

ARCH COAL INC
Form 11-K
June 26, 2014
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 11-K

(Mark One)

Annual Report Pursuant to Section 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2013

OR

Transition Report Pursuant to Section 15(d) of the Securities Exchange Act of 1934

For the transition period from to .

Commission file number: 1-13105

Arch Coal, Inc. Employee Thrift Plan

(Full title of the plan and the address of the plan, if different from that of the issuer named below)

Name and Address of the issuer of the Securities
Held Pursuant to the Plan

Arch Coal, Inc.

One CityPlace Drive, Suite 300

St. Louis, Missouri 63141

(Name of issuer of the securities held pursuant to the plan and the address of its principal executive office)

Table of Contents

Contents

	Page
<u>Report Of Independent Registered Public Accounting Firm</u>	1
Financial Statements	
<u>Statement Of Net Assets Available For Benefits</u>	2
<u>Statement Of Changes In Net Assets Available For Benefits</u>	3
<u>Notes To Financial Statements</u>	4 - 16
Supplementary Information	
<u>Report Of Independent Registered Public Accounting Firm On Supplementary Information</u>	17
<u>Schedule Of Assets Held At End Of Year</u>	18 - 19

Table of Contents

Report Of Independent Registered Public

Accounting Firm

The Retirement Committee

Arch Coal, Inc. Employee Thrift Plan

St. Louis, Missouri

We have audited the accompanying statement of net assets available for benefits of the Arch Coal, Inc. Employee Thrift Plan (the Plan) as of December 31, 2013 and 2012, and the related statement of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2013 and 2012, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

/s/ RubinBrown LLP
St. Louis, Missouri
June 26, 2014

Table of Contents

ARCH COAL, INC. EMPLOYEE THRIFT PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2013	2012
Assets		
Investments, At Fair Value		
Mutual funds	\$ 206,956,923	\$ 183,527,248
Stable value fund	105,864,403	114,032,035
Company stock	17,580,458	23,324,416
Collective trust funds	197,420,006	184,188,130
Brokerage securities	13,397,056	13,011,804
Total Investments, At Fair Value	541,218,846	518,083,633
Receivables		
Notes receivable from participants	28,032,930	29,767,784
Company contributions	47,290	
Participant contributions	54,588	
Total Receivables	28,134,808	29,767,784
Net Assets Reflecting Investments At Fair Value	569,353,654	547,851,417
Adjustment From Fair Value To Contract Value For Fully Benefit-Responsive Investment Contracts	(1,584,347)	(4,400,632)
Net Assets Available For Benefits	\$ 567,769,307	\$ 543,450,785

See the accompanying notes to financial statements.

Table of Contents

ARCH COAL, INC. EMPLOYEE THRIFT PLAN

STATEMENT OF CHANGES IN NET ASSETS

AVAILABLE FOR BENEFITS

	For The Years Ended December 31,	
	2013	2012
Additions To Net Assets Attributed To:		
Contributions		
Participant salary deferral	\$ 32,155,240	\$ 34,876,202
Company	25,179,450	27,299,004
Participant after-tax	1,698,613	1,820,034
Rollover	960,431	1,772,330
Total Contributions	59,993,734	65,767,570
Deductions From Net Assets Attributed To:		
Benefits paid directly to participants	109,293,476	75,412,796
Administrative fees	830,328	671,608
Total Deductions	110,123,804	76,084,404
Investment Income		
Dividends and interest	11,170,027	9,859,399
Net appreciation in fair value of investments	62,254,893	27,100,271
Net Investment Income	73,424,920	36,959,670
Interest Income On Notes Receivable From Participants	1,023,672	1,109,137
Net Increase	24,318,522	27,751,973
Net Assets Available For Benefits - Beginning Of Year	543,450,785	515,698,812
Net Assets Available For Benefits - End Of Year	\$ 567,769,307	\$ 543,450,785

See the accompanying notes to financial statements.

Table of Contents

ARCH COAL, INC. EMPLOYEE THRIFT PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2013 And 2012

1. Description Of The Plan

The Arch Coal, Inc. Employee Thrift Plan (the Plan) was established by Arch Coal, Inc. (the Company) for the benefit of the eligible employees of the Company, its subsidiaries and controlled affiliates.

The following description of the Plan provides only general information. Participants should refer to the Plan Document for a more complete description of the Plan's provisions.

Certain provisions of the Plan, as described below, do not apply to or have been modified for certain subsidiaries and affiliates of the Company.

General

The Plan is a defined contribution plan that covers substantially all salaried employees, nonunion hourly employees, and certain union employees where specified by applicable collective bargaining agreements of the Company, its subsidiaries, and any controlled affiliates that elect to participate in the Plan. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Participants may elect to defer between 1% and 50% of compensation. Highly compensated employees may contribute up to 16% of compensation. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). The Company is required to make matching contributions to all participants equal to 100% of the participant salary deferral contributions up to the first 6% of eligible compensation, with the exception of participants who are hourly eligible employees of Mountain Laurel, who instead, receive a fixed 8% employer contribution.

The Plan includes an automatic enrollment provision for all eligible employees. The automatic enrollment provides for default salary deferral contributions of 6% of eligible compensation, which will be invested in a target retirement fund. The participant has the option to make changes to the salary deferral percentage and investment allocation at any time.

Table of Contents

ARCH COAL, INC. EMPLOYEE THRIFT PLAN

Notes To Financial Statements (*Continued*)

Participant Accounts

Each participant's account is credited with the participant's salary deferral and rollover contributions; the Company's matching contribution, and Company discretionary contributions, if applicable, and an allocation of Plan earnings. The allocation of earnings is determined by the earnings of the participant's investment selection based on each participant's account balance, as defined in the Plan Document. In addition, each participant's account is charged for applicable Plan expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are fully vested in their salary deferral and rollover contributions plus actual earnings. All eligible employees of the Company at December 31, 1997 became fully vested in the Plan. Eligible employees hired subsequent to December 31, 1997 vest in Company contributions and earnings upon the completion of three full years of service. The hourly employees at Mountain Laurel are fully vested after the completion of two full years of service. Former participants in the International Coal Group, Inc. 401(k) Savings and Retirement Plan (which merged into the Plan as of January 1, 2012) are 20% vested after the completion of one year of service, 40% vested after the completion of two years of service, and 100% vested after the completion of three years of service.

All participants become fully vested upon death while employed, total disability, or normal retirement age, regardless of the number of months of participation.

Notes Receivable From Participants

Active participants, with some exceptions, may borrow from their account a minimum of \$500 or up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balances. Note terms range from one to five years or up to fifteen years for the purchase of a primary residence. The notes are secured by the balance in the participant's account and bear interest at the prime rate listed in the Wall Street Journal on the first day of the month the loan is processed. Principal and interest are paid ratably through weekly and bi-weekly payroll deductions. At December 31, 2013, interest rates on the notes receivable range from 3.25% to 9.25%. The final installments are due at various dates through December 2028.

Payment Of Benefits

Edgar Filing: ARCH COAL INC - Form 11-K

Upon death, termination of service, retirement, or attainment of age 70-1/2, a participant may receive a lump-sum amount equal to the value of the participant's vested interest in his or her account. Participant accounts with vested balances of \$1,000 or less will be automatically distributed unless otherwise instructed.

Table of Contents

ARCH COAL, INC. EMPLOYEE THRIFT PLAN

Notes To Financial Statements (*Continued*)

In-Service Withdrawals

Subject to certain qualifications, upon reaching age 59-1/2 or upon experiencing a qualifying financial hardship, a participant may withdraw all or part of his or her vested account. Hardship withdrawals will be approved only if they conform to the Plan provisions and established Internal Revenue Service (IRS) safe harbors. A participant (excluding hourly employees of Mountain Laurel) may also withdraw all or part of his or her vested portion of Company contributions if he or she has participated in the Plan for at least three consecutive years. A participant may withdraw after-tax participant contributions after he or she has participated in the Plan for 12 months.

Forfeited Accounts

Forfeited amounts of Company contributions are used to offset future Company contributions to the Plan. At December 31, 2013 and 2012, forfeited amounts that were available to reduce future Company contributions were \$421,538 and \$529,830, respectively. During the Plan years ended December 31, 2013 and 2012, \$1,143,242 and \$1,304,971, respectively, in forfeited funds were used to offset Company contributions.

Investment Options

Upon enrollment in the Plan, a participant may direct contributions in a number of investment options offered by the Plan.

Administrative Expense

Generally, all expenses related to the administration of the Plan are paid from Plan assets. Fees related to the administration of notes receivable from participants and investment advisory services are charged directly to the participant's account and are included in administrative expenses.

Reclassifications

The money market fund with a balance of \$2,984,948 as reported in the 2012 financial statements has been reclassified to brokerage securities to conform to the 2013 financial statement presentation.

2. Summary Of Significant Accounting Policies

Basis Of Accounting

The financial statements of the Plan are prepared under the accrual basis of accounting.

Table of Contents

ARCH COAL, INC. EMPLOYEE THRIFT PLAN

Notes To Financial Statements (*Continued*)

Estimates And Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of additions to and deductions from net assets during the reporting period. Actual results could differ from those estimates.

Investment Valuation And Income Recognition

The Plan's investments are reported at fair value. Fair value is the price that would be received in an asset sale or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for a discussion of fair value measurements.

Interest income is recorded as earned on the accrual basis. Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in fully-benefit responsive investment contracts through its investment in the Invesco Stable Value Fund. The statement of net assets available for benefits presents the fair value of the investment contracts, as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis.

Notes Receivable From Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant notes are reclassified as distributions based upon the terms of the Plan Document.

Payment Of Benefits

Benefits are recorded when paid.

Table of Contents**ARCH COAL, INC. EMPLOYEE THRIFT PLAN**

Notes To Financial Statements (Continued)

3. Investments

The Company has established a Retirement Committee to oversee the activities of the Plan and has appointed the Vice President - Human Resources as the Plan Administrator. Mercer Fiduciary Trust Company and Mercer HR Services (collectively, Mercer) is the Trustee and Recordkeeper for the Plan, respectively.

Investments consist of the following:

	December 31,	
	2013	2012
Mutual Funds		
American Century Income and Growth Fund	\$ 17,101,555	\$ 15,518,412
Growth Fund of America	37,297,808*	32,737,951*
Investment Company of America Fund	4,992,119	4,866,315
Royce Special Equity Fund	6,624,016	5,667,186
Dodge & Cox Balanced Fund	55,615,532*	55,330,214*
Franklin Templeton Balance Sheet Fund	14,335,935	12,039,823
Harding Loevner International Equity Fund	36,516,640*	
Artio International Equity Fund		13,483,922
PIMCO Total Return Fund	24,382,429	34,624,865*
Jennison Mid Cap Growth Fund	10,090,889	9,258,560
Total Mutual Funds	206,956,923	183,527,248
Stable Value Fund		
(At Contract Value)	104,280,056*	109,631,403*
Company Stock		
	17,580,458	23,324,416
Collective Trust Funds		
Wells Fargo Dow Jones Target Today	429,823	1,447,763
Wells Fargo Dow Jones Target 2010	2,163,860	4,046,108
Wells Fargo Dow Jones Target 2015	4,958,956	5,266,458
Wells Fargo Dow Jones Target 2020	22,331,080	26,320,025
Wells Fargo Dow Jones Target 2025	10,970,523	10,031,586
Wells Fargo Dow Jones Target 2030	18,972,674	16,951,995
Wells Fargo Dow Jones Target 2035	12,701,989	11,681,474
Wells Fargo Dow Jones Target 2040	20,770,249	17,978,142
Wells Fargo Dow Jones Target 2045	17,280,675	15,008,440
Wells Fargo Dow Jones Target 2050	18,221,547	14,588,444
Northern Trust Collective Daily S&P 500 Equity Index Fund	68,618,630*	60,867,695*
Total Collective Trust Funds	197,420,006	184,188,130

Edgar Filing: ARCH COAL INC - Form 11-K

Brokerage Securities	13,397,056	13,011,804
	\$ 539,634,499	\$ 513,683,001

*Investment represents 5% or more of net assets available for benefits.

Table of Contents**ARCH COAL, INC. EMPLOYEE THRIFT PLAN**Notes To Financial Statements (*Continued*)

During 2013 and 2012, the Plan's investments, including gains and losses on investments bought and sold, as well as held during the year, appreciated (depreciated) in value as follows:

	2013	2012
Mutual funds	\$ 34,840,551	\$ 19,982,259
Company stock	(9,541,677)	(13,615,918)
Collective trust funds	37,004,025	21,518,125
Brokerage securities	(48,006)	(784,195)
	\$ 62,254,893	\$ 27,100,271

Stable Value Fund

The Plan invests in the Invesco Stable Value Fund (the Fund), a benefit-responsive investment managed exclusively for the Plan by Invesco Institutional, N.A. (Invesco). Invesco maintains the contributions in a managed account, which is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The Fund's key objectives are to provide preservation of principal, maintain a stable interest rate, and provide daily liquidity at contract value for participant withdrawals and transfers in accordance with the provisions of the Plan.

The Fund invests in synthetic guaranteed investment contracts (GICs), which are wrap contracts paired with an underlying investment or investments, usually a portfolio, owned by the Plan, of common collective trust funds. The Fund purchases wrapper contracts from financial services institutions. Synthetic GICs credit a stated interest rate for a specified period of time. Investment gains and losses are amortized over the expected duration through the calculation of the interest rate applicable to the Plan on a prospective basis. Synthetic GICs provide for a variable crediting rate, which typically resets monthly and quarterly, and the issuer of the wrap contract provides assurance that future adjustments to the crediting rate cannot result in a crediting rate less than zero. The crediting rate is primarily based on the current yield-to-maturity of the covered investments, plus or minus amortization of the difference between the market value and contract value of the covered investments over the duration of the covered investments at the time of the computation. The crediting rate is most affected by the change in the annual effective yield-to-maturity of the underlying securities, but is also affected by the difference between the contract value and the market value of the covered investments. Depending on the change in duration from reset period to reset period, the magnitude of the impact to the crediting rate of the contract to market difference is heightened or lessened.

Table of Contents

ARCH COAL, INC. EMPLOYEE THRIFT PLAN

Notes To Financial Statements (*Continued*)

As described in Note 2, because the Fund is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the Fund. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) material, adverse amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), or (2) the decision by the Company to withdraw all assets from the funds and reinvest in another investment vehicle. The Plan Administrator does not believe that the occurrence of any such value event, which would limit the Plan's ability to transact at contract value with participants, is probable.

The investment contracts included in the Fund had an average yield of 1.3% and 0.8% for the years ended December 31, 2013 and 2012, respectively. The average crediting interest rate was 1.55% and 1.78% at December 31, 2013 and 2012, respectively.

Collective Trust Funds

Equity Index Fund

The Plan invests in a collective trust fund of which the primary objective is to approximate the risk and return of the S&P 500 Index. This index is commonly used to represent the large cap segment of the U.S. equity market. The Plan does not have any unfunded commitments relating to its investments or any significant restrictions on redemptions. Participant-directed redemptions can be made on any business day and do not have a redemption notice period.

Target Date Funds

The Plan invests in collective trust funds in which the primary objective is to approximate the risk and return of the Dow Jones Target Index Funds. The funds invest in a combination of equity, fixed income and money market securities using an asset allocation strategy. The Plan does not have any unfunded commitments relating to their investments or any significant restrictions on redemptions. Participant-directed redemptions can be made on any business day and do not have a redemption notice period.

Edgar Filing: ARCH COAL INC - Form 11-K

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Table of Contents

ARCH COAL, INC. EMPLOYEE THRIFT PLAN

Notes To Financial Statements (*Continued*)

Following is a description of the valuation methodologies used for assets measured at fair value:

Money Market Fund And Mutual Funds

Valued at the daily closing price as reported by the fund. The funds held by the Plan are open-end funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The funds held by the Plan are deemed to be actively traded.

Stable Value Fund

Valued at NAV based on the market value of the underlying investment assets divided by the number of units outstanding at the end of the Plan year. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The fund seeks to provide preservation of principal, maintain a stable interest rate and provide daily liquidity at contract value for participant withdrawals and transfers in accordance with the provisions of the Plan.

Collective Trust Funds

Valued at the NAV of units of a collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

Company Stock And Brokerage Securities

Valued at the closing price reported on the active market on which the individual securities are traded.

The methods described above may produce fair value calculations that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value

measurement at the reporting date.

Table of Contents**ARCH COAL, INC. EMPLOYEE THRIFT PLAN**

Notes To Financial Statements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's investments at fair value as of:

	December 31, 2013			
	Level 1	Level 2	Level 3	Total
Mutual funds				
Growth funds	\$ 90,529,353	\$	\$	\$ 90,529,353
Balanced fund	55,615,532			55,615,532
Blended funds	4,992,119			4,992,119
Value funds	31,437,490			31,437,490
Income fund	24,382,429			24,382,429
Total mutual funds	206,956,923			206,956,923
Collective trust funds				
Target date funds		128,801,376		128,801,376
Equity index fund		68,618,630		68,618,630
Total collective trust funds		197,420,006		197,420,006
Stable value fund				
Collective trust funds		101,272,934		101,272,934
Money market fund	4,556,116			4,556,116
Other		35,353		35,353
Total stable value fund	4,556,116	101,308,287		105,864,403
Company stock	17,580,458			17,580,458
Brokerage securities				
Money market fund	3,418,206			3,418,206
Corporate stocks				
Consumer goods	647,680			647,680
Financial	211,707			211,707
Services	611,911			611,911
Basic materials	1,576,668			1,576,668
Industrial goods	239,492			239,492
Technology	362,083			362,083
Healthcare	197,999			197,999
Utilities	56,015			56,015
Other	2,097,601			2,097,601
Mutual funds				
Growth funds	1,293,646			1,293,646
Balanced fund	235,397			235,397
Blended funds	63,731			63,731
Value funds	871,425			871,425
Income funds	15,790			15,790
Other funds	1,497,705			1,497,705
Total brokerage securities	13,397,056			13,397,056
Total investments at fair value	\$ 242,490,553	\$ 298,728,293	\$	\$ 541,218,846

Table of Contents**ARCH COAL, INC. EMPLOYEE THRIFT PLAN**

Notes To Financial Statements (Continued)

	December 31, 2012			
	Level 1	Level 2	Level 3	Total
Mutual funds				
Growth funds	\$ 47,663,697	\$	\$	\$ 47,663,697
Balanced fund	55,330,214			55,330,214
Blended funds	18,350,237			18,350,237
Value funds	27,558,235			27,558,235
Income fund	34,624,865			34,624,865
Total mutual funds	183,527,248			183,527,248
Collective trust funds				
Target date funds		123,320,435		123,320,435
Equity index fund		60,867,695		60,867,695
Total collective trust funds		184,188,130		184,188,130
Stable value fund				
Collective trust funds		102,325,171		102,325,171
Money market fund	11,674,414			11,674,414
Other		32,450		32,450
Total stable value fund	11,674,414	102,357,621		114,032,035
Company stock	23,324,416			23,324,416
Brokerage securities				
Money market fund	2,984,948			2,984,948
Corporate stocks				
Consumer goods	629,628			629,628
Financial	165,105			165,105
Services	572,321			572,321
Basic materials	1,846,749			1,846,749
Industrial goods	199,049			199,049
Technology	374,054			374,054
Healthcare	164,476			164,476
Utilities	74,765			74,765
Other	2,162,703			2,162,703
Mutual funds				
Growth funds	949,191			949,191
Balanced fund	602,078			602,078
Blended funds	85,181			85,181
Value funds	605,413			605,413
Income funds	343,157			343,157
Other funds	1,252,986			1,252,986
Total brokerage securities	13,011,804			13,011,804
Total investments at fair value	\$ 231,537,882	\$ 286,545,751	\$	\$ 518,083,633

There have been no changes in the methodologies used at December 31, 2013 or 2012.

Table of Contents

ARCH COAL, INC. EMPLOYEE THRIFT PLAN

Notes To Financial Statements (*Continued*)

4. Plan Termination

Although it has not expressed intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

5. Income Tax Status

The Plan obtained its latest determination letter on December 16, 2013 in which the IRS stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan Administrator believes the Plan and the related continue to be tax exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan's federal tax returns for tax years 2010 and later remain subject to examination by taxing authorities.

6. Risks And Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statement of Net Assets Available For Benefits.

Table of Contents**ARCH COAL, INC. EMPLOYEE THRIFT PLAN**Notes To Financial Statements (*Continued*)**7. Related Party And Party-In-Interest Transactions**

The Plan's investments include shares of Company common stock. The Company is the Plan Sponsor. The Plan also has service agreements with Mercer to provide various administrative and trust services. These transactions qualify as allowable party-in-interest transactions.

8. Reconciliation Of Financial Statements To Form 5500

Following is a reconciliation of net assets available for benefits and net increase per the financial statements to the Form 5500:

	December 31,	
	2013	2012
Net assets available for benefits per the financial statements	\$ 567,769,307	\$ 543,450,785
Adjustment from contract value to fair value for fully benefit-responsive contracts	1,584,347	4,400,632
Net Assets Available For Benefits Per The Form 5500	\$ 569,353,654	\$ 547,851,417

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements to the Form 5500 for the year ended December 31, 2013:

Net increase per the financial statements	\$ 24,318,522
Adjustment from contract value to fair value for fully benefit-responsive contracts - prior year	(4,400,632)
Adjustment from contract value to fair value for fully benefit-responsive contracts - current year	1,584,347
Net Income Per The Form 5500	\$ 21,502,237

Table of Contents

**Report Of Independent Registered Public
Accounting Firm On Supplementary Information**

The Retirement Committee

Arch Coal, Inc. Employee Thrift Plan

St. Louis, Missouri

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held at end of year is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ RubinBrown LLP

St. Louis, Missouri

June 26, 2014

Table of Contents

ARCH COAL, INC. EMPLOYEE THRIFT PLAN

E.I.N.: 43-0921172 PLAN NO.: 006

SCHEDULE OF ASSETS HELD AT END OF YEAR

Page 1 Of 2

December 31, 2013

Identity Of Issuer	Description Of Investment	Current Value
Mutual Funds		
American Century	American Century Income and Growth Fund	\$ 17,101,555
American Fund Corporation	Growth Fund of America	37,297,808
American Fund Corporation	Investment Company of America	4,992,119
Royce	Royce Special Equity Fund	6,624,016
Dodge & Cox Funds	Dodge & Cox Balanced Fund	55,615,532
Franklin Investments	Franklin Templeton Balance Sheet Fund	14,335,935
Harding Loevner	Harding Loevner International Equity Fund	36,516,640
PIMCO Investments	PIMCO Total Return Fund	24,382,429
Jennison Investments	Jennison Mid Cap Growth Fund	10,090,889
Total Mutual Funds		206,956,923
Company Stock		
Arch Coal, Inc.*	Common stock	17,580,458
Collective Trust Funds		
Wells Fargo	Wells Fargo Dow Jones Target Today	429,823
Wells Fargo	Wells Fargo Dow Jones Target 2010	2,163,860
Wells Fargo	Wells Fargo Dow Jones Target 2015	4,958,956
Wells Fargo	Wells Fargo Dow Jones Target 2020	22,331,080
Wells Fargo	Wells Fargo Dow Jones Target 2025	10,970,523
Wells Fargo	Wells Fargo Dow Jones Target 2030	18,972,674
Wells Fargo	Wells Fargo Dow Jones Target 2035	12,701,989
Wells Fargo	Wells Fargo Dow Jones Target 2040	20,770,249
Wells Fargo	Wells Fargo Dow Jones Target 2045	17,280,675
Wells Fargo	Wells Fargo Dow Jones Target 2050	18,221,547
Northern Trust	Collective Daily S&P 500 Equity Index Fund	68,618,630
Total Collective Trust Funds		197,420,006
Brokerage Securities		
Mercer Securities*	Mercer Securities Account (Participant Directed Brokerage Accounts)	13,397,056
Balance Carried Forward		435,354,443

Table of Contents

ARCH COAL, INC. EMPLOYEE THRIFT PLAN

E.I.N.: 43-0921172 PLAN NO.: 006

SCHEDULE OF ASSETS HELD AT END OF YEAR

Page 2 Of 2

December 31, 2013

Identity Of Issuer	Description Of Investment	Current Value
Balance Brought Forward		\$ 435,354,443
Stable Value Fund		
AGL	IGT Invesco Intermediate Government/Credit Fund	2,263,835
AGL	IGT Invesco Short Duration Fund	11,323,950
AGL	IGT Jennison 1-5 Year Government Credit Fund	9,076,067
ING Life & Annuity	IGT Invesco Short-Term Bond Fund	19,600,362
ING Life & Annuity	IGT ING Short Duration	6,158,854
Monumental Life Insurance Co.	IGT Invesco Short-Term Bond Fund	14,187,821
Monumental Life Insurance Co.	IGT Invesco Core Fixed Income Fund	2,902,551
Monumental Life Insurance Co.	IGT BlackRock Core Fixed Income Fund	2,898,896
Monumental Life Insurance Co.	IGT Goldman Sachs Core	2,907,507
Monumental Life Insurance Co.	IGT PIMCO Core Fixed Income Fund	2,890,308
Monumental Life Insurance Co.	Wrapper Contract	35,353
Prudential Insurance Company	IGT Jennison Intermediate Government/Credit Fund	9,035,424
Prudential Insurance Company	IGT Invesco Intermediate Government/Credit Fund	9,030,531
Prudential Insurance Company	IGT PIMCO Intermediate Government/Credit Fund	8,996,828
State Street Bank & Trust Co.	Money Market Fund	4,556,116
Total Stable Value Fund		105,864,403
Plan Participants*	Notes receivable, bearing interest at 3.25% - 9.25%, due at various dates through December 2028	28,032,930
Total		\$ 569,251,776

* Represents party-in-interest

The above information is a required disclosure for IRS Form 5500, Schedule H, Part IV, line 4i.

Table of Contents

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on their behalf by the undersigned thereunto duly authorized.

Arch Coal, Inc. Employee Thrift Plan

By: /s/ Allen R. Kelley
Allen R. Kelley
Plan Administrator

June 26, 2014

Table of Contents

Exhibit Index

Exhibit	Description
23.1	Consent of Independent Registered Public Accounting Firm
