

## Stephen James Butler LLC

2300 Contra Costa Blvd., Suite 400  
Pleasant Hill, CA 94523  
(925) 956-0505

January 30, 2020

This brochure provides information about the qualifications and business practices of Stephen James Butler LLC. If you have any questions about the contents of this brochure, please contact us at the telephone number above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority.

Stephen James Butler LLC is a registered investment advisor. Registration of an investment advisor does not imply any level of skill or training. The verbal and written communications of an investment adviser provide you with information you need to determine whether to hire or retain the advisor.

Additional information about Stephen James Butler LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Firm CRD number is 134555.

## Stephen James Butler LLC

---

Our previous annual updating amendment was dated February 5, 2019. There were no material changes made to Part 2 since that amendment.

## ITEM 3

### TABLE OF CONTENTS

Item 1: Cover Sheet	
Item 2: Material Changes	
Item 3: Table of Contents	
Item 4: Advisory Business .....	1
Who we are .....	1
Services we offer.....	1
Assets under management.....	1
Item 5: Fees and Compensation .....	1
Item 6: Performance-Based Fees and Side-By-Side Management .....	2
Item 7: Types of Clients.....	2
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss.....	2
Item 9: Disciplinary Information .....	2
Item 10: Other Financial Industry Activities and Affiliations .....	2
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	2
Code of Ethics.....	2
Personal Trading for Associated Persons.....	3
Item 12: Brokerage Practices .....	3
Item 13: Review of Accounts.....	3
Item 14: Client Referrals and Other Compensation.....	3
Item 15: Custody .....	3
Item 16: Investment Discretion.....	3
Item 17: Voting Client Securities.....	3
Item 18: Financial Information .....	4

## **ITEM 4: ADVISORY BUSINESS**

### **Who we are**

Stephen James Butler LLC (referred to as “we,” “our,” “us,” or “SJBLLC”), has been registered as an investment advisor since May 1999. In 2014 the firm changed its legal status to a limited liability company. Stephen J. Butler is our manager.

### **Services we offer**

We provide consulting services to include:

- Meet with clients to understand the specific and individual needs to help define investment objectives and risk tolerances.
- Review the client’s current and future investment needs and make suggestions.
- Assist in the selection of appropriate mutual funds or other investments.
- Provide advice in regards to the retention or dismissal of any mutual fund or other investment.

We tailor the advice given to meet the needs of the client. We provide investment advice only with respect to mutual funds.

We do not provide portfolio management services to a wrap fee program.

### **Assets under management**

We provide investment consulting services rather than investment advice, so have no assets “under management.”

## **ITEM 5: FEES AND COMPENSATION**

We do not charge any fee to plan sponsors or plan participants of the retirement plans administered by Pension Dynamics Company LLC (“PDC”). PDC receives fees for providing services to their clients, and pays us a portion of those fees for providing the services described above.

Our affiliated persons are also registered representatives of Pension Dynamics Securities Company LLC (“PDSC”), a broker/dealer. PDSC receives commissions and 12b-1 fees from some of the mutual fund companies. Commissions are paid at the time of the initial investment in the fund. 12b-1 fees are paid monthly or quarterly as long as you own the mutual fund. In these situations, PDSC refunds 100% of these commissions and 12b-1 fees to PDC. PDC reduces each of its clients’ fees by the amount of the commissions and 12b-1 fees generated by that client’s investments.

You are under no obligation to implement investment recommendations through PDSC. Commissions paid to PDSC may be higher or lower than other broker/dealers who provide similar services.

## **ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

We do not receive performance fees for managing accounts.

## **ITEM 7: TYPES OF CLIENTS**

We provide advice to retirement plans and their plan participants.

## **ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

We use Modern Portfolio Theory, which is a strategy suitable for conservation of principal and managing risks.

## **ITEM 9: DISCIPLINARY INFORMATION**

Registered investment advisors are required to disclose any material facts regarding any legal or disciplinary actions that would be material to your evaluation of the investment advisor and each investment advisor representative providing investment advice to you. We have no information of this type to report.

## **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

All persons affiliated with SJBLLC are also registered representatives of PDSC, which is a broker/dealer. Please refer to “Item 5: Fees and Compensation” for additional disclosures about this relationship.

Mr. Butler is also the owner of Pension Dynamics Company LLC, a firm which provides third party pension administrative services, compliance consulting and recordkeeping services primarily for employee benefit trusts qualified under ERISA. Mr. Butler expects this to occupy approximately 70% of his time. Mses. Melania Budiman and Karen Barta are both affiliated with Pension Dynamics Company LLC and expect it to occupy approximately 80% of their time.

## **ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **Code of Ethics**

We have adopted a set of enforceable guidelines (Code of Ethics), which describes unacceptable conduct by Stephen Butler and our associated persons. Summarized, this Code of Ethics prohibits us from:

- placing our interests before yours,
- using non public information gathered when providing services to you for our own gains, or
- engaging in any act, practice or course of business that is, or might be considered, fraudulent, deceptive, manipulative, or in violation of any applicable law, rule or regulation of a governmental agency.

Please contact us if you would like to receive a full copy of this Code of Ethics.

## Personal Trading for Associated Persons

There are no other restrictions on trades by Stephen Butler or associated persons because the firm and affiliated persons are not involved in the implementation of the investment recommendations. Affiliated persons of Stephen Butler are required to report all personal securities transactions to Stephen Butler monthly.

Stephen Butler and its associated persons may purchase or sell specific securities for their own account based on personal investment considerations without regard to whether the purchase or sale of such security is appropriate for clients.

## **ITEM 12: BROKERAGE PRACTICES**

We do not select or recommend broker/dealers for clients.

## **ITEM 13: REVIEW OF ACCOUNTS**

Clients' investments are reviewed at the inception of the client relationship by Stephen Butler, Manager, Melania Budiman and/or Karen Barta, investment adviser representatives. After a review, clients receive a report containing suggested changes to the holdings allocations. After the initial review clients are reviewed either annually or upon client request.

Reports are provided only when a review of the account is performed. All clients receive regular statements from the custodian of their assets.

## **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

We do not directly or indirectly compensate anyone for client referrals.

## **ITEM 15: CUSTODY**

We do not accept custody of client assets.

## **ITEM 16: INVESTMENT DISCRETION**

We do not accept investment discretion for client accounts.

## **ITEM 17: VOTING CLIENT SECURITIES**

We do not accept the authority to vote proxies on your behalf and we do not provide guidance about how to vote proxies. You will receive proxies and other related paperwork directly from your custodian.

## **ITEM 18: FINANCIAL INFORMATION**

We do not charge or solicit pre-payment of more than \$1,200 in fees per client six months or more in advance. We have never filed for bankruptcy and are not aware of any financial conditions that are reasonably likely to impair our ability to meet our contractual obligations to clients.