

**Charter of the Nominating and Corporate Governance Committee  
of the  
Board of Directors of Kansas City Southern**

**I. Purpose**

The purpose of the Nominating and Corporate Governance Committee (the “Committee”) is to assist the Board by: (i) identifying individuals qualified to become Board members and recommending to the Board director nominees; (ii) reviewing Company governance policies and procedures and developing and recommending to the Board changes and additions to such governance policies and procedures; (iii) establishing and maintaining procedures for evaluation of Board and management performance; and (iv) undertaking any other duties, tasks and responsibilities as the Board may assign.

**II. Organization**

The Committee shall consist of three or more directors, the number to be fixed from time to time by resolution adopted by a majority vote of the whole Board of Directors. Each member of the Committee shall be affirmatively determined by a majority vote of the whole Board of Directors to qualify as independent under the New York Stock Exchange listing standards then in effect, and shall be independent under all other applicable laws, rules and regulations.

The members of the Committee shall be elected and vacancies filled by the vote of a majority of the whole Board of Directors, and one member of the Committee shall be elected its Chairperson by the vote of a majority of the whole Board of Directors. The members of the Committee shall be elected by the Board of Directors to serve staggered three year terms. The members of the Committee may be removed, with or without cause, by the vote of a majority of the whole Board of Directors.

The Committee may form and delegate authority to subcommittees when appropriate in its judgment.

**III. Meetings**

The Committee shall have at least two regularly scheduled meetings annually, but may meet as often as necessary to carry out its responsibilities. The Chairperson of the Nominating and Corporate Governance Committee will preside at each meeting provided, that in the absence of the Chairperson, one of the other members of the Committee shall be designated by a majority of the members of the Committee present at the meeting as the acting chair of the meeting. The Chairperson may direct appropriate members of management and staff to prepare draft agendas and related background information for each Committee meeting. Any such background materials, together with the agenda, should be distributed to the Committee members in advance of the meeting. All meetings of the Committee shall be held pursuant to the By-laws of the Company with regard to notice and waiver thereof, and written minutes of each meeting shall be duly filed in the Company records. Reports of meetings of the Committee shall be made to the Board of Directors at its next regularly scheduled meeting following the Committee meeting, accompanied by any recommendations to the Board of Directors approved by the Committee. In addition, all Directors are to be furnished copies of the minutes of each Committee meeting.

#### **IV. Goals and Responsibilities**

The goals and responsibilities of the Committee shall be to ensure that (i) the Board shall have the benefit of qualified and experienced directors who meet the requirements of applicable laws, rules and regulations as well as the criteria set forth in this Charter; (ii) the Company maintains appropriate corporate governance practices and procedures; and (iii) the performance of the Board, committees of the Board and management is periodically evaluated.

The Committee shall from time to time adopt and apply criteria to the selection of director nominees as may be required in order to carry out the Committee's goals and responsibilities.

The Committee shall establish and publish on the Company's website a policy concerning the treatment of shareholder recommended nominees to the Board.

The Committee shall develop and implement a procedure, utilizing methods deemed appropriate by the Committee, to evaluate annually the performance of the committees (including the Committee) and the Board and compliance with corporate governance procedures at the Company.

The Committee may as it deems appropriate establish and maintain an orientation program for new directors and a continuing education program for all directors.

The Committee will annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

The Committee shall present to the Board its recommendation for the membership of committees of the Board.

The Committee shall perform any other activities consistent with this Charter, the Company's By-laws and governing law as the Committee or the Board deems appropriate.

#### **V. Committee Resources**

The Committee shall have the authority to obtain advice and seek assistance from internal or external legal, accounting or other advisors. The Company shall pay the costs and expenses of all advisors retained by the Committee. The Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve such search firm's fees and other terms of the engagement.