

SOUTHWEST AIRLINES CO
Form 4
October 30, 2013

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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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 *
KELLY GARY C

(Last) (First) (Middle)

**SOUTHWEST AIRLINES
CO., 2702 LOVE FIELD DRIVE**

(Street)

DALLAS, TX 75235-1908

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
**SOUTHWEST AIRLINES CO
[LUV]**

3. Date of Earliest Transaction
(Month/Day/Year)
10/28/2013

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)
COB, Pres., & CEO

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount or Price | | |
| Common Stock | 10/28/2013 | | M | | 4,352 A \$ 15.91 | 744,003 | D |
| Common Stock | 10/28/2013 | | F | | 4,173 D \$ 17.12 | 739,830 | D |
| Common Stock | 10/28/2013 | | M | | 30,000 A \$ 15.51 | 769,830 | D |
| Common Stock | 10/28/2013 | | F | | 28,137 D \$ 17.12 | 741,693 | D |
| Common Stock | 10/28/2013 | | M | | 180,000 A \$ 14.95 | 921,693 | D |

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| | | | | | | | |
|--------------|------------|---|---------|---|----------|---------|---|
| Common Stock | 10/28/2013 | F | 166,755 | D | \$ 17.12 | 754,938 | D |
| Common Stock | 10/28/2013 | M | 4,322 | A | \$ 14.25 | 759,260 | D |
| Common Stock | 10/28/2013 | F | 3,900 | D | \$ 17.12 | 755,360 | D |
| Common Stock | 10/28/2013 | M | 6,295 | A | \$ 16.43 | 761,655 | D |
| Common Stock | 10/28/2013 | F | 6,147 | D | \$ 17.12 | 755,508 | D |

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) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----------------|---|----------------------|
| | | | | | | Date Exercisable | Expiration Date | Title | Amount Number Shares |
| Employee Stock Option (right to buy) | \$ 15.91 | 10/28/2013 | | M | 4,352 | <u>(1)</u> | 01/05/2014 | Common Stock | 4,352 |
| Employee Stock Option (right to buy) | \$ 15.51 | 10/28/2013 | | M | 30,000 | <u>(1)</u> | 01/23/2014 | Common Stock | 30,000 |
| Employee Stock Option (right to buy) | \$ 14.95 | 10/28/2013 | | M | 180,000 | <u>(1)</u> | 07/15/2014 | Common Stock | 180,000 |
| Employee Stock | \$ 14.25 | 10/28/2013 | | M | 4,322 | <u>(1)</u> | 01/20/2015 | Common Stock | 4,322 |

Option
(right to
buy)

Employee
Stock

| | | | | | | | | | |
|-----------------------------|----------|------------|--|---|-------|------------|------------|-----------------|-------|
| Option (right to buy) | \$ 16.43 | 10/28/2013 | | M | 6,295 | <u>(1)</u> | 12/31/2015 | Common Stock | 6,295 |
|-----------------------------|----------|------------|--|---|-------|------------|------------|-----------------|-------|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| KELLY GARY C SOUTHWEST AIRLINES CO. 2702 LOVE FIELD DRIVE DALLAS, TX 75235-1908 | X | | COB, Pres., & CEO | |

Signatures

/s/ Marilyn R. Post on behalf of and as attorney in fact for Gary C.
Kelly

10/30/2013

__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).
- (1) The option was 100% vested at the time of exercise.

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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