

| OMB APPROVAL                                 |           |
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|  |         |          |   |  |  |  |  |  |
|--|---------|----------|---|--|--|--|--|--|
| 1. Name and Address of Reporting Person*<br><b>MASON SCOTT C</b> |         |          | 2. Issuer Name and Ticker or Trading Symbol<br><b>STEPAN CO [ SCL ]</b> |  |  | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br>Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)<br><b>Vice President, Supply Chain</b> |  |  |
| (Last)   | (First) | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year)<br><b>02/21/2017</b>   |  |  | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br>Form filed by More than One Reporting Person  |  |  |
| <b>22 W. FRONTAGE ROAD</b>                                       |         |          | 4. If Amendment, Date of Original Filed (Month/Day/Year)                |  |  |  |  |  |
| (Street)<br><b>NORTHFIELD IL 60093</b>                           |         |          |   |  |  |  |  |  |
| (City) (State) (Zip)   |         |          |   |  |  |  |  |  |

**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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|---------|---|--|---|
|                                 |                                      |  | Code                           | V | Amount  | (A) or (D) | Price   |   |  |   |
| Common Stock                    | 02/21/2017                           |  | M                              |   | 1,738   | A          | (1)     | 17,640  | D  |   |
| Common Stock                    | 02/23/2017                           |  | A                              |   | 102,495   | A          | \$78.91 | 994.63  | I  | By Esop II Trust                                      |

**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 Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |       |
|--|--|--------------------------------------|--|--------------------------------|---|--|-------|--|-----------------|---|--|--|---|--|-------|
|  |  |                                      |  | Code                           | V | (A)  | (D)   | Date Exercisable   | Expiration Date |   |  |  |   |  | Title |
| Stock Option (Right to Buy)                | \$78.58  | 02/21/2017                           |  | A                              |   | 2,848  |       | 02/21/2018 <sup>(2)</sup>                                | 02/20/2027      | Common Stock  | 2,848                                      | \$0  | 2,848   | D  |       |
| Stock Appreciation Right                   | \$78.58  | 02/21/2017                           |  | A                              |   | 8,544  |       | 02/21/2018 <sup>(2)</sup>                                | 02/20/2027      | Common Stock  | 8,544                                      | \$0  | 8,544   | D  |       |
| Performance Shares                         | (3)  | 02/21/2017                           |  | A                              |   | 2,291  |       | (3)  | (3)             | Common Stock  | 2,291                                      | \$0  | 2,291   | D  |       |
| Performance Shares                         | (4)  | 02/21/2017                           |  | M                              |   |  | 1,938 | (4)  | (4)             | Common Stock  | 1,938                                      | (4)  | 0   | D  |       |

**Explanation of Responses:**

- Amount reported reflects vesting of 1,738 performance shares as shown on Table II due to achievement of certain financial targets by December 31, 2016.
- Vests ratably over three years beginning on the date shown.
- 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.
- The performance shares vested upon Stepan Company achieving certain financial targets by December 31, 2016.

Matthew M. Rice, attorney-in-fact for Scott C. Mason 02/23/2017

\*\* Signature of Reporting Person Date

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

\* 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).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.