

ARCH COAL INC
Form 8-K
November 26, 2012

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): **November 26, 2012 (November 21, 2012)**

Arch Coal, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

1-13105
(Commission File Number)

43-0921172
(I.R.S. Employer Identification No.)

CityPlace One
One CityPlace Drive, Suite 300
St. Louis, Missouri 63141
(Address, including zip code, of principal executive offices)

Registrant's telephone number, including area code: **(314) 994-2700**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Registration Rights Agreement

In connection with the issuance and sale of the Notes, the Company and the Note Guarantors entered into a Registration Rights Agreement, dated November 21, 2012 (the "Registration Rights Agreement"), with the representative of the several initial purchasers of the Notes (collectively, the "Initial Purchasers"). Pursuant to the Registration Rights Agreement, the Company and the Note Guarantors have agreed to file with the Securities and Exchange Commission (the "SEC") an exchange offer registration statement with respect to a proposed offer by the Company and the Note Guarantors to exchange for the Notes a like aggregate principal amount of senior notes identical in all material respects to the Notes exchanged (except for terms relating to additional interest and transfer restrictions) (such notes issued in exchange, the "Exchange Notes"). The Company and the Note Guarantors also

agreed to (i) use commercially reasonable efforts to cause the exchange offer registration statement to be declared effective as soon as practicable after it is filed with the SEC; (ii) complete a registered exchange offer not later than November 21, 2013; and (iii) if required, have a shelf registration statement declared effective with respect to the Notes. If the Company fails to satisfy certain of its obligations under the Registration Rights Agreement, it will be required to pay special interest on the Notes equal to an additional 0.25% per annum during the 90-day period immediately following the occurrence of such default, which will increase by 0.25% per annum at the end of each subsequent 90-day period but in no event will exceed 1.00% per annum.

The Registration Rights Agreement is filed as Exhibit 4.3 to this Current Report on Form 8-K, and this description of the material terms of the Registration Rights Agreement is qualified in its entirety by reference to such exhibit, which is incorporated herein by reference.

Incremental Term Loans

On November 13, 2012, the Company announced that it exercised its option under the terms of its senior secured credit facility to request increases in the aggregate lending commitments and corresponding incremental term loans under the term loan facility in the aggregate of \$250.0 million. On November 21, 2012, the Company and certain wholly owned domestic subsidiaries of the Company named therein (the Loan Guarantors) entered into an Incremental Amendment, dated as of November 21, 2012 (the Incremental Amendment), with the incremental term loan lenders party thereto (collectively, the Incremental Term Lenders), Bank of America, N.A., as Term Loan Administrative Agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated, PNC Capital Markets LLC, Morgan Stanley Senior Funding, Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, BBVA Securities Inc., RBS Securities Inc. and Union Bank, N.A., as Lead Arrangers. Pursuant to the Incremental Amendment, the Incremental Term Loan Lenders agreed to provide \$250.0 million of additional term loans under the Company's term loan facility. In accordance with the terms of the Company's senior secured credit facility, the size of the Company's revolving credit facility has decreased correspondingly from \$600.0 million to \$350.0 million.

The Incremental Amendment is filed as Exhibit 10.1 to this Current Report on Form 8-K, and this description of the material terms of the Incremental Amendment is qualified in its entirety by reference to such exhibit, which is incorporated herein by reference.

Amendments to Senior Secured Credit Facility

On November 21, 2012, the Company and the Loan Guarantors entered into a Second Amendment to Amended and Restated Credit Agreement, dated as of November 21, 2012 (the Second Amendment), amending that certain Credit Agreement, dated as of June 14, 2011 (as amended to date, the Credit Agreement), by and among the Company, as borrower, the Loan Guarantors party thereto, the lenders party thereto and PNC Bank, National Association, as Administrative Agent. The Second Amendment amended the Credit Agreement to add an option allowing the Company to request incremental term loans under the Company's term loan facility or increases to the borrowing limit under the Company's revolving credit facility, in any case in the aggregate of up to \$150.0 million, subject to the terms of the Company's senior secured credit facility relating to overall borrowing limitations. On November 21, 2012, the Company and the Loan Guarantors also entered into a Third Amendment to Amended and Restated Credit Agreement, dated as of November 21, 2012 (the Third Amendment), amending certain of the financial covenants in the Credit Agreement that are applicable to the revolving credit facility thereunder.

The Second Amendment and the Third Amendment are filed as Exhibits 10.2 and 10.3, respectively, to this Current Report on Form 8-K, and this description of the material terms of the Second Amendment and Third Amendment is qualified in its entirety by reference to such exhibits, which are incorporated herein by reference.

**Item 2.03
a Registrant.**

Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of

The disclosure set forth under Item 1.01 above is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibit is attached hereto and furnished herewith.

Exhibit No.	Description
4.1	Indenture, dated as of November 21, 2012, among Arch Coal, Inc., the subsidiary guarantors named therein and UMB Bank National Association, as trustee.
4.2	Form of 9.875% Senior Notes due 2019 (included in Exhibit 4.1).
4.3	Registration Rights Agreement, dated as of November 21, 2012, by and among Arch Coal, Inc., the guarantors party thereto and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as representative of the initial purchasers named therein.
10.1	Incremental Amendment, dated as of November 21, 2012, by and among Arch Coal, Inc., as Borrower, the guarantors party thereto, the incremental term loan lenders party thereto, Bank of America, N.A., as Term Loan Administrative Agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated, PNC Capital Markets LLC, Morgan Stanley Senior Funding, Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, BBVA Securities Inc., RBS Securities Inc. and Union Bank, N.A., as Lead Arrangers, as Lead Arrangers.
10.2	Second Amendment to Amended and Restated Credit Agreement, dated as of November 21, 2012, by and among Arch Coal, Inc., as Borrower, the guarantors party thereto, the lenders party thereto, Bank of America, N.A., as Term Loan Administrative Agent, and PNC Bank, National Association, as Revolver Administrative Agent.
10.3	Third Amendment to Amended and Restated Credit Agreement, dated as of November 21, 2012, by and among Arch Coal, Inc., as Borrower, the guarantors party thereto, the revolver lenders party thereto and PNC Bank, National Association, as Revolver Administrative Agent.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: November 26, 2012

Arch Coal, Inc.

By:

/s/ Robert G. Jones
Robert G. Jones
Senior Vice President Law, General Counsel and
Secretary

Exhibit Index

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