

SOUTHWEST AIRLINES CO  
 Form 4  
 February 23, 2017

**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 \*  
**KELLY GARY C**

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

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)  
 Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 Chairman of the Board & CEO

(Last) (First) (Middle)  
**SOUTHWEST AIRLINES CO., 2702 LOVE FIELD DRIVE**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**02/21/2017**

**DALLAS, TX 75235-1908**

(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

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	(A) or (D)	Price
Common Stock					69,883 <sup>(1)</sup>	I	By Family Trust
Common Stock					69,891 <sup>(2)</sup>	I	By Family Trust
Common Stock	02/21/2017		F		5,609	D	\$ 57.86 619,456
Common Stock	02/21/2017		F		9,872	D	\$ 57.86 609,584

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Common Stock	02/22/2017	M	100,000	A	\$ 6.75	709,584	D
Common Stock	02/22/2017	F	1,736	D	\$ 57.57	707,848	D
Common Stock	02/22/2017	S	300	D	\$ 57.15	707,548	D
Common Stock	02/22/2017	S	500	D	\$ 57.16	707,048	D
Common Stock	02/22/2017	S	100	D	\$ 57.17	706,948	D
Common Stock	02/22/2017	S	200	D	\$ 57.18	706,748	D
Common Stock	02/22/2017	S	600	D	\$ 57.19	706,148	D
Common Stock	02/22/2017	S	200	D	\$ 57.2	705,948	D
Common Stock	02/22/2017	S	96	D	\$ 57.21	705,852	D
Common Stock	02/22/2017	S	3,604	D	\$ 57.22	702,248	D
Common Stock	02/22/2017	S	200	D	\$ 57.225	702,048	D
Common Stock	02/22/2017	S	780	D	\$ 57.23	701,268	D
Common Stock	02/22/2017	S	300	D	\$ 57.231	700,968	D
Common Stock	02/22/2017	S	100	D	\$ 57.235	700,868	D
Common Stock	02/22/2017	S	2,020	D	\$ 57.24	698,848	D
Common Stock	02/22/2017	S	1,000	D	\$ 57.25	697,848	D
Common Stock	02/22/2017	S	100	D	\$ 57.254	697,748	D
Common Stock	02/22/2017	S	900	D	\$ 57.26	696,848	D
Common Stock	02/22/2017	S	100	D	\$ 57.261	696,748	D
Common Stock	02/22/2017	S	3,279	D	\$ 57.27	693,469	D
	02/22/2017	S	200	D		693,269	D

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Common Stock					\$			
					57.271			
Common Stock	02/22/2017		S	1,921	D	\$ 57.28	691,348	D
Common Stock	02/22/2017		S	200	D	\$ 57.281	691,148	D
Common Stock	02/22/2017		S	3,700	D	\$ 57.29	687,448	D
Common Stock	02/22/2017		S	400	D	\$ 57.291	687,048	D
Common Stock	02/22/2017		S	500	D	\$ 57.295	686,548	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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Employee Stock Option (right to buy)	\$ 6.75	02/22/2017		M	100,000	<sup>(3)</sup>	02/01/2019	Common Stock	100,000

## 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		Chairman of the Board & CEO	

## Signatures

Tim Whisler, on behalf of and as attorney-in-fact for Gary C.  
Kelly

02/23/2017

\_\_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) These shares are held in trust for the reporting person and his descendants. The reporting person is trustee of the trust.
- (2) These shares are held in trust for the benefit of the reporting person's spouse and descendants. The reporting person's spouse is trustee of the trust.
- (3) The option was 100% vested at the time of exercise.

### Remarks:

Form 1 of 5

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.