

ARCH COAL INC
Form 8-K
March 01, 2011

**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): March 1, 2011 (February 23, 2011)

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.) |
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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

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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Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers

On February 23, 2011, the Board of Directors of Arch Coal, Inc. (the Company) increased the size of the Board of Directors to fourteen and elected, effective immediately, Governor David D. Freudenthal, 60, to fill the newly-created vacancy. Governor Freudenthal will serve as a Class III director, with his term expiring at the 2012 annual meeting of stockholders of the Company, and will serve on the board's audit committee and its energy and environmental policy committee.

Governor Freudenthal has nearly 25 years of public service experience, most recently serving two terms as the governor of Wyoming. Formerly, he served as the U.S. Attorney for Wyoming for more than six years. During his tenure in private practice, Governor Freudenthal specialized in providing strategic legal counsel in the areas of natural resources, environmental and business law. He started his career as an economist in Wyoming's Department of Economic Planning and Development.

In accordance with the Company's non-employee director compensation plan, Governor Freudenthal will receive a new director fee equal to \$60,000, as well as an annual retainer of \$120,000. Pursuant to the Company's deferred compensation plan, 100% of the new director fee and 50% of the annual retainer is required to be deferred into a hypothetical investment in the Company's common stock in order to more closely align the interests of the Company's directors with the long-term interests of stockholders. In addition, the Company's directors receive additional annual committee retainer fees equal to \$15,000 for serving on the Audit Committee and \$10,000 for serving on any other board committee.

Governor Freudenthal will also be eligible to participate in the Company's deferred compensation plan and other compensation arrangements for non-employee directors, and is subject to the stock ownership guidelines for non-employee directors, described under the heading Director Compensation for the Year Ended December 31, 2009 in the Company's proxy statement filed with the Securities and Exchange Commission on March 22, 2010. Governor Freudenthal has entered into an indemnification agreement with the Company, effected as of February 23, 2011, substantially in the form attached as Exhibit 10.40 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2010.

Item 7.01 Regulation FD Disclosure.

On February 23, 2011, the Company issued a press release announcing the election described above. A copy of the press release is furnished as Exhibit 99.1 hereto and is hereby incorporated by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibit is attached hereto and furnished herewith.

| Exhibit No. | Description |
|-------------|--|
| 99.1 | Press release dated February 23, 2011. |

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: March 1, 2011

Arch Coal, Inc.

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

2

Exhibit Index

| Exhibit | No. | Description |
|---------|--|-------------|
| 99.1 | Press release dated February 23, 2011. | |