

LOVELESS KEITH  
Form 4  
November 05, 2012

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
LOVELESS KEITH

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)  
11/01/2012

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
\_\_\_\_ Officer (give title below) \_\_\_\_\_ Other (specify below)  
VP/LEGAL & GENERAL COUNSEL

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)
			Code	V Amount (D)	Price		
COMMON STOCK ESPP (1)					2,220	D	
RESTRICTED STOCK UNIT (2)					12,820 (3)	D	
COMMON STOCK 401(K) (4)					228	I	ESOP TRUST
COMMON STOCK	11/01/2012		M(5)	2,440 A	\$ 16.63 22,998	D	

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COMMON STOCK	11/01/2012	S <sup>(6)</sup>	2,440	D	\$ 39	20,558	D
COMMON STOCK	11/05/2012	M <sup>(6)</sup>	13,420	A	\$ 21.425	33,978	D
COMMON STOCK	11/05/2012	S <sup>(6)</sup>	13,420 <u>(7)</u>	D	\$ 40.0067	20,558	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.**

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 Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title
EMPLOYEE STOCK OPTION (RT TO BUY)	\$ 16.63	11/01/2012		M <sup>(6)</sup>	2,440	02/03/2011 02/03/2020	COMMON STOCK
EMPLOYEE STOCK OPTION (RT TO BUY)	\$ 21.425	11/05/2012		M <sup>(6)</sup>	13,420	01/31/2008 01/31/2017	COMMON STOCK

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
LOVELESS KEITH 19300 INTERNATIONAL BLVD SEATTLE, WA 98188	VP/LEGAL & GENERAL COUNSEL

## Signatures

/s/ Jeanne Gammon Attorney-in-Fact for Keith  
Loveless

11/05/2012

\_\_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) SHARES HELD IN THE ALASKA AIR GROUP EMPLOYEE STOCK PURCHASE PLAN (ESPP) AS OF DECEMBER 31, 2011.

(2) STOCK UNITS AWARDED UNDER THE 2008 PERFORMANCE INCENTIVE PLAN; NOT YET VESTED BUT NO LONGER SUBJECT TO FORFEITURE.

AN ERROR IN THE TOTAL NUMBER OF OUTSTANDING RESTRICTED STOCK UNITS HAS BEEN CORRECTED TO  
(3) RECORD THE CORRECT ADJUSTED NUMBER OF UNITS SUBSEQUENT TO THE TWO-FOR-ONE SPLIT OF ALASKA AIR GROUP'S COMMON STOCK ON MARCH 16, 2012.

(4) SHARES HELD IN THE ALASKA AIR GROUP INC. EMPLOYEE STOCK OWNERSHIP 401(K) PLAN TRUST AS OF DECEMBER 31, 2011.

(5) SAME-DAY EXERCISE OF OPTIONS AND SALE EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. LOVELESS ON 7/30/12.

(6) SAME-DAY EXERCISE OF OPTIONS AND SALE EFFECTED PURSUANT TO A RULE 10b5-1 TRADING PLAN ADOPTED BY MR. LOVELESS ON 7/30/12.

THE PRICE REPORTED IN COLUMN 4 IS A WEIGHTED AVERAGE PRICE. THESE SHARES SOLD IN MULTIPLE TRANSACTIONS AT PRICES RANGING FROM \$40.00 TO \$40.12, INCLUSIVE. THE REPORTING PERSON UNDERTAKES TO  
(7) 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.

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