INVESTMENT CONSULTANTS LLC
(A Registered Investment Advisor)

From: Bill Gela, Investment Consultants LLC ***April 8, 2022***
Topic: The Broaster Company 401(k) Plan – Quarterly Plan Summary Report

Enclosed is your Plan Summary Report for the quarter ending 3-31-2022, covering your mix of funds. This past 3-month period ending March 31 was down for the overall U.S. stock market and it was also down for the aggregate international stock markets; and lastly, it was down for taxable intermediate-term U.S. bond funds. According to Lipper Fund Services, the average U.S. stock mutual fund's first quarter 2022 total return was -6.2%, and the <u>S&P 500 Index was down -4.6% for the first quarter</u>. <u>For the 12 months ending 3-31-2022 the S&P 500 Index was up +15.6%</u>. According to Morningstar™ all of your funds have performed solidly-to-well for both 5 and 10 years relative to similar "peer group" funds. Your passive "index funds" (versus actively-managed funds) strive to mirror their indices' performances at all times -- no more, no less.

Relative to similar "peer group" funds, your fund mix has continued to perform solidly on average over the past 12 months ending 3-31-2022 – 3 funds within the top 25% of their peer groups' funds and 0 funds within the bottom 25% of their peer groups' funds. For the past 12 months ending 3-31-2022 (with the S&P 500 Index up +15.6%) none of your six domestic stock-oriented funds outperformed the S&P 500 Index, although one was within 0.2%. (The S&P 500 Index was quite difficult to beat for this period.) [1] For this time period, the place to be invested (regarding diversified equity categories) was in U.S. "value-oriented" companies. Your top performing stock-oriented fund was the Vanguard Equity-Income Adm Fund at a +15.5% total return for the 12 months ending 3-31-2022, and your Fidelity Investment Grade Bond Fund returned -3.5% for the same 12-month period.[2]

[Note: To put your funds' returns into perspective during the past five years' market conditions, your 7 stock-oriented funds have annualized total returns (compounded each year) of between +7.1% & +17.8% for the past 5 years ending 3/31/2022. This compares to a +16.0% annualized total return for the S&P 500 Index for the same 5-year period: 1 of your 7 stock-oriented funds exceeded (and 1 was within 0.7% of) the S&P 500 Index' annualized return for this 5-year period. Your foreign large cap fund lagged dramatically – as most foreign stock funds dramatically lagged U.S. stock funds for the 5-year period, see footnote #1 below.]

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[1] According to Lipper (4/4/2022 Wall Street Journal), for the past 12 months ending 3/31/2022 the S&P 500 Index significantly outperformed the Dow Jones World (ex. U.S.) Index -- +15.6% versus -1.8%. One of your stock-oriented funds is a foreign/international fund. <u>For the 5-year period ending 3/31/2022 the S&P 500 Index again significantly outperformed the Dow Jones World (ex. U.S.) Index, with an annualized total return of +16.0% versus +6.9%</u>.

[2] According to Lipper, the average intermediate-term (U.S.) taxable-bond fund total return was +1.7% for the previous 12 months ending 3/31/2022.

1st QUARTER, 2022 PLAN SUMMARY REPORT – BROASTER COMPANY

Prepared by: Investment Consultants LLC

The Recent Decline of the Stock Market → Is It Time To PANIC? & The Big "Silver Lining" of "Down" Market Periods (see next page)!

Most investment experts would emphatically answer "NO" to the "PANIC" question in the title above. Regardless of whether you continue investing as you have, or if you make changes; it should be done in a thoughtful manner, not driven by panic! Participants feeling nervous is understandable – major geopolitical events are never comfortable. The financial markets were exhibiting a significant degree of volatility coming into 2022, and the recent Russian invasion of Ukraine has only added both volatility and a great deal of concern and confusion to already uncertain markets.

This report is not a "call to action", but merely designed to give you some information to assist you in being deliberate and thoughtful about your retirement investing. One of the most important issues for long-term investors [1], such as most Plan Participants, is -- what effect will the current events have on their medium- to long-term investments? The answer to this is not definitively known, but hopefully the following will give you some information and perspective that will be useful to you. Times like this suggest that it is, once again, time for Plan Participants to revisit your Target asset allocations – that is, what percentage of your Plan balances do you choose to have in "more volatile" stocks, and what percentage in bonds and money market funds (i.e., fixed income investments). As shown in the table below, stocks have grown dramatically in value over the past 10 years. Therefore, if a Participant has not "rebalanced" her or his asset allocation percentages (that is sold some stock funds, and bought bond or money market funds); his or her asset allocation is undoubtedly much more-heavily weighted towards stocks than before. This results in the Participant's holdings being more volatile, or exposed to market drops, such as has recently occurred. So, it makes sense for most Participants to rebalance his or her Plan fund mix periodically!

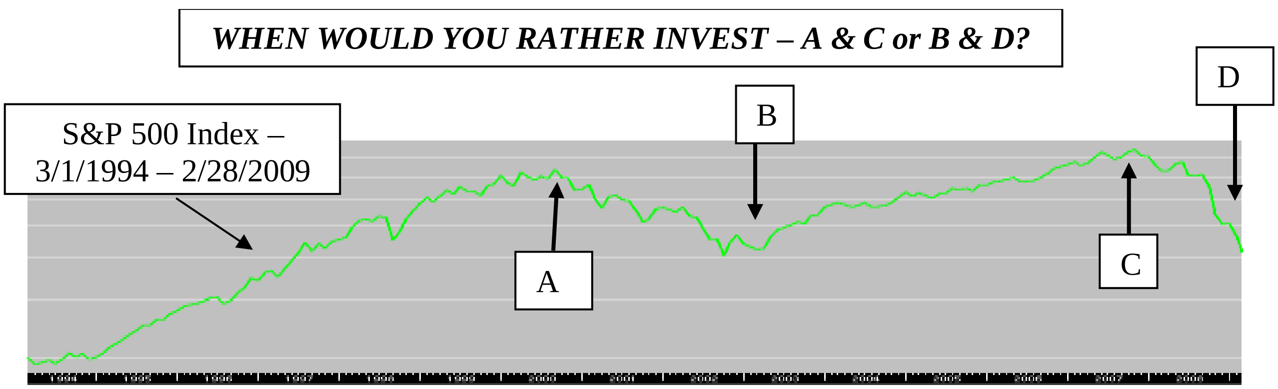
Index	10-Year Period (ending 2/28/2022) Total Return
S&P 500 (500 Large Company US stocks)	+290.4%
Russell 2000 (2,000 Small Company US stocks)	+188.7%
NASDAQ Composite (Tech-oriented stocks)	+417.0%
EAFE (International stocks, in US $)	+81.7%

As always, past performance is not a guarantee of future performance. The past 10-year period was incredibly strong.

[1] Much of the following focuses on long-term, Plan Participant-investors. A Plan Participant who plans to *use most* of her or his account balances within the next 3-8 years, presumably does *not* currently have the bulk of his or her Plan balances invested in the stock market. The "rule of thumb" is – the shorter the time period until the Participant is planning to *use most* of his or her balances, the lower the percentage invested in the stock market; so as to avoid the short-term effect of a big market drop. A long-term investor has time to allow the market to "bounce back".

The "Silver Lining" of "Down" Markets!

Most investment experts would emphatically argue that now is *not* the right time to stop contributing to your retirement plan. Long-term investors, including Participants like you, invest continuously, through payroll deductions into your retirement Plan. If the market drops and the prices of your investment fund alternatives drop, your next periodic investment will buy funds that are less expensive than they were previously (because of the market drop) – a good thing! See the same concept graphically, below (from an earlier publication of mine, after the big, scary market drop in 2008):



The market *will* go up and it *will* go down! Over the sample 15-year period (above) the S&P 500 Index was up +108%. During the dramatic "ups" and "downs" of the stock market during this period, would it have been better to have invested additional money at points A & C above (peaks) or at points B & D above (valleys)? Of course, it is better to invest additional money into the stock market when the market is lower – even though when the market is lower, it is more uncomfortable to look at our current account balances. Who wants to add to one's investments *only* when prices are higher? So, the market's going down at times is not necessarily a bad thing. *It is only a bad thing if, at the time the Participant needs to take her or his money out of the plan, the market has continued to go steadily down.*[2] As you see in the example above, a "down market" represents an opportunity to purchase funds at lower prices.

By the way, two other significant pluses of continuing to invest in your Plan are: (1) the employer match (which also buys funds at lower prices, when the market is down); and (2) the fact that there is a tax benefit that the federal government gives you for investing in the Plan.

Whether the markets are up or down in the short term is dramatically less important than a long-term investor's doing the best things possible for his or her portfolio's long-term growth prospects. These things certainly include -- selecting a complementary, diversified mix of investment funds and establishing an appropriate Target asset allocation for his or her investment portfolio –> and then rebalancing periodically. Hopefully, the above is helpful in putting the issues discussed into a constructive frame of reference.

[2] As a point of reference, ***historically*** stocks have no peer when it comes to long-term investment performance; and the longer the investment period that one had invested for, the less likely that stocks provided negative returns for that period. Over every 20-year holding period since 1926, U.S. stocks (as a category) have *never* lost money. As previously stated – past performance is not a guarantee of future performance.

BROASTER COMPANY – 1st Quarter, 2022 Plan Summary Report

Funds' Performances for Periods Ended March 31, 2022

The following report is intended to help you in evaluating your investments, and in selecting your mix of mutual funds for the future [1]. The average diversified U.S. stock mutual fund's first quarter 2022 total return was -6.2%; and for the 12-month period ending March 31, 2022, the total return was +5.9%. [For 12 months: the S&P 500 index returned +15.6%; the small-cap stock index returned -5.8% [2]; & the Dow Jones World (ex. U.S.) Index returned -1.8%]. The 3-month total return for taxable intermediate-term U.S. bond funds was -2.8%, taking the previous 12-month return to +1.7%. Remember that one quarter does *not* make your retirement investing a success or a failure, nor does it ensure success or failure for the next quarter -- investing is a long-term proposition.

	Periods Ended March 31, 2022:		Fund Ranking [4]	
Fund Type	1-Year Total Return *(Growth of $1,000)* [3]	**5-Year Average Return**	**5 Years**	10 Years
Stock-oriented:				
Large Cap Funds:				
(Fidelity Contrafund) *[NASDAQ Code = FCNTX] [LG]* [5]	+9.4% *($1,094)*	**17.8%**	**47**	41
(Vang Total Stock Market Index/Adm) *[NASDAQ Code = VTSAX] [LB]*	+11.7% *($1,117)*	**15.4%**	**33**	26
(Vanguard Equity-Income/Adm) *[NASDAQ Code = VEIRX] [LV]*	+15.5% *($1,155)*	**11.9%**	**28**	18
Mid Cap Fund:				
(Vanguard Mid Cap Index/Adm) *[NASDAQ Code = VIMAX] [MB]*	+8.8% *($1,088)*	**13.0%**	**10**	10
Small Cap Funds:				
(Loomis Sayles SmCap Growth Instl) *[NASDAQ Code = LSSIX] [SG]*	-7.2% *($928)*	**13.8%**	**46**	44
(Vanguard Tax-Mged Small Cap/Adm) *[NASDAQ Code = VTMSX] [SB]*	+1.5% *($1,015)*	**11.0%**	**18**	5
International Fund:				
(T. Rowe Price Overseas Stock) *[NASDAQ Code = TROSX] [LB]*	-0.8% *($992)*	**7.1%**	**29**	23
Allocation Fund – 50% to 70% Equity:				
(T. Rowe Price Capital Appreciation) *[NASDAQ Code = PRWCX] [LB]*	+10.5% *($1,105)*	**13.3%**	**1**	1
Bond-Oriented Funds:				
(Fidelity Investment Grade Bond) [6] *[NASDAQ Code = FBNDX]*	-3.5% *($965)*	**2.9%**	**4**	11
(BlackRock Strategic Glbl Bond/I) [7] *[NASDAQ Code = MAWIX]*	-6.2% *($938)*	**2.5%**	**9**	3
(Vang Sht-Term Inv-Grade/Adm) [8] *[NASDAQ Code = VFSUX]*	-3.7% *($963)*	**1.8%**	**31**	20

(Endnotes on next page) →

BROASTER COMPANY – 1st Quarter, 2022 Plan Summary Report

(continued)

Endnotes:

[1] Remember that past performance is absolutely *not* a guarantee of future performance.

[2] Russell 2000 Index. All statistics in this paragraph are from the Wall Street Journal (Source: Lipper).

[3] If an investor had put $1,000 into each fund on March 31, 2021, one year later (on March 31, 2022) each fund would have been worth the amount in italics and parentheses below.

[4] Example -- "35" below means that the fund ranked in the top 35% in investment performance, as compared to funds with a similar investment style or objective, for the 5-year period or for 10 years ending March 31, 2022. This is commonly stated as "the fund ranked in the 35th percentile of its peer group." For percentile rankings, lower is better – a 35th percentile fund outperformed 65% of peer group funds for the time period stated. Data supplied by Morningstar.

[5] The following categories are as defined by Morningstar. Small Cap, Mid Cap, and Large Cap refer to the average size of the companies whose stock is held in the fund. For your stock funds (and the stock holdings of your allocation fund): [first letter] L = Large Cap, M = Mid Cap, S = Small Cap; [second letter] G = Growth, V = Value, B = Blend (Value/Growth). Example – *[LV]* means a large cap, value style. A "Value" style means that typically the fund portfolio manager buys stocks that he/she thinks will both grow in price *and* currently can be purchased at a price that is a good value. A "Growth" style manager focuses on buying stocks that are anticipated to grow in price, regardless of the current price of the stock (that is, even if based on historical standards, the stock price seems expensive already). An "Allocation Fund" is a "balanced fund" that holds a mixture of predominantly U.S. stocks and fixed income securities (e.g., bonds and money market securities). A "Foreign or International Equity" fund holds predominantly non-U.S. stocks, whereas a "World Stock" fund holds non-U.S. and U.S. stocks.

[6] This fund is categorized as an "intermediate core bond" fund by Morningstar.

[7] This fund is categorized as a "world bond" fund by Morningstar.

[8] This fund is categorized as a "short-term bond" fund by Morningstar.