

ALASKA AIR GROUP, INC.
Form 4
December 09, 2016

FORM 4

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

OMB APPROVAL

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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 *
PEDERSEN BRANDON

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)
12/09/2016

____ Director
____ Officer (give title below)
____ 10% Owner
____ Other (specify below)
EXEC VP/FINANCE & CFO

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| RESTRICTED STOCK UNIT (1) | | | | | 13,360 | D | |
| COMMON STOCK | 12/09/2016 | | M(2) | 2,446 A | \$ 38.755 19,351 | D | |
| COMMON STOCK | 12/09/2016 | | M(2) | 1,330 A | \$ 48.945 20,681 | D | |
| COMMON STOCK | 12/09/2016 | | S(5) | 4,681 (6) D | \$ 89.853 16,000 | 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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| EMPLOYEE STOCK OPTION (RT TO BUY) | \$ 38.755 <u>(2)</u> | 12/09/2016 | | M | 2,446 | 02/11/2015 ⁽³⁾ 02/11/2024 | COMMON STOCK |
| EMPLOYEE STOCK OPTION (RT TO BUY) | \$ 48.945 | 12/09/2016 | | M ⁽²⁾ | 1,330 | 05/12/2015 ⁽⁴⁾ 05/12/2024 | COMMON STOCK |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| PEDERSEN BRANDON 19300 INTERNATIONAL BLVD SEATTLE, WA 98188 | | | EXEC VP/FINANCE & CFO | |

Signatures

/S/ JEANNE E. GAMMON, ATTORNEY IN FACT FOR BRANDON S. PEDERSEN
 **Signature of Reporting Person
 Date 12/09/2016

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; SUBJECT TO FORFEITURE.
- (2)

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EXERCISE AND SALE EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. PEDERSEN ON 4/26/2016.

- (3) REMAINING OPTIONS VEST AS FOLLOWS: 2,444 ON 02/11/2017 AND 2,446 ON 02/11/2018.
- (4) REMAINING OPTIONS VEST AS FOLLOWS: 664 ON 05/12/2017 AND 666 ON 05/12/2018.
- (5) SALE OF 3,776 ALK SHARES EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. PEDERSEN ON 4/26/2016.

THE PRICE REPORTED IN COLUMN 4 IS A WEIGHTED AVERAGE PRICE. THESE SHARES SOLD IN MULTIPLE TRANSACTIONS AT PRICES RANGING FROM \$89.231 TO \$90.00, INCLUSIVE. THE REPORTING PERSON UNDERTAKES

- (6) 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.