

SOUTHWEST AIRLINES CO
Form 8-K
August 23, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) August 17, 2011

Southwest Airlines Co.

(Exact name of registrant as specified in its charter)

Texas
(State or other jurisdiction
of incorporation)

1-7259
(Commission
File Number)

74-1563240
(IRS Employer
Identification No.)

Edgar Filing: SOUTHWEST AIRLINES CO - Form 8-K

P.O. Box 36611, Dallas, Texas
(Address of principal executive offices)

Registrant's telephone number, including area code: (214) 792-4000

75235
(Zip Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On August 17, 2011, the Board of Directors (the Board) of Southwest Airlines Co. (the Company) appointed J. Veronica Biggins as a member of the Board, effective August 17, 2011. Ms. Biggins is a Managing Director in the Atlanta office of Diversified Search, LLC.

Members of Southwest's Board of Directors, including Ms. Biggins, currently receive the following compensation:

- (i) an annual retainer fee for membership on the Board of \$25,000 (which will be pro rated for Ms. Biggins for the May 2011-May 2012 service period);
- (ii) \$1,500 for each meeting of the Board attended in person or by phone;
- (iii) while serving on the Board, free travel on Southwest Airlines and AirTran Airways for the Director and the Director's spouse, children, and spouses of children, as well as 20 passes (or an equivalent privilege) annually that may be used for free travel on Southwest Airlines on an unrestricted basis (*e.g.*, for charitable purposes);
- (iv) subsequent to Board service, (a) if the Director has served at least ten years, lifetime free travel on Southwest Airlines for the Director and the Director's spouse; (b) if the Director has served less than ten years, free travel on Southwest Airlines for the Director and the Director's spouse equal to the number of years served (partial benefits); and (c) if the Director is deceased, free travel on Southwest Airlines for the Director's spouse for the lifetime of the spouse, if the Director has served at least ten years, or for the number of years remaining (if any) in the Director's partial benefits, if the Director has served less than ten years;
- (v) reimbursement for taxes on flight benefits;
- (vi) eligibility to receive equity grants pursuant to the Southwest Airlines Co. Amended and Restated 2007 Equity Incentive Plan (for 2011, prior to Ms. Biggins' appointment to the Board, Board members received restricted stock units with a value of approximately \$45,000); and
- (vii) eligibility for a retirement payment under the Southwest Airlines Co. Severance Plan for Directors (which provides for a cash payment of \$35,000 for non-employee Directors who have served at least five years as of the date of retirement and \$75,000 for non-employee Directors who have served at least ten years as of the date of retirement).

Ms. Biggins has not yet been appointed to any Board committees, has no relationships requiring disclosure under Item 404 of Regulation S-K, and is not a party to any arrangement or understanding with any other person pursuant to which she was selected as a director.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SOUTHWEST AIRLINES CO.

Date: August 23, 2011

By: /S/ MADELEINE JOHNSON
Name: **Madeleine Johnson**
Title: **Vice President, General Counsel, & Assistant**

Corporate Secretary