

ALASKA AIR GROUP, INC.
 Form 4
 February 12, 2015

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 *
 TACKETT SHANE R

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)
 02/10/2015

____ Director _____ 10% Owner
 ____ Officer (give title below) ____ Other (specify below)

VP/LABOR 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) ⁽¹⁾ | | | | | 2,878 | I | ESOP TRUST |
| COMMON STOCK ESPP ⁽²⁾ | | | | | 494 | D | |
| COMMON STOCK | 02/10/2015 | | A ⁽³⁾ | 3,472 A \$ 0 | 7,117 | D | |
| RESTRICTED STOCK UNIT | 02/10/2015 | | A ⁽⁵⁾ | 2,090 A \$ 0 | 8,510 | D | |
| | 02/10/2015 | | F ⁽⁶⁾ | 950 D | 6,167 | D | |

COMMON STOCK \$ 63.51

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

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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) | \$ 65.37 | 02/10/2015 | | A | 1,850 | 02/10/2016 ⁽⁴⁾ 02/10/2025 | COMMON STOCK |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------|-------|
| | Director | 10% Owner | Officer | Other |
| TACKETT SHANE R 19300 INTERNATIONAL BLVD SEATTLE, WA 98188 | | | VP/LABOR RELATIONS | |

Signatures

/S/ JEANNE E GAMMON, ATTORNEY IN FACT FOR SHANE R. TACKETT 02/12/2015

**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 12/31/14.

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- (2) TOTAL COMMON SHARES ACQUIRED AS OF 12/31/2014 AS A PARTICIPANT IN THE ISSUER'S 2010 EMPLOYEE STOCK PURCHASE PLAN.
ALK COMMON SHARES ISSUED UPON ATTAINING PERFORMANCE GOALS SET FOR A THREE-YEAR PERIOD ENDING 12/31/2014, IN ACCORDANCE WITH THE TERMS OF PERFORMANCE STOCK UNITS GRANTED ON 2/14/2012 UNDER THE
- (3) ISSUER'S 2008 PERFORMANCE INCENTIVE PLAN; PER APPROVAL BY THE BOARD'S COMPENSATION COMMITTEE ON 2/10/2015.
- (4) OPTIONS GRANTED VEST IN 25% INCREMENTS OVER FOUR YEARS (02/10/2016, 02/10/2017, 02/10/2018 AND 02/10/2019).
- (5) STOCK UNITS AWARDED UNDER THE ALASKA AIR GROUP, INC. 2008 PERFORMANCE INCENTIVE PLAN ON 2/10/2015 WILL CLIFF VEST ON 2/10/2018. UNITS ARE SUBJECT TO FORFEITURE.
- (6) COMMON SHARES FORFEITED TO COVER PAYROLL TAXES UPON VESTING OF PERFORMANCE STOCK UNITS ON 02/10/2015. AMOUNT PROVIDED IN COLUMN 4 REPRESENTS THE FMV OF THE SHARES ON THE DATE OF FORFEITURE.

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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