

ASHBAUGH WILLIAM M
 Form 4
 May 22, 2012

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 *
 ASHBAUGH WILLIAM M

2. Issuer Name and Ticker or Trading Symbol
 CAPITAL SOUTHWEST CORP
 [CSWC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 12900 PRESTON ROAD, SUITE 700

3. Date of Earliest Transaction (Month/Day/Year)
 05/18/2012

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Senior VP

(Street)
 DALLAS, TX 75230

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

(City) (State) (Zip)

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 Ownership (Instr. 4)		
				(A) or (D)	Price				
			Code	V	Amount				
Common Stock	05/18/2012		M		4,000	A	\$ 93.49	9,718	D
Common Stock	05/18/2012		M		2,000	A	\$ 76.74	11,718	D

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

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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)	8. Amount or Number of Shares
Incentive Stock Option ⁽¹⁾	\$ 93.49	05/18/2012		M	4,000	05/15/2007 05/15/2016	Common Stock	4,000
Incentive Stock Option ⁽²⁾	\$ 76.74	05/18/2012		M	2,000	10/19/2010 10/19/2019	Common Stock	2,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ASHBAUGH WILLIAM M 12900 PRESTON ROAD SUITE 700 DALLAS, TX 75230			Senior VP	

Signatures

/s/ William M. Ashbaugh 05/22/2012

**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) Incentive Stock Option vests annually in five equal installments of 1,000 shares each beginning 5/15/2007.
- (2) Incentive Stock Option vests annually in five equal installments of 1,000 shares each beginning 10/19/2010.

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.