

ARCH COAL INC
Form 8-K
July 02, 2013

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): **July 2, 2013 (June 27, 2013)**

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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respect of the Transaction, to refinance certain existing indebtedness of CFC and to pay fees, premiums, expenses and other transaction costs incurred in connection with the Transaction.

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Pursuant to an equity purchase agreement dated June 27, 2013, a third party has committed to provide an affiliate of Bowie, at the closing of the transaction contemplated by such agreement and simultaneously with the consummation of the Transaction, an aggregate amount of up to \$88,900,000, on the terms and subject to the conditions set forth in such agreement.

Morgan Stanley Senior Funding, Inc., Deutsche Bank Securities Inc. and Deutsche Bank AG New York Branch (collectively, the Financing Sources) have committed to provide in connection with the Transaction a \$35 million revolving credit facility, a \$335 million first lien term loan facility and a \$121 million second lien term loan facility, on the terms and subject to the conditions set forth in the debt commitment letter from the Financing Sources dated June 27, 2013.

In the event that the Transaction is consummated, each party has agreed to indemnify the other party and its affiliates and their respective officers and directors for breaches of the first party's representations, warranties and covenants set forth in the Purchase Agreement. The representations and warranties made by Arch are generally subject to an 18 month survival period, subject to certain exceptions. Arch's indemnification obligations for breaches of these representations and warranties are subject to a threshold amount of \$3,000,000 (after which all indemnified losses are reimbursable) and a maximum liability cap of \$55,000,000.

The foregoing description of the Purchase Agreement and the transactions contemplated thereby does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Purchase Agreement attached hereto as Exhibit 2.1, which is incorporated herein by reference. The Purchase Agreement has been incorporated herein by reference to provide information regarding the terms of the Purchase Agreement and is not intended to modify or supplement any factual disclosures about Arch in any public reports filed with the U.S. Securities and Exchange Commission (the SEC). In particular, the assertions embodied in the representations, warranties and covenants contained in the Purchase Agreement were made only for the purposes of such agreement, were solely for the benefit of the parties to the Purchase Agreement, and may be subject to limitations agreed upon by the contracting parties, including being qualified by information in confidential disclosure schedules provided by the parties to each other in connection with the signing of the Purchase Agreement. These disclosure schedules contain information that modifies, qualifies and creates exceptions to the representations and warranties set forth in the Purchase Agreement. Moreover, the representations and warranties in the Purchase Agreement were used for the purpose of allocating risk between Arch and Bowie, rather than establishing matters of fact. Accordingly, the representations and warranties in the Purchase Agreement may not constitute the actual state of facts about Arch or CFC, as applicable. The representations and warranties set forth in the Purchase Agreement may also be subject to a contractual standard of materiality different from that generally applicable to investors under federal securities laws. Therefore, the Purchase Agreement is included with this filing only to provide investors with information regarding the terms of the Purchase Agreement, and not to provide investors with any other factual information regarding the parties thereto or their respective businesses. The Purchase Agreement should not be read alone, but should instead be read in conjunction with the other information regarding Arch that is or will be contained in, or incorporated by reference into, the Annual Reports on Form 10-K, Current Reports on Form 10-Q and other documents that Arch files with the SEC.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are attached hereto and filed herewith.

Description

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**Exhibit
No.**

2.1 Unit Purchase Agreement dated June 27, 2013.

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: July 2, 2013

Arch Coal, Inc.

By:

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

Exhibit Index

| Exhibit No. | Description |
|--------------------|---|
| 2.1 | Unit Purchase Agreement dated June 27, 2013 |

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