

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>KELLY GARY C</u> (Last) (First) (Middle) <u>2702 LOVE FIELD DRIVE</u> <u>HDQ 4GC</u> (Street) <u>DALLAS TX 75235</u> (City) (State) (Zip)			2. Issuer Name and Ticker or Trading Symbol <u>SOUTHWEST AIRLINES CO [LUV]</u> 3. Date of Earliest Transaction (Month/Day/Year) <u>04/06/2021</u>		5. Relationship of Reporting Person(s) to Issuer (Check all applicable) ☒ Director 10% Owner ☒ Officer (give title below) Other (specify below) <u>Executive Chairman</u>
4. If Amendment, Date of 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	04/06/2021		G	V	56,000 ⁽¹⁾⁽²⁾ ₍₃₎	D	\$0	144,394	D	
Common Stock	04/06/2021		G	V	53,282 ⁽¹⁾⁽²⁾ ₍₃₎₍₄₎	A	\$0	67,973	I	By Family Limited Partnership ⁽¹⁾ ₍₂₎₍₃₎₍₅₎
Common Stock	04/06/2021		G	V	1,528 ⁽¹⁾⁽²⁾⁽³⁾ ₍₆₎	A	\$0	351,596	I	By Family Trust ⁽¹⁾⁽²⁾⁽³⁾⁽⁷⁾
Common Stock	04/06/2021		G	V	1,190 ⁽¹⁾⁽²⁾⁽³⁾ ₍₈₎	A	\$0	307,718	I	By Family Trust ⁽¹⁾⁽²⁾⁽³⁾⁽⁹⁾
Common Stock	02/01/2022		A		40,117 ⁽¹⁰⁾	A	\$0	184,511	D	
Common Stock								67,973	I	By Family Limited Partnership ⁽⁵⁾
Common Stock								351,596	I	By Family Trust ⁽⁷⁾
Common Stock								307,718	I	By Family Trust ⁽⁹⁾

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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		Date Exercisable	Expiration Date	Title	Amount or Number of Shares				

Explanation of Responses:

1. On April 6, 2021, as part of his estate planning, the reporting person contributed 56,000 shares (the "Capital Contribution") to a family limited partnership (the "Family Limited Partnership"), the sole general partner of which is a limited liability company that is wholly owned by the reporting person and his spouse (the "Family Limited Liability Company"). Prior to the transfer, the sole limited partners of the Family Limited Partnership were (a) a trust for the reporting person and his descendants, for which the reporting person is trustee (the "Reporting Person Trust"), (b) a trust for the reporting person's spouse and her descendants, for which the reporting person's spouse is trustee (the "Spousal Trust"), and (c) the reporting person through a separate limited partnership interest in the Family Limited Partnership (the "Reporting Person LP Interest").

2. As a result of this transaction, the reporting person and his spouse each received a community property limited partnership interest in the Family Limited Partnership (the "Reporting Person CP LP Interest" and the "Spousal CP LP Interest", respectively), which resulted in (a) a decrease in the number of shares directly owned by the reporting person, (b) an increase in the number of shares indirectly owned by the reporting person through the Family Limited Partnership, and (c) net increases in the number of shares indirectly owned by the reporting person through the Reporting Person Trust, the Spousal Trust, and the Family Limited Liability Company as a result of the overall increase in the Family Limited Partnership's holdings due to the Capital Contribution.

3. Because the reporting person's aggregate beneficial holdings remained the same prior to and after this transaction, the reporting person believes the contributions to the Family Limited Partnership constitute a change in form of beneficial ownership exempted by Rule 16a-13 under the Securities Exchange Act of 1934.

4. Includes (a) 26,289 shares indirectly acquired as a result of the new Reporting Person CP LP Interest in the Family Limited Partnership, (b) 26,289 shares indirectly acquired as a result of the new Spousal CP LP Interest in the Family Limited Partnership, (c) a net 143 shares indirectly acquired by the Reporting Person LP Interest as a result of the overall increase in the Family Limited Partnership's holdings due to the Capital Contribution, but reflecting the addition of limited partners and resulting new allocation of shares; and (d) a net 560 shares indirectly acquired by the Family Limited Liability Company as a result of the overall increase in the Family Limited Partnership's holdings due to the Capital Contribution, but reflecting the addition of limited partners and resulting new allocation of shares.

5. Includes (a) 26,289 shares indirectly held through the new Reporting Person CP LP Interest in the Family Limited Partnership, (b) 26,289 shares indirectly held through the new Spousal CP LP Interest in the Family Limited Partnership, (c) 12,369 shares indirectly held through the Reporting Person LP Interest, and (d) 3,025 shares indirectly held through the Family Limited Liability Company's general partnership interest in the Family Limited Partnership.

6. A net 1,528 shares were indirectly acquired through the Reporting Person Trust's limited partnership interest in the Family Limited Partnership, as a result of the overall increase in the Family Limited Partnership's holdings due to the Capital Contribution, but reflecting the addition of limited partners and resulting new allocation of shares.

7. Includes shares indirectly held through the Reporting Person Trust, including (a) 131,838 shares held as a result of the Reporting Person Trust's limited partnership interest in the Family Limited Partnership and (b) 219,758 other shares held by the Reporting Person Trust.

8. A net 1,190 shares were indirectly acquired through the Spousal Trust's limited partnership interest in the Family Limited Partnership, as a result of the overall increase in the Family Limited Partnership's holdings due to the Capital Contribution, but reflecting the addition of limited partners and resulting new allocation of shares.

9. Includes shares indirectly held through the Spousal Trust, including (a) 102,718 shares held as a result of the Spousal Trust's limited partnership interest in the Family Limited Partnership and (b) 205,000 other shares held by the Spousal Trust.

10. Reflects the exempt acquisition of restricted stock units pursuant to the Southwest Airlines Co. Amended and Restated 2007 Equity Incentive Plan. The restricted stock units will vest with respect to one-third of the shares covered thereby annually, beginning on February 21, 2023, and will entitle the reporting person to one share of common stock for each restricted stock unit that vests.

/s/ Tim Whisler, on behalf of and
as attorney-in-fact for Gary C. Kelly. 02/02/2022

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* 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).

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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