, directors who are not Committee members, or others to attend meetings and to provide pertinent information as necessary.
- D. The Committee has the authority, as it deems necessary, to delegate its responsibilities to any subcommittee, provided such delegation is not precluded by any applicable law, regulation, stock exchange listing standard, or benefit plan.

VII. Committee Reporting to the Board

The Committee shall regularly report to the Board on Committee actions (other than routine or administrative actions such as periodic grants of options under stock option plans and administrative actions under Company benefit plans).

VIII. Committee Resources

The Committee has the sole authority to retain a consulting firm to assist in evaluation of director, CEO or senior executive compensation and the sole authority to approve such firm's fees and other retention terms and to terminate the services of such firm. As necessary to accomplish its purposes and fulfill its duties and responsibilities, the Committee may conduct investigations, obtain advice and assistance from Company management and from internal or Company or external legal, accounting or other advisors, and access the Company's books and records.

The Committee shall determine and advise the company's Chief Financial Officer of the funding the Company must provide for Committee use of consulting firms and independent advisors, investigations, and for ordinary administrative expenses necessary or appropriate in carrying out Committee duties.

IX. Publication of Charter

This Charter shall be posted on the Company's website as required by any applicable law, regulation or stock exchange listing standards.