

STEPAN CO
Form 4
August 12, 2008

FORM 4

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

OMB APPROVAL

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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

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

(Street)

NORTHFIELD, IL 60093

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
08/08/2008

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
VP & Chief Financial Officer

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 Indirect Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
Common Stock	08/08/2008		S		719.3376	D	① 4,897.9061
Common Stock	08/08/2008		S		1,311.2313	D	② 3,586.6748

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

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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 Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number of Shares
5-1/2% Convertible Preferred Stock	(2)	08/08/2008		S	293.8255	(3)	(3)	Common Stock	335.47

Reporting Owners

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

Signatures

Kathleen O. Sherlock, By Power of Attorney for James E. Hurlbutt
08/12/2008

**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) On August 8, 2008, 719.3376 shares of common stock were sold in the Stepan Company Employee Stock Ownership Plan, pursuant to provisions of the Plan.

(2) On August 8, 2008, 1,311.2313 shares of common stock were sold in the Stepan Company Employee Stock Ownership Plan II, pursuant to provisions of the Plan. Also, on August 8, 2008, Reporting Person sold 293.8255 shares of preferred stock at \$52.65 per share, pursuant to provisions of the Plan, which converted to common stock equals 335.4752 shares. The preferred stock conversion rate is 1.14175 shares of common stock for each share of preferred stock.

(3) Not Applicable.

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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