

HURLBUTT JAMES E  
Form 4  
February 19, 2010

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**HURLBUTT JAMES E**

2. Issuer Name and Ticker or Trading Symbol  
**STEPAN CO [SCL]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
**22 W. FRONTAGE ROAD**

3. Date of Earliest Transaction (Month/Day/Year)  
**02/17/2010**

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
**V.P. & Chief Financial Officer**

(Street)  
**NORTHFIELD, IL 60093**

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D) Price			
Common Stock	02/17/2010		M	2,000 <u>(1)</u> A <u>(1)</u>	6,494.4451	D	
Common Stock	02/17/2010		A	2,000 <u>(1)</u> A <u>(1)</u>	8,494.4451	D	
Common Stock	02/17/2010		F	1,268 <u>(1)</u> D <u>(1)</u>	7,226.4451	D	
Common Stock	02/18/2010		J	9.8461 A <u>(3)</u>	7,236.2912	D	
Common Stock	02/18/2010		J	24.1651 A <u>(4)</u>	7,260.4563	D	

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Performance Shares	(2)	02/17/2010		M	2,000	(2)	(2)	Common Stock
Management Incentive Plan	(5)	02/17/2010		J	174.765	08/08/1988	08/08/1988	Common Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HURLBUTT JAMES E 22 W. FRONTAGE ROAD NORTHFIELD, IL 60093			V.P. & Chief Financial Officer	

## Signatures

Kathleen O. Sherlock By Power of Attorney for James E. Hurlbutt 02/19/2010

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Amount reported reflects vesting of 2,000 performance shares on Table II. Upon vesting, total shares delivered to reporting person also includes an additional 2,000 shares due to achievement of certain financial targets by December 31, 2009. Also, 1,268 shares were disposed of for taxes as allowed under the plan.
  - (2) The performance shares vested upon Stepan Company achieving certain financial targets by December 31, 2009.
  - (3) Number of common stock shares acquired with dividend purchase to reporting person's account on February 18, 2010, under the Employee Stock Ownership Plan (ESOP) established by Stepan Company.
  - (4) Number of common stock shares acquired with dividend purchase to reporting person's account on February 18, 2010, under the Employee Stock Ownership Plan II (ESOP II) established by Stepan Company.

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- Management Incentive Plan Amended and Restated as of January 1, 2005 ("Plan"), a 16b-3 Plan, is a nonqualified deferred compensation
- (5) plan which allows Plan participants to elect to defer all or a portion of their deferred compensation into accounts pursuant to Plan provisions.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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