

ALASKA AIR GROUP, INC.  
Form 4  
April 27, 2016

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2015  
Estimated average burden hours per response... 0.5

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 \*  
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)  
04/25/2016

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
\_\_\_\_ Officer (give title below) \_\_\_\_\_ Other (specify below)  
SR VP/COMM & EXT RELATIONS

SEATTLE, WA 98188

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 Indirect Beneficial Ownership (Instr. 4) |
|--------------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| COMMON STOCK 401(K) <sup>(1)</sup>   |                                      |  |                                | (A)   | 7,049   | I  | ESOP TRUST  |
| RESTRICTED STOCK UNIT <sup>(2)</sup> |                                      |  |                                | (D)   | 6,620   | D  |   |
| COMMON STOCK                         | 04/25/2016                           |  | M                              | 8,800 A   | \$ 15.325 40,101  | D  |   |
| COMMON STOCK                         | 04/25/2016                           |  | S                              | 8,700 <sup>(3)</sup> D  | \$ 75.2683 31,401   | D  |   |
|                                      | 04/25/2016                           |  | S                              | 100 D   | \$ 75.96 31,301   | D  |   |

COMMON STOCK

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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 of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| EMPLOYEE STOCK OPTION (RT TO BUY)          | \$ 15.325  | 04/25/2016                           |  | M                              | 8,800   | 02/07/2012 02/07/2021                                    | COMMON STOCK 8,   |

**Reporting Owners**

| Reporting Owner Name / Address                                    | Relationships |           |                            |       |
|---|---------------|-----------|----------------------------|-------|
|   | Director      | 10% Owner | Officer                    | Other |
| SPRAGUE JOSEPH A<br>19300 INTERNATIONAL BLVD<br>SEATTLE, WA 98188 |               |           | SR VP/COMM & EXT RELATIONS |       |

**Signatures**

/S/ JEANNE E GAMMON, ATTORNEY-IN-FACT FOR JOSEPH A. SPRAGUE  
 04/27/2016  
 \*\*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 12/31/15.

Edgar Filing: ALASKA AIR GROUP, INC. - Form 4

- (2) STOCK UNITS AWARDED UNDER ALASKA AIR GROUP'S 2008 PERFORMANCE INCENTIVE PLAN; SUBJECT TO FORFEITURE.

THE PRICE REPORTED IN COLUMN 4 IS A WEIGHTED AVERAGE PRICE. THESE SHARES SOLD IN MULTIPLE TRANSACTIONS AT PRICES RANGING FROM \$74.880 TO \$75.670, INCLUSIVE. THE REPORTING PERSON UNDERTAKES

- (3) TO PROVIDE TO ALASKA AIR GROUP, ANY SECURITY HOLDER OF ALASKA AIR GROUP, OR THE STAFF OF THE SECURITIES AND EXCHANGE COMMISSION, UPON REQUEST, FULL INFORMATION REGARDING THE NUMBER OF SHARES SOLD AT EACH SEPARATE PRICE WITHIN THE RANGES SET FORTH IN THIS FOOTNOTE.

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.