Benefits After Retirement

Memo

To: New Hires/Rehires Hired on or After 01/01/01

From: Ilene Knobler

Date: January 1, 2001

Subject: Retiree Welfare Benefit Program

Effective January 1, 2001, for purposes of being eligible for the Retiree Welfare Benefit program, new hires begin to accrue credited service at age 45 or older. The eligibility criteria of being at least age 55 with at least 10 years of continuous service will still apply. However, any prior years of service, if any, with the Company before age 45 will not count towards years of service nor will any breaks in service count on or after age 45.

For purposes of the Retiree Welfare Benefit program, years of service begin to accrue on or after age 45 and a minimum of ten years of credited service is required. The new Summary Plan Description (SPD) due in the first half of 2001 will reflect this new change.

Although it is the Company's current intent to continue this benefit, the Company reserves the right to amend or terminate the plan, in whole or part, at any time.

Please let your local HR Representative or me know if you have any questions.

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Introduction

Once you retire from active employment with the Company, the benefit package provided to you is significantly different from those benefits offered during your active employment. The Company currently offers a package of retirement benefits consisting of:

- The Arch Coal, Inc. Retirement Account Plan.
- A competitive package of employee welfare benefits (the "***Retiree Welfare Benefit Program***").

For more information about the Arch Coal, Inc. Retirement Account Plan, please consult the Retirement Plan section of this binder.

The Retiree Welfare Benefit Program consists of a ***Retiree Medical Plan*** and a ***Retiree Life Insurance Plan***. Both of these plans are discussed in this section of this binder.

The Retiree Welfare Benefit Program has been adopted with the intention that it will be continued for the benefit of present and future retirees of the Company. However, the Company reserves the right to terminate the Retiree Welfare Benefit Program, change the required contributions, or modify the Retiree Welfare Benefit Program, in whole or part, at any time and for any reason, including changes to any or all of the benefits provided. This may cause employees or retirees to lose all or a portion of their benefits under the Retiree Welfare Benefit Program.

This means that an employee or a retiree does not have a lifetime right to any Retiree Welfare Benefit Program benefit or to the continuation of the Program simply because this Retiree Welfare Benefit Program is in existence at any time during or after the employee's active employment.

Eligibility

To be eligible for the Retiree Welfare Benefit Program, you must satisfy one of the following "qualifying events":

- **Current retiree/long-term disability:** You are a retiree who became eligible for retiree welfare benefits before January 1, 1998, or a salaried employee who was receiving long-term disability benefits and eligible for retiree welfare benefits before January 1, 1998.
- **Retirement:** You are an employee with at least 10 "years of service" (as defined on page 2) and elect retirement from active employment with the Company at age 55 or older.
- **Death:** You are the surviving spouse of an employee who, on the date of his or her death, 1) was age 55 or older and eligible for retirement, 2) would have been eligible for benefits under the Retiree Welfare Benefit Program, if he or she had elected retirement immediately prior to his or her death, and 3) was enrolled for family coverage under the Medical Plan for active employees.

- **Disability**: You are a salaried employee having at least two years of service who became eligible to receive long-term disability benefits on or after January 1, 1998.

For the purposes of the Retiree Welfare Benefit Program, a "year of service" means each 12-consecutive-month period, beginning with your hire date, during which you were continuously employed full-time with the Company, until your last day of full-time employment.

To be eligible for the retiree Medical Plan, you must be a participant in the Medical Plan for active employees on the date of the qualifying event.

There is no deferred benefit under the Retiree Welfare Benefit Program. If 1) your employment with the Company is terminated on any basis other than a qualifying event (as defined above), including layoff, and you are not eligible to retire, or 2) you elect not to retire, you and your dependents will not be eligible for the Retiree Welfare Benefit Program. However, under the Retirement Account Plan, you or your dependents may be eligible for a deferred vested retirement benefit in some cases. Please consult the Retirement Plan section of this binder for a more detailed discussion of deferred vested benefits under the Retirement Account Plan.

Cost Of Coverage

To receive benefits under the Retiree Medical Plan, you may be required to make a contribution toward the cost of your coverage. Please consult the *Contributions For Retiree Medical Coverage* section on page 4 for a more detailed discussion of any potential contribution you will be required to make.

Coverage under the Retiree Life Insurance Plan is currently provided to you at no cost.

How To Enroll For Coverage

Before you retire or upon the occurrence of a qualifying event, you should talk with your Human Resources Representative about your eligibility under the Retiree Welfare Benefit Program and when the benefits under it will begin. It is suggested you contact your Human Resources Representative at least 90 days prior to the date of your planned retirement, so the appropriate paperwork can be processed and your benefits can begin in a timely manner.

To enroll for the Retiree Medical Plan, you must complete the necessary form(s) and return them to your local Human Resources Representative within 31 days of the qualifying event. This is explained under *Retiree Medical Coverage* in the following section.

Retiree Medical Coverage

If you are eligible, benefits under the Retiree Medical Plan will commence on the day following the date of a qualifying event, as defined under *Eligibility*. When you become eligible, you must file the necessary form(s) with your local Human Resources Representative within 31 days of the qualifying event. You will be required to elect one of the following:

- No coverage.
- Individual coverage (only you).
- Individual and spouse coverage.

If you elect either individual or individual/spouse coverage, your eligible dependent children may also be covered. Please see the *Dependent Coverage* heading for a definition of "eligible dependents."

For purposes of this summary plan description, a "Plan participant" means all retirees, spouses, or surviving spouses eligible for benefits under the Retiree Medical Plan.

If you do not elect coverage under the Retiree Medical Plan for yourself or your eligible dependents within 31 days of the qualifying event, or if you discontinue coverage after your initial election, you may **not** obtain or reinstate coverage under the Retiree Medical Plan at any time in the future, regardless of any proof of good health.

Description Of Coverage

Benefits under the Retiree Medical Plan, which also include prescription drug coverage, are the same as provided to active employees at your former work location, with the following modifications:

- Dental benefits will end on your last day of active employment.
- Vision benefits will end on your last day of active employment.
- When you or any of your dependents become eligible for Medicare, Medicare will be the primary insurer and the Retiree Medical Plan will be secondary. Please consult the *Coordination With Medicare* heading in the Medical Plan section of this binder for a more detailed discussion of this subject.

If a person eligible for benefits under the Retiree Medical Plan is also eligible for retiree medical benefits under an individual employer plan provided by the Company for employees who are represented by United Mine Workers of America, benefits will be coordinated between the two plans. The plan the individual worked under for the longest period of time will pay first. Benefits will also be coordinated with other group insurance plans. Please consult the *Coordination Of Benefits (COB)* heading in the Medical Plan section of this binder for more information.

Contributions For Retiree Medical Coverage

To receive benefits under the Retiree Medical Plan, you may be required to make a monetary contribution to the cost of your coverage. As explained in this section, whether or not you will be required to make a contribution to the cost of your coverage (and a separate contribution for your spouse) will depend upon your retirement date, your years of service, the cost to the Company of providing retiree medical benefits in the future, and the level of any limit the Company may place on its contribution toward retiree medical benefits at any time.

For purposes of determining contributions for coverage under the Retiree Medical Plan, the term "retirement date" means the date of the qualifying event, as defined under *Eligibility.*

If you are an eligible surviving spouse, your contributions will be based on the employee's years of service and retirement date.

Your coverage will terminate, and may not be reinstated, if any required contributions are not paid when due.

How You Pay Your Contributions

Any required contributions are paid by deductions from your monthly pension check. If the required contributions cannot be made from your monthly pension check, or if you are not receiving pension payments from the Retirement Plan on a monthly basis, you must submit your contributions directly to the Company. Payments are due by the first day of the month for which the payment applies.

How The Company Will Determine The Amount Of Your Contribution

The cost of your coverage will be determined by the Company each year. Your contribution will be an amount equal to the difference between the estimated cost of retiree claims for the year (the "Predicted Average Cost") and the Company contribution for that year (the "Company Contribution Cap"). If you retire on or after January 1, 1998, with less than 20 years of service, you will be required to pay an additional amount based on your years of service.

Your age and the age of your spouse as of July 1 during any Plan year will be used for determining the applicable Company Contribution Cap and Predicted Average Cost for the Plan year. This is explained in detail in the following sections.

Predicted Average Cost

Each year, the Company will estimate retiree claims costs per participant in the Retiree Medical Plan for the following year. This estimated cost is referred to as the "Predicted Average Cost" for that particular year.

The Predicted Average Cost will be determined by the Company in consultation with its actuaries at least 90 days before the beginning of the next year. In establishing the Predicted Average Cost for the next year, the Company will consider, among other factors: historic cost, medical cost trend rates, demographic changes, any stop-loss insurance recoveries, and plan design changes. A Predicted Average Cost will be determined separately for participants age 64 and under and for participants age 65 and over, to reflect the reduction in cost of coverage once Medicare becomes the primary insurer.

Company Contribution Cap

Ninety days prior to the beginning of each year, the Company will also determine its contribution for retiree medical coverage for that year. This amount is referred to as the "Company Contribution Cap." The Company Contribution Cap will also be established at a separate level for those participants age 64 and under and those 65 and over to reflect the reduction in cost of coverage once Medicare becomes the primary insurer.

The Company Contribution Cap for 1998 is shown in the following table:

Age	Company Contribution Cap
64 and under	$5,448
65 and over	$1,944

The Company Contribution Cap as set forth above was established at 120% of the Predicted Average Cost for 1996. **Although it is the Company's current intent to keep the Company Contribution Cap at the initial level, the Company reserves the right to increase or decrease the Company Contribution Cap for future Plan years.**

The difference between the Predicted Average Cost and the Company Contribution Cap for any particular year will be the contribution required from **all** Plan participants for that year. **In addition, Plan participants receiving benefits due to retirement on or after January 1, 1998, with less than 20 years of service will be required to make an additional contribution toward the cost of their retiree health coverage. This is explained under the heading *Employees Retiring On Or After 1/1/98.***

Because retiree contributions will be based on the Predicted Average Cost, which is an estimate, any surplus (or deficit) for the year will be used to decrease (or increase) retiree contributions in future years.

If the Predicted Average Cost exceeds the Company Contribution Cap for a Plan year, the Company may elect to modify the Retiree Medical Plan in order to reduce the Predicted Average Cost, or may instead require a contribution from participants.

Employees Retiring Before 1/1/98

Individual Coverage

To receive individual coverage (coverage for yourself only) under the Retiree Medical Plan, you are only required to contribute to the cost of your coverage if the Predicted Average Cost that applies to a Plan participant of your age exceeds the Company Contribution Cap applicable to Plan participants of your age. Your contribution in that case will be the difference between the Predicted Average Cost and the Company Contribution Cap. If the Company Contribution Cap is more than the Predicted Average Cost, you will not be required to make a contribution toward the cost of your coverage.

Spouse Coverage

To receive coverage for your spouse under the Retiree Medical Plan, you are only required to contribute to the cost of coverage for your spouse if the Predicted Average Cost applicable to a Plan participant the age of your spouse exceeds the Company Contribution Cap applicable to a Plan participant the age of your spouse. Your contribution for spouse coverage in that case will be the difference between the Predicted Average Cost and the Company Contribution Cap. If the Company Contribution Cap is more than the Predicted Average Cost, you will not be required to make a contribution toward the cost of coverage for your spouse.

Under the Retiree Medical Plan, there are certain limitations on coverage of your spouse based on whether you were married to your spouse at the time of your retirement or at the time of occurrence of a qualifying event. Please consult the *Dependent Coverage* heading for a detailed discussion of these limitations.

Examples Of Premium Calculations

Example 1—
Employee Retiring Before 1/1/98 (or after 12/31/97 with 20 years of service); Predicted Average Cost Less Than Company Contribution Cap

John Smith, age 63, retires before 1/1/98 and elects individual and spouse coverage. His spouse, Sally, is age 65. Other assumptions are:

Predicted Average Cost for Plan year 1998 for age 64 and under:	$5,148
Predicted Average Cost for Plan year 1998 for age 65 and over:	$1,836
Company Contribution Cap for age 64 and under:	$5,448
Company Contribution Cap for age 65 and over:	$1,944

Since the Predicted Average Cost is less than the Company Contribution Cap for both John and Sally, no premiums are required for their retiree medical coverage in 1998.

Example 2—
Employee Retiring Before 1/1/98 (or after 12/31/97 with 20 years of service); Predicted Average Cost Greater Than Company Contribution Cap

This example shows how the cost of coverage will be determined in future years if the Predicted Average Cost of coverage is more than the Company Contribution Cap.

John Smith, age 63, retires before 1/1/98 and elects individual and spouse coverage. His spouse, Sally, is age 65. Other assumptions are:

Predicted Average Cost for Plan year 19XX for age 64 and under:	$6,000
Predicted Average Cost for Plan year 19XX for age 65 and over:	$2,000
Company Contribution Cap for age 64 and under:	$5,448
Company Contribution Cap for age 65 and over:	$1,944

Calculation of Individual Contribution for John Smith:
Difference between the Predicted Average Cost and Company Contribution Cap applicable to a Plan participant age 63:

($6,000 - $5,448 = $552)

Annual contribution for John Smith for individual coverage: $552

Calculation of Contribution for Coverage of Sally Smith:
Difference between the Predicted Average Cost and Company Contribution Cap applicable to a Plan participant age 65:

($2,000 - $1,944 = $56)

Annual contribution for Sally Smith: $56

Total annual contribution for John Smith for individual and spouse coverage:

($552 + $56 = $608)

Monthly Premium: ($608 ÷ 12 = $50.67)

Employees Retiring On Or After 1/1/98

Individual Coverage

To receive individual coverage under the Retiree Medical Plan, you are required to contribute on an annual basis an amount equal to:

The difference, if any, between the Predicted Average Cost applicable to a Plan participant your age and the Company Contribution Cap applicable to a Plan participant your age.

plus

An amount equal to the lesser of the Predicted Average Cost applicable to a Plan participant your age or the Company Contribution Cap applicable to a Plan participant your age, multiplied by the "Applicable Percentage."

The "Applicable Percentage" is based upon your number of full years of service. If you have 10 years of service, or if you are an eligible disabled employee with less than 10 years of service, the Applicable Percentage is 50%. The Applicable Percentage decreases by 5% for each full year of service you have in excess of 10 years. This is illustrated by the following table:

Years of Service	Applicable Percentage
10	50%*
11	45%
12	40%
13	35%
14	30%
15	25%
16	20%
17	15%
18	10%
19	5%
20 or more	0%

* This percentage will also apply to an eligible disabled employee who has less than 10 years of service.

Spouse Coverage

To receive coverage under the Retiree Medical Plan for your spouse, you are required to contribute on an annual basis an amount equal to the sum of:

The difference, if any, between the Predicted Average Cost applicable to a Plan participant your spouse's age and the Company Contribution Cap applicable to a Plan participant your spouse's age.

plus

An amount equal to the lesser of the Predicted Average Cost applicable to a Plan participant your spouse's age or the Company Contribution Cap applicable to a Plan participant your spouse's age, multiplied by the Applicable Percentage.

The Applicable Percentage is based upon your number of full years of service and is the same as set forth in the above section on individual coverage.

Under the Retiree Medical Plan, there are certain limitations on coverage of your spouse based on whether you were married to your spouse at the time of your retirement or at the time of occurrence of another qualifying event. Please consult the *Dependent Coverage* heading for a detailed discussion of these limitations.

Examples Of Premium Calculations

Example 3—
Employee Retiring On Or After January 1, 1998; Predicted Average Cost Less Than Company Contribution Cap

John Smith, age 63, retires on or after 1/1/98 with 17 years of service and does not decline medical coverage for his spouse, Sally, age 65.

Predicted Average Cost for Plan year 1998 for age 64 and under:	$5,148
Company Contribution Cap for Age 64 and under:	$5,448
Predicted Average Cost for Plan year 1998 for age 65 and over:	$1,836
Company Contribution Cap for Age 65 and over:	$1,944

Calculation of Premium for Individual Coverage for John Smith:

Lesser of the Predicted Average Cost and Company Contribution Cap applicable to a Plan participant age 63:	$5,148
Applicable Percentage (from the table on page 8):	15%
Lesser of the Predicted Average Cost and Company Contribution Cap applicable to a Plan participant age 63, multiplied by Applicable Percentage:	($5,148 x 15% = $772.20)
Difference between the Predicted Average Cost and Company Contribution Cap applicable to a Plan participant age 63: Since the Predicted Average Cost is less than the Company Contribution Cap, no additional premium would be required.	($5,148 - $5,448 = - $300)
Annual 1998 contribution for John Smith:	($772.20 + $0 = $772.20)

Calculation of Contribution for Coverage for Sally Smith:

Lesser of the Predicted Average Cost and Company Contribution Cap applicable to a Plan participant age 65:	$1,836
Applicable Percentage (from the table on page 8):	15%
Lesser of the Predicted Average Cost and Company Contribution Cap applicable to a Plan participant age 65, multiplied by Applicable Percentage:	($1,836 x 15% = $275.40)
Difference between the Predicted Average Cost and Company Contribution Cap applicable to a Plan participant age 65: Since the Predicted Average Cost is less than Company Contribution Cap, no additional premium would be required.	($1,836 - $1,944 = - $108)
Annual 1998 contribution for Sally Smith	($275.40 + $0 = $275.40)

Total Annual Contribution for John and Sally Smith:	($772.20 + $275.40 = $1,047.60)
1998 Monthly Premium:	($1,047.60 ÷ 12 = $87.30)

Example 4—
Employee Retiring On Or After January 1, 1998; Predicted Average Cost Greater Than Company Contribution Cap

This example shows how the cost of coverage will be determined in future years if the Predicted Average Cost of coverage is more than the Company Contribution Cap.

John Smith, age 63, retires on or after 1/1/98 with 17 years of service and does not decline medical coverage for his spouse, Sally, age 65. Other assumptions are:

Predicted Average Cost for Plan year 19XX for age 64 and under:	$6,000
Company Contribution Cap for Age 64 and under:	$5,448
Predicted Average Cost for Plan year 19XX for age 65 and over:	$2,000
Company Contribution Cap for Age 65 and over:	$1,944

Calculation of Premium for Individual Coverage for John Smith:

Lesser of the Predicted Average Cost and Company Contribution Cap applicable to a Plan participant age 63:	$5,448
Applicable Percentage (from the table on page 8):	15%
Lesser of the Predicted Average Cost and Company Contribution Cap applicable to a Plan participant age 63, multiplied by Applicable Percentage:	($5,448 x 15% = $817.20)
Difference between the Predicted Average Cost and Company Contribution Cap applicable to a Plan participant age 63:	($6,000 - $5,448 = $552)
Annual Contribution for John Smith:	($817.20 + $552 = $1,369.20)

Calculation of Premium for Coverage for Sally Smith:

Lesser of the Predicted Average Cost and Company Contribution Cap applicable to a Plan participant age 65:	$1,944
Applicable Percentage (from the table on page 8):	15%
Lesser of the Predicted Average Cost and Company Contribution Cap applicable to a Plan participant age 65, multiplied by Applicable Percentage:	($1,944 x 15% = $291.60)
Difference between the Predicted Average Cost and Company Contribution Cap applicable to a Plan participant age 65:	($2,000 - $1,944 = $56)
Annual Contribution for Sally Smith:	($291.60 + $56 = $347.60)

Total Annual Contribution for John and Sally Smith:	($1,369.20 + $347.60 = $1,716.80)
Monthly Premium:	($1,716.80 ÷ 12 = $143.07)

Dependent Coverage

If you elect either coverage for yourself only or coverage for yourself and your spouse, you will also receive coverage under the Retiree Medical Plan for your eligible dependent children, provided you list them on your enrollment form. If the Predicted Average Cost applicable to Plan participants of your age exceeds the Company Contribution Cap applicable to Plan participants of your age, you may be required to make an additional contribution to the cost of coverage for your eligible dependent children. Whether a contribution will be required for your children's coverage will be determined by the Company at least 90 days prior to the beginning of each year.

Eligible Dependents

"Eligible dependents" for the purposes of the Retiree Medical Plan has the same meaning as under the Medical Plan for active employees **except** for the following:

- **If you are eligible for the Retiree Medical Plan due to retirement or disability occurring before January 1, 1998**, coverage is available only to 1) your spouse as of January 1, 1998; 2) any eligible dependent child you had on January 1, 1998; and 3) any child born or adopted after January 1, 1998, to the spouse married to you on January 1, 1998. No coverage is available for a spouse acquired after January 1, 1998, and/or the children of a spouse acquired after January 1, 1998.

- **If you are eligible for the Retiree Medical Plan due to retirement occurring on or after January 1, 1998**, coverage is available only for the spouse and eligible dependent children who were covered under the Medical Plan for active employees on the last day of your active employment, plus any children later born or adopted of a marriage with your covered spouse. No coverage is available for a spouse acquired after your last day of active employment, or for eligible dependents in existence on that date but not covered under the Medical Plan for active employees.

- **If you are eligible for the Retiree Medical Plan due to disability occurring on or after January 1, 1998, and you have at least 15 years of service on the last day of your active employment,** your spouse and dependent children are eligible for coverage as described in the preceding paragraph. If you have less than 15 years of service, your spouse and dependent children are not eligible for coverage under this Plan.

Please see the Medical Plan section of this binder for a more detailed discussion of the definition of an eligible dependent. The Medical Plan section also describes provisions for continuing coverage for dependents who no longer qualify under this Plan, under the heading *Continuation Of Coverage (COBRA).*

Changing Coverage After Retirement

If you have coverage for yourself and your spouse and want to change to coverage for yourself only after your initial choice, you may do so. However, you cannot change from coverage for yourself only to coverage for yourself and your spouse after your initial choice.

Surviving Dependents

Your spouse and eligible dependent children may continue coverage under the Retiree Medical Plan after your death if one of the following applies:

- You die before retirement and, on the date of your death, 1) you are age 55 or older and eligible for retirement, 2) you would have been eligible for benefits under the Retiree Welfare Benefit Program, if you had elected retirement immediately prior to your death, and 3) you are enrolled for family coverage under the Medical Plan for active employees.

- You are an eligible retired employee or eligible disabled employee, and the dependent is covered by the Retiree Medical Plan at the time of your death.

Your surviving eligible dependents must elect continued coverage under this section within 90 days of your death. If the coverage is initially elected but later terminated, it may not be reinstated.

Coverage under the Retiree Medical Plan may be continued for surviving eligible dependents of deceased participants as follows:

- **Your eligible spouse:** Coverage may be continued until the death or remarriage of your spouse, whichever occurs first.

- **Your eligible dependent children:** Coverage may be continued until the period in which surviving children no longer qualify as eligible dependents or until the date of the surviving spouse's remarriage or death, whichever occurs first.

Your surviving dependents will be required to make contributions for continued coverage under the Retiree Medical Plan, as explained in the section called *How You Pay Your Contributions.*

Retiree Life Insurance

If you are eligible, retiree life insurance coverage will begin on the day following your last day of active employment.

The amount of your Retiree Life Insurance benefit will be $10,000.

All other coverage under the Company's group life insurance, AD&D, dependent life insurance and optional life and AD&D plans will cease upon your termination of active employment.

Please see the Life Insurance section of this binder for a more detailed discussion of these benefits.

Conversion Of Other Group Life Insurance

Upon your retirement or other occurrence of a qualifying event, you will also have the option to convert any life insurance provided under the Company's group life insurance, dependent life and optional life insurance plans to an individual policy. This conversion will be at your own expense and you will be required to pay all future premiums.

Please see the Life Insurance section of this binder for a detailed discussion of this benefit.

Termination Of Other Employee Benefits

All benefits except retiree medical and life insurance will end when you retire. Benefits that end upon your retirement include, but are not limited to, the following:

- Dental benefits for you and your dependents.
- Vision benefits for you and your dependents.
- Accidental death and dismemberment insurance.
- Dependent life insurance for you and your dependents.
- Optional life and AD&D insurance for you and your dependents.
- Business travel accident insurance.
- Short-term and long-term disability plan coverage.
- Individual and Company contributions to the Arch Coal, Inc. Thrift Plan. (See the Thrift Plan section of this binder for information about that Plan and how your benefits earned will be distributed.)
- Retirement Plan service credits. (See the Retirement Plan section of this binder for information about the plan.)
- Tuition reimbursement benefits.
- Severance plan benefits.
- Paid vacation and holiday pay.
- Employee assistance plan benefits.

Claims Denial And Appeal Procedure

Payment or denial of an application for benefits from the Retiree Welfare Benefit Program will be made within 90 days from the date a claim is filed.

If an application for these benefits is denied either in whole or in part, you will receive written notification. The notification will include the reason(s) for the denial with reference to the specific plan provisions on which the denial was based, a description of any additional information that might cause the Plan Administrator or the insurance carrier to reconsider the decision and an explanation of the claim review procedure.

Within 60 days after receiving the denial (or if no notice is received within 180 days after filing a claim), you, your beneficiary, or a legally authorized representative may then submit a written request to the Plan Administrator for a review of the decision. Requests should be directed to:

Arch Coal, Inc.
Vice President - Human Resources
City Place One
St. Louis, MO 63141

Any such request should be accompanied by documents or records in support of the appeal. Your beneficiary may review all pertinent documents and submit issues and comments in writing.

The Plan Administrator will review the claim and within 90 days (or 120 days in special circumstances) will provide a written response to the appeal explaining the reasons for the decision with specific reference to the Plan provisions on which the decision was based.

The Plan Administrator shall possess and exercise discretionary authority to make a determination as to a Participant's eligibility for benefits and to construe the terms of the Plan. The decision of the Plan Administrator shall be final and non-reviewable unless found to be arbitrary and capricious by a court of competent review. Such decision will be binding upon the Company and the claimant.