STEPAN CO Form 4 February 23, 2017

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

OMB Number:

Washington, D.C. 20549

3235-0287 January 31,

2005

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if no longer STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF subject to Section 16. Form 4 or

(Ctata)

(7:-

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OMB APPROVAL

Form 5 obligations may continue.

See Instruction

Check this box

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

SECURITIES

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading Mergner Arthur W Issuer Symbol STEPAN CO [SCL] (Check all applicable) (Last) (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year) Director 10% Owner Other (specify X_ Officer (give title 22 W. FRONTAGE ROAD 02/21/2017 below) below) VP & General Manager (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting NORTHFIELD, IL 60093 Person

(City)	(State)	(Zip) Tabl	le 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. Securitie order Disposed (Instr. 3, 4 a	of (D))	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 Beneficial Ownership (Instr. 4)	
Common Stock	02/21/2017		M	1,449	A	<u>(1)</u>	6,449	D		
Common Stock	02/23/2017		A	102.495	A	\$ 78.91	6,102.77	I	By Esop II Trust	

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)	1 ' /		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title a Underlyi (Instr. 3
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title
Stock Option (Right to Buy)	\$ 78.58	02/21/2017		A	3,165	, ,	02/21/2018(2)	02/20/2027	Comm Stocl
Stock Appreciation Right	\$ 78.58	02/21/2017		A	9,494		02/21/2018(2)	02/20/2027	Comm
Performance Shares	(3)	02/21/2017		A	2,545		(3)	<u>(3)</u>	Comm Stock
Performance Shares	\$ 0 (4)	02/21/2017		M		1,615	<u>(4)</u>	<u>(4)</u>	Comm Stock
Share Units (5)	<u>(6)</u>	02/21/2017		A	4,553.645		<u>(7)</u>	<u>(7)</u>	Comm Stock

Reporting Owners

Reporting Owner Name / Address	Relationships
Renorting Owner Name / Address	

Director 10% Owner Officer Other

Mergner Arthur W 22 W. FRONTAGE ROAD NORTHFIELD, IL 60093

VP & General Manager

Signatures

/s/ Matthew M. Rice, attorney-in-fact for Arthur W. Mergner

02/23/2017

**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 1,449 performance shares as shown on Table II due to achievement of certain financial targets by December 31, 2016.
- (2) Vests ratably over three years beginning on the date shown.
- (3) Each performance share represents a contingent right to receive 1 share of Stepan Company Common Stock. The performance shares vest upon Stepan Company achieving certain financial targets by December 31, 2019.
- (4) The performance shares vested upon Stepan Company achieving certain financial targets by December 31, 2016.

Reporting Owners 2

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- Share Units are acquired under the Management Incentive Plan (As Amended and Restated Effective January 1, 2015) ("MIP"), a

 (5) nonqualified deferred compensation plan which allows MIP participants to elect to defer all or a portion of their deferred compensation into accounts pursuant to MIP provisions.
- (6) Share Units convert on a one-for-one basis into Common Stock.
- (7) Reflects acquisition of Share Units pursuant to reporting persons election under the MIP, generally payable at end of employment, unless otherwise elected.
- (8) Price reported is the price of Common Stock on the date of the deferral.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.