

ALASKA AIR GROUP, INC.

Form 4

February 13, 2014

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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

## OMB APPROVAL

OMB  
Number: 3235-0287  
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2005  
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
SPRAGUE JOSEPH A

2. Issuer Name **and** Ticker or Trading  
Symbol  
ALASKA AIR GROUP, INC.  
[ALK]

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

(Last) (First) (Middle)  
19300 INTERNATIONAL BLVD  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
02/11/2014

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_\_\_ Officer (give title below) \_\_\_\_ Other (specify below)

VP/MARKETING

SEATTLE, WA 98188

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

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_X\_ 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 Indirect Beneficial Ownership (Instr. 4)
COMMON STOCK 401(K) <sup>(1)</sup>				(A) or (D)			ESOP TRUST
RESTRICTED STOCK UNIT	02/11/2014		A <sup>(3)</sup>	890 A \$ 0	4,210	D	
COMMON STOCK	02/11/2014		A <sup>(4)</sup>	4,600 A \$ 0	15,544	D	
COMMON STOCK	02/11/2014		F <sup>(5)</sup>	1,259 D \$ 77.51	14,285	D	
COMMON STOCK	02/12/2014		S	1,622 D \$ 77.1001	12,663	D	

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

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SEC 1474  
(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 Underlying Security (Instr. 3 and 4)
EMPLOYEE STOCK OPTION (RT TO BUY)	\$ 77.51	02/11/2014		A	1,680	02/11/2015 <sup>(2)</sup> 02/11/2024	COMMON STOCK

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SPRAGUE JOSEPH A 19300 INTERNATIONAL BLVD SEATTLE, WA 98188			VP/MARKETING	

## Signatures

/S/JEANNE E GAMMON, ATTORNEY-IN-FACT FOR JOSEPH A.  
SPRAGUE

02/13/2014

\_\_\_\_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) COMMON SHARES HELD IN THE ALASKA AIR GROUP INC. EMPLOYEE STOCK OWNERSHIP 401(K) PLAN TRUST, AS OF 12/31/13.
- (2) OPTIONS VEST IN 25% INCREMENTS OVER FOUR YEARS (02/11/2015, 02/11/2016, 02/11/2017 AND 02/11/2018).
- (3)

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STOCK UNITS AWARDED UNDER THE ALASKA AIR GROUP, INC. 2008 PERFORMANCE INCENTIVE PLAN ON 2/11/2014 WILL CLIFF VEST ON 2/11/2017. UNITS ARE SUBJECT TO FORFEITURE.

- (4) COMMON SHARES ISSUED UPON ATTAINING PERFORMANCE GOALS SET FOR A THREE-YEAR PERIOD ENDING 12/31/2013 IN ACCORDANCE WITH THE TERMS OF A PERFORMANCE STOCK UNIT AWARD GRANTED ON 2/7/2011 UNDER THE ISSUER'S 2008 PERFORMANCE INCENTIVE PLAN; PER APPROVAL BY THE BOARD'S COMPENSATION COMMITTEE ON 2/11/14.
- (5) COMMON SHARES FORFEITED TO COVER PAYROLL TAXES UPON VESTING OF PERFORMANCE STOCK UNITS ON 02/11/2014.

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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