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

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): 09/15/2008

STEPAN COMPANY

(Exact name of registrant as specified in its charter)

Commission File Number: 1-4462

Delaware
(State or other jurisdiction of
incorporation)

36-1823834
(IRS Employer
Identification No.)

Edens and Winnetka Road, Northfield, Illinois 60093
(Address of principal executive offices, including zip code)

(847)446-7500
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On September 15, 2008, the Board of Directors ("Board") of Stepan Company ("Stepan") adopted the First Amendment of the Stepan Company Management Incentive Plan (As Amended and Restated Effective as of January 1, 2005) (the "Plan"), effective as of January 1, 2008. The primary change in this First Amendment is to increase the maximum amount of the incentive award (the "Award") for Participants from 75 percent to 125 percent of the amount of the actual base salary payable to the Participant by Stepan for the calendar year for which the Award is made, for calendar years beginning on or after January 1, 2008. This First Amendment also provides the Board with the ability to amend the Plan in such respects as it deems advisable.

The descriptions of the First Amendment in this report are a summary of the First Amendment and are qualified in their entirety by the terms of the First Amendment. A copy of the First Amendment is attached as Exhibit 10.1 hereto and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibit Number: 10.1

Description: First Amendment of the Stepan Company Management Incentive Plan

Signature(s)

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

STEPAN COMPANY

Date: September 16, 2008

By: /s/ Kathleen O. Sherlock

Kathleen O. Sherlock
Assistant Secretary

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
EX-10.1	First Amendment of the Stepan Company Management Incentive Plan

**FIRST AMENDMENT
OF THE
STEPAN COMPANY MANAGEMENT INCENTIVE PLAN
(As Amended and Restated
Effective as of January 1, 2005)**

WHEREAS, Stepan Company (the "Company") has established and maintains the Stepan Company Management Incentive Plan, as Amended and Restated effective as of January 1, 2005, (the "Plan"); and

WHEREAS, the Company reserved the right to amend the Plan in Section 7.1 by action of its Committee;

NOW, THEREFORE, BE IT RESOLVED, that the Plan is amended, effective as of January 1, 2008, in the following particulars effective as of the date set forth herein:

1. By deleting Section 7.1 of the Plan and inserting in lieu thereof the following:

"7.1 **Amendment and Termination.** The Board of Directors may from time to time amend the Plan in such respects as it deems advisable and may terminate the Plan at any time; provided, however, that no such amendment or termination shall adversely affect any right or obligation with respect to any Award theretofore made under the Plan or cause any amount deferred pursuant to the Plan to be included in gross income or subject to additional tax and interest under Code Section 409A(a)(1)."

2. By deleting the first sentence of Section 2.2 of the Plan and inserting in lieu thereof the following:

"The amount of an incentive award (the "Award") for any calendar year shall be determined by the Committee and shall be based upon the performance of the Company, the performance of the Participant's department (if relevant), and the performance of the Participant; provided, however, that the amount of an Award to any Participant for any calendar year shall not exceed 75 percent (125 percent for calendar years beginning on or after January 1, 2008) of the amount of the actual base salary payable to the Participant by the Company for the calendar year for which the Award is made, exclusive of the Award or any other form of executive compensation, stock option or other fringe benefit."

RESOLVED FURTHER, that the duly elected and qualified officers of the Company be, and they hereby are, authorized to cause the amendments to the Plan set forth above to be made, including but not limited to, causing to be filed any and all appropriate documents with the Securities and Exchange Commission and the New York Stock Exchange, necessary to effect such amendments.

IN WITNESS WHEREOF, the duly authorized officer of the Company has executed this First Amendment on behalf of the Company this 15th day of September, 2008.

STEPAN COMPANY

By /s/ Greg Servatius

Its Vice President - Human Resources

ATTEST:

Sheila Crockett

Total Rewards Supervisor