

April 25, 2008

U.S. Department of Labor Employee Benefits Security Administration Public Disclosure Room N-1513 200 Constitution Ave., NW Washington, DC 20210

Re: Notice of Critical Status

To Whom It May Concern:

Enclosed is the Notice of Critical Status for the Anthracite Health and Welfare Fund Pension Plan for the plan year beginning January 1, 2008.

Feel free to call me at (215) 825-4037 if you have any questions.

Sincerely, Theguy J. Pastins

Gregory J. Pastino, ASA, FCA, EA

Principal

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Enclosures

cc: David Swisher, Trustee

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Notice of Critical Status For

Anthracite Health and Welfare Fund Pension Plan

This is to inform you that on March 28, 2008 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the plan is in critical status for the plan year beginning January 1, 2008. Federal law requires that you receive this notice.

Critical Status

The plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the plan's actuary determined that the plan is projected to have an accumulated funding deficiency by the end of the 2010 plan year.

Rehabilitation Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. If the trustees of the plan determine that benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions. Any reduction of adjustable benefits (other than a repeal of a recent benefit increase, as described below) will not reduce the level of a participant's basic benefit payable at normal retirement. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after March 28, 2008. But you should know that whether or not the plan reduces adjustable benefits in the future, effective as of March 28, 2008, the plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status.

Adjustable Benefits

The plan does not offer any adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the pension plan may adopt.

Employer Surcharge

The law requires that all contributing employers pay to the plan a surcharge to help correct the plan's financial situation. The amount of the surcharge is equal to a percentage of the amount an employer is otherwise required to contribute to the plan under the applicable collective bargaining agreement. With some exceptions, a 5% surcharge is applicable in the initial critical year and a 10% surcharge is applicable for each succeeding plan year thereafter in which the plan is in critical status.

Where to Get More Information

For more information about this Notice, you may contact the Office of the Plan Administrator at the Anthracite Health and Welfare Fund, 2 E. Broad Street, Suite 414, Hazleton, PA. 18201, telephone (570) 455-3611. You have a right to receive a copy of the rehabilitation plan from the plan.

TRUSTEE NOTICE

PLEASE BE ASSURED THAT THE MONTHLY PAYMENTS CURRENTLY BEING PAID BY THE PLAN TO THE PLAN'S PENSIONERS AND BENEFICIARIES WILL NOT BE AFFECTED. PENSIONERS AND BENEFICIARIES WILL CONTINUE TO RECEIVE THEIR MONTHLY PAYMENTS IN FULL. IN ADDITION, PLAN PARTICIPANTS WHO ARE NOT YET ELIGIBLE TO RECEIVE A PENSION BUT WHO HAVE EARNED CREDITS FOR A VESTED PENSION ARE ALSO NOT AFFECTED AND THEY WILL ON RETIREMENT RECEIVE THE FULL AMOUNT OF THEIR VESTED RETIREMENT BENEFIT EARNED TO DATE.