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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Broad Street Investment Management, LLC
James H. Brennan, III, Manager
Douglas A. Dyer, Managing Member
735 Broad Street, Suite 218
Chattanooga, TN 37402

DESIST AND REFRAIN ORDER
(For violations of section 25110 of the Corporations Code)

The California Corporations Commissioner finds that:

1. Broad Street Investment Management, LLC (“BSIM”) was incorporated in January 2001. The general focus of the company is to provide interim bridge financing and comprehensive capital formation services to its portfolio companies. The company’s investment objective is long-term capital appreciation from venture capital investments primarily in information technology companies. BSIM is a Delaware limited liability company with the principal business office located at 735 Broad Street, Suite 218, Chattanooga, Tennessee.

2. James H. Brennan, III (“Brennan”) is the founding partner of Brennan Dyer and Co, LLC, an Investment Banking and Venture Capital firm, which is the placement agent for BSIM. Brennan is the Manager of BSIM.

3. Douglas A. Dyer (“Dyer”) became a partner of Brennan Dyer and Co., LLC. in 1994. Dyer is a managing member of BSIM.

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2 4. Beginning in or about October 2001 and continuing through January 2005,
3 BSIM offered and sold securities in the form of Non-Voting interests (“securities”) in BSIM,
4 to at least sixteen California residents. BSIM offered investors the option of investing IRA
5 funds in BSIM through self-directed IRA custodians. In the offering document BSIM,
6 Brennan and Dyer offered to sell up to 1,000,000 interests at \$1.00 per interest, with a
7 minimum initial purchase of \$50,000. Not all of the California residents who purchased
8 BSIM securities were qualified or accredited investors. These securities were offered or
9 sold in this State in issuer transactions.

10 5. The Department of Corporations has not issued a permit or other form of
11 qualification authorizing any person to offer and sell these securities in this state.

12 Based upon the foregoing findings, the California Corporations Commissioner is of
13 the opinion that the investments in Broad Street Investment Management, LLC in the form
14 of Non-Voting interests are securities subject to qualification under the California Corporate
15 Securities Law of 1968 and are being or have been offered and sold without being qualified
16 in violation of Corporations Code section 25110. Pursuant to section 25532 of the
17 Corporate Securities Law of 1968, Broad Street Investment Management, LLC, James H.
18 Brennan, III, and Douglas A. Dyer are hereby ordered to desist and refrain from the further
19 offer or sale of securities in the form of Non-Voting interests (“securities”) in the State of
20 California unless and until qualification has been made under said law or unless exempt.

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This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

Dated: April 7, 2005
Los Angeles, California

WILLIAM P. WOOD
California Corporations Commissioner

By _____
ALAN WEINGER
Supervising Counsel
Enforcement Division