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**IN THE MATTER OF:** \*  
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**BOOMERANG CAPITAL, LLC** \*  
**CRD NO. 120313** \*  
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**STIPULATION AND AGREEMENT**  
**NO. ST-20-2021007-S**

**WHEREAS**, Boomerang Capital, LLC (“Boomerang”) is a broker-dealer located at 12 Runkenhage Road, Darien, Connecticut 06820. Boomerang has been registered as a broker-dealer under Chapter 672a of the General Statutes of Connecticut, the Connecticut Uniform Securities Act (“Act”), from April 22, 2003 to the present, and has no reported disciplinary history;

**WHEREAS**, the Banking Commissioner (“Commissioner”) is charged with the administration of the Act and Sections 36b-31-2 to 36b-31-33, inclusive, of the Regulations of Connecticut State Agencies (“Regulations”) promulgated under the Act;

**WHEREAS**, Boomerang does not conduct any retail broker-dealer business, but is an introducing placement agent for funds managed by investment advisers registered with the Securities and Exchange Commission (“SEC”);

**WHEREAS**, in March 2020, the staff of the Securities and Business Investments Division (“Division”) of the Department of Banking (“Department”) conducted an examination of Boomerang (“Examination”);

**WHEREAS**, during the Examination, the Division ascertained that Boomerang received placement fees in the form of management and performance fees from one fund from 2017 to the present and from another fund from 2019 to the present;

**WHEREAS**, by virtue of Boomerang receiving compensation in the form of a percentage of management and performance fees, Boomerang transacted business as an investment adviser in Connecticut without being registered under the Act;

**WHEREAS**, on August 11, 2020, the Division advised Boomerang in writing that its compensation structure relating to the above referenced funds required Boomerang to be registered as an investment adviser under the Act. In response, on September 4, 2020, Boomerang filed with the Commissioner an application for registration as an investment adviser pursuant to Sections 36b-7 and 36b-32 of the Act;

**WHEREAS**, Section 36b-6(c)(1) of the Act provides, in pertinent part, that “[n]o person shall transact business in this state as an investment adviser unless registered as such by the commissioner as provided in sections 36b-2 to 36b-34, inclusive, or exempted pursuant to subsection (e) of this section;

**WHEREAS**, the Commissioner believes that a violation of Section 36b-6(c)(1) of the Act would support the imposition of administrative proceedings against Boomerang pursuant to Section 36b-15 and Section 36b-27 of the Act;

**WHEREAS**, an administrative proceeding initiated under Section 36b-15 and Section 36b-27 of the Act would constitute a “contested case” within the meaning of Section 4-166(4) of the General Statutes of Connecticut;

**WHEREAS**, Section 4-177(c) of the General Statutes of Connecticut and Section 36a-1-55(a) of the Regulations provide that a contested case may be resolved by stipulation or agreed settlement, unless precluded by law;

**WHEREAS**, Boomerang desires to settle the matters described herein and voluntarily enters into this Stipulation and Agreement;

**WHEREAS**, the Commissioner and Boomerang acknowledge that this Stipulation and Agreement is in lieu of any court action or administrative proceeding against Boomerang, its members, officers, employees, agents or representatives adjudicating any issue of fact or law on the matters described herein and is being made to settle only the matters described herein;

**WHEREAS**, without admitting or denying the allegations contained herein, Boomerang expressly consents to the Commissioner’s jurisdiction under the Act and to the terms of this Stipulation and Agreement;

**WHEREAS**, Boomerang, through its execution of this Stipulation and Agreement, voluntarily waives any rights Boomerang may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Stipulation and Agreement;

**AND WHEREAS**, Boomerang specifically assures the Commissioner that the violation alleged in this Stipulation and Agreement shall not occur in the future.

**NOW THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:**

1. No later than the date this Stipulation and Agreement is executed by the Commissioner, Boomerang shall remit to the Department by cashier’s check, certified check or money order made payable to “Treasurer, State of Connecticut” the sum of five thousand twenty dollars (\$5,020) of which four thousand dollars (\$4,000) shall constitute an administrative fine, and one thousand twenty dollars (\$1,020) of which shall represent reimbursement for past due investment adviser and investment adviser agent registration fees;
2. Boomerang, its members, officers, representatives, agents, employees, affiliates, and successors in interest shall refrain from engaging, directly or indirectly, in conduct constituting or which would constitute a violation of the Act or any regulation or order under the Act;
3. Execution of this Stipulation and Agreement by the Commissioner is without prejudice to the right of the Commissioner to take enforcement action against Boomerang or its successors in interest based upon a violation of this Stipulation and Agreement or the basis for its entry if the Commissioner determines that compliance is not being observed with the terms hereof; and
4. This Stipulation and Agreement shall become binding when executed by Boomerang and the Commissioner.

**IN WITNESS WHEREOF**, the undersigned have executed this Stipulation and Agreement on the dates indicated.

Dated at Hartford, Connecticut,  
this 17th day of September 2020.

\_\_\_\_\_/s/\_\_\_\_\_  
Jorge L. Perez  
Banking Commissioner

I, Donough McDonough, state on behalf of Boomerang Capital, LLC, that I have read the foregoing Stipulation and Agreement; that I know and fully understand its contents; that I am authorized to execute this Stipulation and Agreement on behalf of Boomerang Capital, LLC; and that Boomerang Capital, LLC agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein.

Boomerang Capital, LLC

By:

\_\_\_\_\_/s/\_\_\_\_\_  
Donough McDonough  
Managing Director and Chief Compliance Officer

Date: 9-12-20