INVESTMENT CONSULTANTS

(A Registered Investment Advisor)

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From: Bill Gela, Investment Consultants
Topic: The Broaster Company 401(k) Plan -- Quarterly Plan Summary Report

Enclosed is your Plan Summary Report for the quarter ending 12-31-2010, covering your mix of funds. This past 3-month period ending December 31 was up significantly for the overall U.S. stock market, up (but less) for the aggregate international stock markets, and it was slightly down for the U.S. bond market. Within the U.S. stock market, most stock fund categories (as defined by Lipper investment styles and capitalizations) were up between +9.3% & +16.6% for the fourth quarter. According to Lipper Fund Services, the average diversified U.S. stock mutual fund's fourth quarter 2010 total return was +11.4%, and the <u>S&P 500 Index was up approximately +10.8% for the fourth quarter</u>. <u>For the 12 months ending 12-31-2010 the S&P 500 Index was up +15.1%</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, with the exception of the relatively conservative Forward Small Cap Equity Fund that has lagged significantly for the 5-year period and for shorter time periods. [Note: 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 performed in a mixed fashion over the past 12 months ending 12-31-2010 – 3 funds within the top 25% of their peer groups' funds and 3 funds within the bottom 25% of their peer groups' funds. For the past 12 months ending 12-31-2010 (with the S&P 500 Index up +15.1%) seven of your eight stock-oriented funds outperformed the S&P Index.[1] Your top performing stock-oriented fund was the Vanguard Mid Capitalization Index Fund at a +25.5% total return for the 12 months ending 12-31-2010, and your Harbor Bond Institutional Fund returned +8.0% for the same 12-month period.[2]

[Note: To put your funds' returns into perspective during the past several years' dynamic market conditions, your 8 stock-oriented funds have annualized total returns (compounded each year) of between 0.0% & +8.1% for the past 5 years ending 12/31/2010. This compares to +2.3% for the S&P 500 Index for the same 5-year period: 7 of your 8 stock-oriented funds exceeded the S&P 500 Index' return for this 5-year period.]

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1 According to Lipper (1/5/2011 Wall Street Journal), for the past 12 months all domestic stock fund categories (diversified, non-specialty categories) had significant positive returns -- up between +12.9% & +27.6%. For the 12 months ending 12/31/2010 the International (IL) stock fund category was up +10.7%. For the 5-year period ending 12/31/2010 all diversified, non-specialty U.S. stock fund investment categories had *annualized* total returns of between +0.9% and +4.7%.

2 According to Lipper, the average intermediate-term (U.S.) taxable-bond fund total return was +7.7% for the previous 12 months ending 12/31/2010.

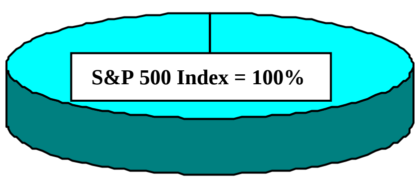
4th QUARTER, 2010 PLAN SUMMARY REPORT – BROASTER COMPANY

Prepared by: ***Investment Consultants (an affiliate of Compensation & Capital)***

Issues at the Completion of Another Year

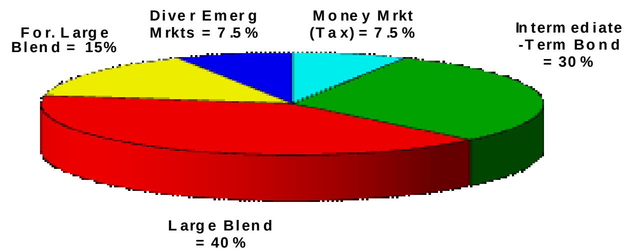
Diversification means investing in different asset categories (such as stocks, bonds, and money market funds) and investing in various types of funds (such as U.S. large company growth funds, intermediate-term bond funds, and foreign stock funds) – that is, *not* putting all of your account balances into one type of investment. The intent of diversification is to lower the overall volatility (sometimes called "risk") of your investment portfolio, while attaining similar or better total returns over the medium- to long-term than would have been attained by investing in a more concentrated and more volatile portfolio. Let's see below how a sample diversified portfolio performed over the past 10 years (period ending 11/30/2010).

TOTAL RETURN = +8.39%



If $10,000 had been invested on 12/1/2000 the investor would have had $10,839 on 11/30/2010.

TOTAL RETURN = +48.41%



If $10,000 had been invested on 12/1/2000 the investor would have had $14,841 on 11/30/2010.

The retirement plan investment portfolio on the left above invested 100% of its balances in the Standard & Poor's 500 Index (500 of the largest and most widely held U.S. stocks), which is often used as a proxy for the U.S. stock market. The retirement plan diversified investment portfolio on the right above invested in the following mutual fund categories (as defined by Morningstar, the big mutual fund measurement and data firm):
7.5% of the portfolio in a money market (taxable) mutual fund; 30% in a domestic intermediate-term bond fund; 40% in a domestic large company blend stock fund; 15% in a foreign large company blend stock fund; & 7.5% in a foreign diversified emerging markets stock fund. It is assumed that the diversified investment portfolio experienced average returns for each fund category and that no fund changes were made and no $ added during the 10-year period.
[As always, past performance is *not* a guarantee of future performance. Note that in the 1990's, U.S. stocks (as a group) dramatically outperformed bonds and foreign stocks. No one knows what the next 10 years will bring.]

Why have some U.S. bond funds' performances dropped off lately?: Most U.S. bond funds have fallen off in performance over the past quarter with many having modest losses. As the U.S. deficit has soared, more and more investors believe that the size of these deficits will result in increased inflation and in interest rate increases in the future. Recent interest rate increases and the anticipation of future increases have hurt bond returns over the recent past, and could result in merely modest returns or even negative bond fund returns in the coming years. Remember that as interest rates increase (or are anticipated to increase) bond prices typically fall, and vice-versa. Typically bond funds with longer maturities (and "durations") are more negatively impacted when interest rates rise.

So what does this all mean to a long-term investor?: Many successful long-term investors *diversify across asset categories* (including investing in stock and bond funds) and *diversify within asset categories* (including investing in both U.S. and foreign stocks, and in intermediate-term and short-term bonds). They often use bond funds to *lower the overall risk (or volatility)* of their total portfolio or investment mix. Having stated that, many of these successful long-term investors have moved *some* of their current investment balances that are in bond investments away from long-term and intermediate-term bond funds to short-term bond funds and money market funds, in an attempt to further lower their portfolios' riskiness.

BROASTER COMPANY - 4th Quarter, 2010 Plan Summary Report

Funds' Performances for Periods Ended December 31, 2010

The following report is intended to help you in evaluating your investments [1], and in selecting your mix of mutual funds for the future. The average diversified U.S. stock mutual fund's fourth quarter 2010 total return was +11.4%; and for the 12-month period ending December 31, 2010, the total return was +17.1%. [For 12 months: the S&P 500 index returned +15.1%; the small-cap stock index returned +26.9% [2]; & the average international stock fund returned +10.7%]. The 3-month total return for taxable bond mutual funds averaged +0.1%, taking the average taxable bond fund total return to +7.9% for the previous 12 months. Lastly, (retail taxable) money market funds' average yield was +0.02% for the previous 12 months. Remember that one quarter does *not* make your retirement investing a success or a failure, nor does it insure success or failure for the next quarter -- investing is a long-term proposition.

	Periods Ended December 31, 2010:		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:				
(T. Rowe Price Equity Income) *[NASDAQ Code = PRFDX] [LV]* [5]	+15.2% *($1,152)*	**2.7%**	**23**	23
(Vanguard Total Stock Market Index) *[NASDAQ Code = VTSMX] [LB]*	+17.1% *($1,171)*	**3.0%**	**27**	28
(Fidelity Contrafund) *[NASDAQ Code = FCNTX] [LG]*	+16.9% *($1,169)*	**4.9%**	**16**	2
Mid Cap Fund:				
(Vanguard Mid Cap Index) *[NASDAQ Code = VIMSX] [MB]*	+25.5% *($1,255)*	**4.3%**	**49**	33
Small Cap Funds:				
(Royce Special Equity Invmt) *[NASDAQ Code = RYSEX] [SB]*	+19.6% *($1,196)*	**8.1%**	**7**	3
(Forward Small Cap Equity) *[NASDAQ Code = FFSCX] [SG]*	+15.6% *($1,156)*	**0.0%**	**95**	40
(William Blair Small Cap Growth/N) *[NASDAQ Code = WBSNX] [SG]*	+16.2% *($1,162)*	**3.2%**	**66**	2
International Fund:				
(Harbor International Adm) *[NASDAQ Code = HRINX] [LB]*	+11.7% *($1,117)*	**7.3%**	**3**	4
Moderate Allocation Fund – Stocks & Bonds:				
(T. Rowe Price Capital Appreciation) *[NASDAQ Code = PRWCX] [LB]*	+14.1% *($1,141)*	**5.8%**	**6**	1
Bond-Oriented Funds:				
(Vanguard GNMA) [6] *[NASDAQ Code = VFIIX]*	+7.0% *($1,070)*	**6.2%**	**14**	6
(Harbor Bond Institutional) [7] *[NASDAQ Code = HABDX]*	+8.0% *($1,080)*	**7.5%**	**6**	5
Money Market Fund:				
(TD Bank USA Institutional MMDA) *[NASDAQ Code = N/A]*	+0.1% *($1,001)*	**(-N/A-)** [8]	(-N/A-)	

(Footnotes on next page) →

BROASTER COMPANY - 4th Quarter, 2010 Plan Summary Report

(continued)

Footnotes:

[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 December 31, 2009, one year later (on December 31, 2010) 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 December 31, 2010. 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 timeperiod 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 balanced 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). "Moderate Allocation" and "Conservative Allocation" funds are "balanced funds" that hold a mixture of predominantly U.S. stocks and bonds; the former has a relatively higher position in stocks (50%-70%), while the latter has a relatively higher position in fixed income and cash (50%-80%). 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] Morningstar categorizes the Vanguard GNMA Fund as an "intermediate-term government bond fund".

[7] Morningstar categorizes the Harbor Bond Fund as an "intermediate-term bond fund". Over time it is diversified across various bonds, including corporate and government bonds.

[8] This fund came into existence on August 18, 2008 as a result of the merger of Fiserv Trust Company into TD Ameritrade Trust Company. The new fund is the successor fund to your previous Fiserv Trust Institutional Money Market Fund. The new fund is a FDIC-insured deposit account.