

ALASKA AIR GROUP, INC.  
 Form 4  
 November 27, 2013

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2015  
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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 \*  
**AYER WILLIAM S**

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)  
**11/25/2013**

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

**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)
RESTRICTED STOCK UNIT (1)					15,645	D	
COMMON STOCK	11/25/2013		M(2)	4,674 A	\$ 13.78 95,776	D	
COMMON STOCK	11/25/2013		S(2)	4,674 (3) D	\$ 78.0081 91,102	D	
COMMON STOCK	11/26/2013		M(2)	100 A	\$ 13.78 91,202	D	
COMMON STOCK	11/26/2013		S(2)	100 D	\$ 78.04 91,102	D	

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.**

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(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 Security (Instr. 3 and 4)	Am or Nun of Sha
EMPLOYEE STOCK OPTION (RT TO BUY)	\$ 13.78	11/25/2013		M <sup>(2)</sup>	4,674	01/29/2010 01/29/2019	COMMON STOCK	4,
EMPLOYEE STOCK OPTION (RT TO BUY)	\$ 13.78	11/26/2013		M <sup>(2)</sup>	100	01/29/2010 01/29/2019	COMMON STOCK	1

**Reporting Owners**

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
AYER WILLIAM S 19300 INTERNATIONAL BLVD SEATTLE, WA 98188	EXECUTIVE CHAIR

**Signatures**

/s/JEANNE E. GAMMON, ATTORNEY IN FACT FOR WILLIAM S. AYER  
 \*\*Signature of Reporting Person  
 11/27/2013  
 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) STOCK UNITS AWARDED UNDER THE 2008 PERFORMANCE INCENTIVE PLAN; NO LONGER SUBJECT TO FORFEITURE.

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- (2) SAME-DAY EXERCISE OF OPTIONS AND SALE EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. AYER ON 9/4/2013.

THE PRICE REPORTED IN COLUMN 4 IS A WEIGHTED AVERAGE PRICE. THESE SHARES SOLD IN MULTIPLE TRANSACTIONS AT PRICES RANGING FROM \$78.00 TO \$78.06, INCLUSIVE. THE REPORTING PERSON UNDERTAKES TO

- (3) 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.