As filed with the Securities and Exchange Commission on November 3, 1997

Registration No. -_____

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C.

FORM S-8

REGISTRATION STATEMENT

under

THE SECURITIES ACT OF 1933

STEVEN MADDEN, LTD.
(Exact name of registrant as specified in its charter)

New York	13-3588231
(State or other jurisdiction of organization)	(I.R.S. Employer Identification No.)

52-16 Barnett Avenue, Long Island City, NY 11104
(Address of Principal Executive Offices) (Zip Code)

20,000 SHARES OF COMMON STOCK ISSUABLE UPON THE EXERCISE OF STOCK OPTIONS
6,400 SHARES OF COMMON STOCK ISSUABLE UPON THE EXERCISE OF STOCK OPTIONS
9,200 SHARES OF COMMON STOCK ISSUABLE UPON THE EXERCISE OF STOCK OPTIONS
1996 STOCK PLAN
1997 STOCK PLAN
(Full title of the plan)

Steven Madden
President
Steven Madden, Ltd.
52-16 Barnett Avenue
Long Island City, NY 11104
(Name and address of agent for service)

(718) 446-1800
(Telephone number, including area code,
of agent for service)

continued overleaf

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered(1)	Proposed maximum offering price per Share	Proposed maximum aggregate offering price(2)	Amount of registration fee
Common Stock, par value $.0001 per share	20,000	$2.00 (2)	$ 40,000	$ 12.12
Common Stock, par value $.0001 per share	6,400	$3.75 (2)	$ 24,000	$ 7.27
Common Stock, par value $.0001 per share	9,200	$5.875 (2)	$ 54,050	$ 16.38
Common Stock, par value $.0001 per share	375,000	$6.9375 (3)	$2,601,563	$ 788.36
Common Stock, par value $.0001 per share	1,000,000	$6.9375 (3)	$6,937,500	$ 2,102.27
Total				$ 2,926.40

(1) In addition, pursuant to Rule 416 under the Securities Act of 1933, as amended ("Securities Act"), this registration statement also covers an indeterminate number of shares as may be required by reason of any stock dividend, recapitalization, stock split, reorganization, merger, consolidation, combination or exchange of shares or other similar change affecting the stock.

(2) The proposed maximum offering price per share is based upon the designated exercise price as stated in the Stock Option Agreement under which the option was granted.

(3) Estimated solely for the purpose of calculating the registration fee based upon the closing price of the shares of Common Stock on October 28, 1997 of $6.9375 reported on The Nasdaq National Market.

PART I

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

Item 1. Plan Information

Item 2. Registrant Information and Employee Plan Annual Information

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents By Reference

The following documents or portions thereof, as filed with the Securities and Exchange Commission by Steven Madden, Ltd., a New York corporation (the "Corporation"), are incorporated herein by reference:

(1) Quarterly Report on Form 10-QSB for the quarter ended June 30, 1997.

(2) Quarterly Report on Form 10-QSB for the quarter ended March 31, 1997.

(3) Proxy Statement on Schedule 14A dated May 30, 1997.

(4) Annual Report on Form 10-KSB for the period ended December 31, 1996.

(5) The description of the Common Stock, par value $.0001 per share ("Common Stock"), of the Corporation contained in the Corporation registration statement filed under Section 12 of the Exchange Act, including any amendment or report filed for the purpose of updating such description.

All documents filed by the Corporation pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act"), subsequent to the effective date of this Registration Statement and prior to the filing of a post-effective amendment which indicate that all securities offered have been sold or which registers all securities then remaining unsold, shall be deemed to be incorporated by reference in the Registration Statement and to be part thereof from the date of filing such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this registration statement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed,

except as so modified or superseded, to constitute a part of this registration statement.

Item 4. Description of Securities.

Not Applicable.

Item 5. Interests of Named Experts and Counsel

Not Applicable.

Item 6. Indemnification of Directors and Officers

Article IV of the By-Laws provides as follows:

"ARTICLE IV"

INDEMNIFICATION

Indemnification. The Corporation shall (a) indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, officer or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense of settlement of such action or suit, (b) indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation), by reason of the fact that he is or was a director or officer of the Corporation, or served at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, for expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with any such action, suit or proceeding, in each case to the fullest extent permissible under the indemnification provisions of Section 722 of the New York Business Corporation Law or any successor statute and (c) advance reasonable and necessary expenses in connection with such actions or suits, and not seek reimbursement of such expenses unless there is a specific determination that the officer or director is not entitled to such indemnification. The foregoing right of indemnification shall in no way be exclusive of any other rights of indemnification to which any such persons may be entitled, under any by-law, agreement, vote of shareholders or disinterested directors or otherwise, and shall inure to the benefit of the heirs, executors and administrators of such a person.

Item 7. Exemption from Registration Claimed

Not Applicable.

Item 8. Exhibits

The following is a complete list of exhibits filed as a part of this registration statement:

Exhibit No.	Document
5.1	Opinion of Bernstein & Wasserman, LLP.
10.22	Consulting Agreement dated as of May 1, 1997 between the Corporation and The Vayness Corporation, Ltd.
10.23	Stock Option Agreement dated as of May 1, 1997 between the Corporation and The Vayness Corporation, Ltd.
10.24	Consulting Agreement dated as of August 23, 1994 between the Corporation and Stephen Drescher.
10.25	Stock Option Agreement dated as of August 23, 1994 between the Corporation and Stephen Drescher.
10.26	Stock Option Agreement dated as of January 7, 1997 between the Corporation and Hampel Stefanides, Inc.
10.27	1996 Stock Plan.
10.28	1997 Stock Plan.
23.1	Consent of Richard A. Eisner & Company, LLP.

Item 9. Undertakings

A. The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement;

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration

statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, the paragraphs (1)(i) and (1)(ii) do not apply if the information is required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the registrant pursuant to Section 13 or 15(d) of the Exchange Act that are incorporated by reference in the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time be deemed to be the initial bona fide offering thereof; and;

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

B. The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

C. Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described in item 6, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable, In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding, is asserted by such director, officer or controlling person in

connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirement of the Securities Act of 1933, as amended, the Registrant, certifies that it has reasonable grounds to believe that it meets all the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Long Island City, New York, on the 29th day of October, 1997.

STEVEN MADDEN, LTD

By: /s/Steve Madden

Steven Madden
Chairman of the Board, President
and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement or Amendments thereto has been signed below by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/Steven Madden Steven Madden	Chairman of the Board, President and Chief Executive Officer	October 29, 1997
/s/Rhonda Brown Rhonda Brown	Chief Operating Officer and Director	October 29, 1997
/s/Arvind Dharia Arvind Dharia	Chief Financial and Accounting Officer and Director	October 29, 1997
/s/John Basile John Basile	Executive Vice President and Director	October 29, 1997
/s/John L. Madden John L. Madden	Director	October 29, 1997
/s/Peter Migliorini Peter Migliorini	Director	October 29, 1997
/s/Les Wagner Les Wagner	Director	October 29, 1997

STEVEN MADDEN, LTD

EXHIBITS

TO

REGISTRATION STATEMENT ON FORM S-8

INDEX TO EXHIBITS

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23.1	Consent of Richard A. Eisner & Company, LLP.

Exhibit 5.1

OPINION OF BERNSTEIN AND WASSERMAN, LLP

[LETTERHEAD OF BERNSTEIN & WASSERMAN, LLP]

October 29, 1997

Steven Madden, Ltd.
52-16 Barnett Avenue
Long Island City, NY 11105

Ladies and Gentlemen:

We have acted as counsel for Steven Madden, Ltd., a New York corporation ("Company"), in connection with a Registration Statement on Form S-8 ("Registration Statement") being filed contemporaneously herewith by the Company with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), covering an aggregate of (i) 20,000 shares of the Company's Common Stock, $.0001 par value ("Common Stock"), reserved for issuance upon the exercise of options heretofore granted pursuant to that certain Option Agreement dated August 23, 1994 between the Company and Steven Drescher, a consultant to the Company, (ii) 6,400 shares of Common Stock reserved for issuance upon the exercise of options heretofore granted pursuant to that certain Option Agreement and a certain Consulting Agreement, both dated May 1, 1997 between the Company and The Vayness Company, Ltd, (iii) 9,200 shares of Common Stock reserved for issuance upon the exercise of options heretofore granted pursuant to an Agreement dated January 1, 1997 between the Company and Hempel Stefanides, Inc., (iv) 375,000 shares of Common Stock reserved for issuance under the Company's 1996 Stock Plan, and (v) 1,000,000 shares of Common Stock reserved for issuance under the Company's 1997 Stock Plan.

In that connection, we have examined the Certificate of Incorporation, as amended, and the Amended and Restated By-Laws of the Company, the Registration Statement, the Option Agreements, the relevant agreement between the Company and the optionholders, the relevant stock plans, corporate proceedings of the Company relating to the issuance of the Common Stock pursuant to the Option Agreements and under the 1996 Stock Plan and the 1997 Stock Plan, and such other instruments and documents as we have deemed relevant under the circumstances.

In making the aforesaid examinations, we have assumed the genuineness of all signatures and the conformity to original documents of all copies furnished to us as original or photostatic copies. We have also assumed that the corporate records of the Company include all corporate proceedings taken by the Company to date.

Based upon and subject to the foregoing, we are of the opinion that the Common Stock has been duly and validly authorized and, when issued and paid for as described in the respective documents, will be duly and validly issued, fully paid and nonassessable.

We hereby consent to the use of this opinion as herein set forth as an exhibit to the Registration Statement.

Very truly yours,

/s/ Bernstein & Wasserman, LLP

BERNSTEIN & WASSERMAN, LLP

Exhibit 10.22

CONSULTING AGREEMENT DATED AS OF MAY 1, 1997
BY AND BETWEEN THE CORPORATION AND
THE VAYNESS CORPORATION, LTD.

CONSULTING AGREEMENT

CONSULTING AGREEMENT, dated as of May 1, 1997, by and between Steven Madden, Ltd., a New York corporation (the "Company"), and The Vayness Company, Ltd. located at 11740 Wilshire Blvd., Building A, Suite #1203, Los Angeles, CA 90025 (the "Consultant").

W I T N E S E T H :

WHEREAS, the Company desires to secure the services of the Consultant and the Consultant desires to render services to the Company, upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, the parties mutually agree as follows:

Section 1. Consulting Services. The Company hereby engages Consultant and the Consultant hereby accepts such engagement, as a consultant to the Company, subject to the terms and conditions set forth in this Agreement. The Consultant shall:

1. assist the Company with developing and refining its marketing objectives for the Japanese marketplace;

2. assist the Company in identifying, selecting and developing relationships with strategic partners to service the Japanese marketplace (the "Japan Partners");

3. assist the Company in negotiating and finalizing agreements with Japanese Partners;

4. assist the Company in expanding its business in the Japanese marketplace, including without limitation, maintaining and further developing the Company's relationship with Japanese Partners; and

5. assist the Company in identifying potential abuses of the Company's rights in the Japanese marketplace, including without limitation, trademark infringement.

Until an agreement is executed by the Company with a Japanese Partner, or two(2) years following the date hereof, whichever occurs first (the" Personal Service Period"), all services provided by Consultant pursuant to this Agreement shall be performed only by Vital Vayness. Any delegation of Consultant's duties hereunder during the Personal Service Period to an individual other than Mr. Vayness without the Company's prior written consent shall be a breach of this Agreement and may permit the Company to terminate this Agreement in accordance with the terms of Section 4.

Section 2. Term of Agreement.

The term of this Agreement shall be for a period of ten (10) years commencing on the date hereof and ending on March 31, 2007 (the "Term"), subject to earlier termination by the parties pursuant to Section 4.

Section 3. Payments to Consultant.

(a) The Company shall (i) pay to Consultant a fee equal to fifteen percent (15%) of any and all gross revenue and other consideration (prior to any tax withholding or other deductions if any) received by the Company and/or its affiliates, related companies, successors or assigns (collectively, a "Company Entity") from any and all Japanese Partners and/or their affiliates, successors, assigns, related companies, subsidiaries, or sublicenses, in perpetuity in connection with the licensing of any and all Company Entity trademarks, logos, names, designs and/or visual representations, (ii) pay to Consultant a fee equal to fifteen percent (15%) of any and all Net Profit (as hereinafter defined) realized by a Company Entity as the result of the sale of products by a Company Entity, and/or its subcontractors to any and all Japanese Partners and/or their affiliates, successors, assigns, related companies, subsidiaries, or subleases, in perpetuity, and (iii) grant to Consultant a number of options (the "Options") to purchase shares of Common Stock of the Company in accordance with the terms of the Option Agreement attached hereto as Exhibit A (collectively, the "Consulting Fee"). All payments by the Company to Consultant shall be paid within thirty (30) days following receipt of revenue by a Company Entity, along with accounting statements pertaining to such payments, showing the gross revenues received,

the expenses incurred as set forth below and all commissions payable to consultant therefrom. "Net Profit" means any and all gross revenue and other considerations (prior to any tax withholding or other deductions if any) less only direct expenses and costs incurred by the Company in connection with manufacturing and shipping, if any, of said products.

(b) During the term of this Agreement, the Company shall promptly reimburse the Consultant for all reasonable and necessary travel expenses and other disbursements incurred by the Consultant on behalf of the Company, in performance of the Consultant's duties hereunder, assuming Consultant has received prior approval for such travel expenses and disbursements by the Company.

(c) During the term of this Agreement, the Company shall keep complete and accurate books and records covering all transactions relating to the subject matter of this Agreement, and Consultant or its representatives shall have the right to inspect and audit such books and records.

Section 4. Termination.

The Company may terminate the engagement of the Consultant and all of the Company's obligations under this Agreement at any time for Cause (as hereinafter defined) by giving the Consultant notice of such termination, with reasonable specificity of the details thereof. "Cause" shall mean (i) the Consultant's misconduct which could reasonably be expected to have a material adverse effect on the business and affairs of the Company, (ii) the Consultant's disregard of lawful instructions of the Company's President or Chief Operating Officer relating to Consultant's neglect of duties or failure to act, which, in each case, could reasonably be expected to have a material adverse effect on the business and affairs of the Company, (iii) the commission by the Consultant of an act constituting common law fraud, or a felony, or criminal act against the Company or any affiliate thereof or any of the assets of any of them, (iv) the Consultant's abuse of alcohol or other drugs or controlled substances, or conviction of a crime involving moral turpitude, (v) the Consultant's material breach of any of the agreements contained herein or (vi) during the Personal Service Period only, the Consultant's death, Disability (as hereinafter defined);

provided however, that if the Consultant terminates this Agreement as a result of a material breach by the Company of this Agreement, such termination shall not be considered "Cause" hereunder. "Disability" shall mean the Consultant is incapable of performing the services required hereunder as a result of a mental or physical disability for a period of one-hundred eighty (180) consecutive days or for a period of two hundred seventy (270) days during any three hundred sixty (360) day period.

A termination pursuant to this Section 4(i), (ii), (iii), (iv) (other than as a result of a conviction of a crime involving moral turpitude) or (v) shall take effect 60 days after the giving of the notice contemplated hereby unless the Consultant shall, during such 60-day period, remedy to the reasonable satisfaction of the Board of Directors of the Company the misconduct, disregard, abuse or material breach specified in such notice. A termination pursuant to Section 4(iv) (as a result of a conviction of a crime involving moral turpitude) or (vi) shall take effect immediately upon the giving of the notice contemplated hereby. The effective date of termination shall hereinafter be referred to as the "Termination Date".

Section 5. Effect of Termination of Agreement.

Upon the termination of Consultant for Cause, neither the Consultant nor the Consultant's beneficiaries or estate shall have any further rights to compensation under this Agreement or any claims against the Company arising out of this Agreement, except the right to receive (i) the unpaid portion of the Consulting Fee provided for in Section 3, earned through the Termination Date (the "Unpaid Fee Amount"), and (ii) reimbursement for any expenses for which the Consultant shall not have theretofore been reimbursed (the "Expense

Reimbursement Amount"); provided however, that in the event that Consultant is terminated pursuant to Section 4(vi), then in addition to the foregoing, the Consultant shall be entitled to the Consulting Fee for the two (2) years following the Termination Date.

Section 6. Disclosure of Confidential Information.

Consultant recognizes that it has had and will continue to have access to secret and confidential information regarding the Company, including but not limited to its customer list,

products, know-how, and business plans. Consultant acknowledges that such information is of great value to the Company, is the sole property of the Company, and has been and will be acquired by it in confidence. In consideration of the obligations undertaken by the Company herein, Consultant will not, at any time, during or after his engagement hereunder, reveal, divulge or make known to any person, any information acquired by Consultant during the course of his employment, which is treated as confidential by the Company, including but not limited to its customer list, and marketing and strategic plans, not otherwise in the public domain, except as may be required in performance of Consultant's duties. The provisions of this Section 5 shall survive Consultant's engagement hereunder.

Section 7. Covenant Not To Compete.

(a) Consultant recognizes that the services to be performed by it hereunder are special and unique. The parties confirm that it is reasonably necessary for the protection of Company that each of Consultant, its officers, directors and affiliates agree, and accordingly, each of Consultant, its officers, directors, and affiliates does hereby agree, that it shall not, directly or indirectly, at any time during the Personal Service Period:

(i) except as provided in Subsection (c) below, be engaged in the sale, licensing, distribution or marketing of footwear products targeting primarily the junior marketplace (the "Products") or provide technical assistance, advice or counseling regarding the Products worldwide either on his own behalf or as an officer, director, stockholder, partner, consultant, associate, employee, owner, agent, creditor, independent contractor, or co- venturer of any third party; or

(ii) employ or engage, or cause or authorize, directly or indirectly, to be employed or engaged, for or on behalf of itself or any third party, any employee or agent of Company or any affiliate thereof.

(b) If any of the restrictions contained in this Section 7 shall be deemed to be unenforceable by reason of the extent,

duration or geographical scope thereof, or otherwise, then the court making such determination shall have the right to reduce such extent, duration, geographical scope, or other provisions hereof, and in its reduced form this Section shall then be enforceable in the manner contemplated hereby.

(c) This Section 7 shall not be construed to prevent Consultant from (i) owning, directly or indirectly, in the aggregate, an amount not exceeding two percent (2%) of the issued and outstanding voting securities of any class of any company whose voting capital stock is traded on a national securities exchange or on the over-the-counter market other than securities of the Company or (ii) from working with or for any Japanese company with respect to the manufacturing, marketing, licensing, sub-licensing or selling the Products in Japan.

Section 8. Miscellaneous.

8.1 Injunctive Relief. Consultant acknowledges that the services to be rendered under the provisions of this Agreement are of a special, unique and extraordinary character and that it would be difficult or impossible to replace such services. Accordingly, Consultant agrees that any breach or threatened breach by him of Sections 6 or 7 of this Agreement shall entitle Company, in addition to all other legal remedies available to it, to apply to any court of competent jurisdiction to seek to enjoin such breach or threatened breach. The parties understand and intend that each restriction agreed to by Consultant hereinabove shall be construed as separable and divisible from every other restriction, that the unenforceability of any restriction shall not limit the enforceability, in whole or in part, of any other restriction, and that one or more or all of such restrictions may be enforced in whole or in part as the circumstances warrant. In the event that any restriction in this Agreement is more restrictive than permitted by law in the jurisdiction in which Company seeks enforcement thereof, such restriction shall be limited to the extent permitted by law.

8.2 Assignments. Neither Consultant nor the Company may assign or delegate any of their rights or duties under this Agreement without the express written consent of the other party.

8.3 Entire Agreement. This Agreement constitutes and embodies the full and complete understanding and agreement of the parties with respect to Consultant's engagement by the Company, supersedes all prior understandings and agreements,

whether oral or written, between the Consultant and the Company, and shall not be amended, modified or changed except by an instrument in writing executed by the party to be charged. The invalidity or partial invalidity of one or more provisions of this Agreement shall not invalidate any other provision of this Agreement. No waiver by either party of any provision or condition to be performed shall be deemed a waiver of similar or dissimilar provisions or conditions at the same time or any prior or subsequent time.

8.4 Binding Effect. This Agreement shall inure to the benefit of, be binding upon and enforceable against, the parties hereto and their respective successors, heirs, beneficiaries and permitted assigns.

8.5 Headings. The headings contained in this Agreement are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

8.6 Notices. All notices, requests, demands and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when personally delivered, sent by registered or certified mail, return receipt requested, postage prepaid, or by private overnight mail service (e.g. Federal Express) to the party at the address set forth on the books and records of the Company or to such other address as either party may hereafter give notice of in accordance with the provisions hereof. Notices shall be deemed given on the sooner of the date actually received or the third business day after sending.

8.7 Governing Law; Arbitration. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without giving effect to such State's conflicts of laws provisions. Any and all disputes, controversies and claims arising out of or relating to this Agreement or concerning the respective rights or obligations hereunder of the parties hereto shall be settled and determined by arbitration in New

York, New York before the Commercial Panel of the American Arbitration Association in accordance with and pursuant to the then existing Commercial Arbitration Rules. The arbitrators shall have the power to award specific performance or injunctive relief and reasonable attorneys' fees and expenses to any party in any such arbitration. However, in any arbitration proceeding arising under this Agreement, the arbitrators shall not have the power to change, modify or alter any express condition, term or provision hereof, and to that extent the scope of their authority is limited. The arbitration award shall be final and binding upon the parties and judgment thereon may be entered in any court having jurisdiction thereof.

8.8 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one of the same instrument.

8.9 Independent Contractor. Consultant's engagement pursuant to this Agreement shall be as independent consultant and not as an employee, officer or other agent of the Company. Neither party to this Agreement shall represent or hold itself out to be the employer or employee of the other. Consultant further acknowledges that the compensation provided herein is a gross amount of compensation and that the Company will not withhold from such compensation any amounts respective income taxes, social security payments or any other payroll taxes. All such income taxes and payments shall be made or provided for by Consultant and the Company shall have no responsibility or duties regarding such matters.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth above.

STEVEN MADDEN, LTD.

By: /s/Rhonda Brown

Name: Rhonda Brown
Title: Chief Operating Officer

THE VAYNESS COMPANY, LTD.

By: /s/Vital Vayness

Name: Vital Vayness
Title: President

Exhibit 10.23

STOCK OPTION AGREEMENT DATED AS OF MAY 1, 1997
BY AND BETWEEN THE CORPORATION AND
THE VAYNESS CORPORATION, LTD.

STOCK OPTION AGREEMENT

THIS AGREEMENT dated as of the 1st day of May, 1997, (the "Grant Date") is made and entered into by and between Steven Madden, Ltd., a New York corporation with its principal offices located at 52-16 Barnett Avenue, Long Island City, NY 11104 (the "Company"), and The Vayness Company, Ltd. (the "Optionee").

W I T N E S S E T H:

WHEREAS, the Company and Optionee have entered into that certain Consulting Agreement dated as of the date hereof (the "Consulting Agreement"); and

WHEREAS, as partial consideration for services rendered for by Optionee, the Company has agreed to provide Optionee with options to purchase shares of the Company's common stock, par value $.0001 per share (the "Common Stock"); and

WHEREAS, the Optionee desires to accept the grant of such options, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, the Company and the Optionee hereby agree as follows:

Section 1. Grant of Options. Subject to the provisions of this Agreement, the Company hereby grants to the Optionee options (the "Options") to purchase from the Company Six Thousand Four Hundred (6,400) shares of Common Stock (the "Option Shares") at an exercise price of $3.75 per share (the "Exercise Price").

Section 2. Vesting; Termination of Options. Commencing on August 1, 1997 and on each of November 1, 1997, February 1, 1998 and May 1, 1998 thereafter, one thousand six hundred (1,600) options shall vest. Following vesting the Optionee may exercise the Options at any time until April 30, 2002, unless Optionee is terminated for Cause (as defined in the

Consulting Agreement) in which case such Options shall terminate one hundred twenty (120) days following termination.

Section 3. Corporate Events. In the event of a proposed liquidation of the Company, a proposed sale of all or substantially all of its assets or its Common Stock, a proposed merger or consolidation, or a proposed separation or reorganization, the Board of Directors may declare that the Options shall terminate as of a date to be fixed by the Board of Directors; provided however, that not less than thirty (30) days preceding the date of such termination, the Optionee may exercise the Options in whole or in part. However, nothing set forth herein shall (i) extend the term set for purchasing the Option Shares or (ii) give the Optionee any rights or privileges as a stockholder of the Company prior to Optionee's exercise of any of the Option Shares.

Section 4. Exercise of Options. The Options may be exercised in whole or in part in accordance with the provisions of this Agreement by the Optionee's tendering the Exercise Price (or a proportionate part thereof if the Options are partially exercised) in immediately available funds or other consideration reasonably acceptable to the Board of Directors of the Company. The Company shall cooperate to the extent reasonably possible with the Optionee in an exercise pursuant to which all or part of the Optionee Shares will be sold simultaneously with the exercise of the Options with the broker-dealer participating in such sale being irrevocably instructed to remit the proceeds from the exercise of the Options to the Company upon settlement of the sale of the underlying Option Shares.

The Optionee may exercise part or all of the Options by tender to the Company of a written notice of exercise together with advice of the delivery of an order to a broker to sell part or all of the Option Shares, subject to such exercise notice and an irrevocable order to such

broker to deliver to the Company (or its transfer agent) sufficient proceeds from the sale of such Option Shares to pay the exercise price and any withholding taxes. All documentation and procedures to be followed in connection with such a "cashless exercise" shall be approved in advance by the Company, which approval shall be expeditiously provided and not unreasonably withheld.

Section 5. Shares Certificates. Upon receipt of payment in full of the Exercise Price, and after taking such steps as it deems necessary to satisfy any withholding tax obligations imposed upon it by any level of government, the Company will cause one or more stock certificates evidencing the Optionee's ownership of the Option Shares so purchased by the Optionee to be issued to the Optionee.

Section 6. Restrictions; Piggyback Registration Rights. The Options and the Option Shares have not been registered under the Securities Act of 1933, as amended (the "Act"). Optionee understands that, unless registered with the Securities and Exchange Commission for sale to the public, all Option Shares acquired upon the exercise of the Options shall be "restricted securities" as that term is defined in Rule 144 promulgated under the Act. The certificate representing the Option Shares shall bear an appropriate legend restricting their transfer. Such Option Shares cannot be sold, transferred, assigned or otherwise hypothecated without registration under the Act or unless a valid exemption from registration is then available under applicable federal and state securities laws and the Optionee has furnished the Company with an opinion of counsel satisfactory in form and substance to the Company's counsel that such registration is not required.

In the event that the Company files a registration statement with the Securities and

Exchange Commission covering shares of its Common Stock, the Company agrees to include in such registration statement (other than a registration statement on Form S-4) the Option Shares for sale to the public at no cost or expense to the Optionee.

Section 7. Default of Optionee. Should the Optionee at any time breach any provision of this Agreement, the Options granted hereunder shall be deemed null and void. This provision shall be in addition and not in lieu of any other remedies which the Company may have at law and/or in equity.

Section 8. Share Adjustments. If there is any change in the number of shares of Common Stock on account of the declaration of stock dividends, recapitalization resulting in stock splits, or combinations or exchanges of shares of Common Stock, or otherwise, the number of Option Shares available for purchase by the exercise of the Options, and the Exercise Price, shall be proportionately adjusted by the Company.

Section 9. Miscellaneous Provisions.

(a) Notices. Unless otherwise specifically provided herein, all notices to be given hereunder shall be in writing and sent to the parties by certified mail, return receipt requested, which shall be addressed to each party's respective address, as set forth in the first paragraph of this Agreement, or to such other address as such party shall give to the other party hereto by a notice given in accordance with this Section and, except as otherwise provided in this Agreement, shall be effective when deposited in the United States mail properly addressed and postage prepaid. If such notice is sent other than by the United States mail, such notice shall be effective when actually received by the party being noticed.

(b) Assignment. This Agreement and the rights granted hereunder may not be assigned in whole or in part by Optionee except by will or the laws of descent and distribution. This

Agreement may be assigned by the Company without the consent of the Optionee.

(c) Further Assurances. Both parties hereto shall execute and deliver such other instruments and do such other acts as may be necessary to carry out the intent and purposes of this Agreement.

(d) Gender. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms and the singular form of nouns and pronouns shall include the plural and vice versa.

(e) Captions. The captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit, extend or prescribe the scope of this Agreement or the intent of any of the provisions hereof.

(f) Completeness and Modification. This Agreement and the Consulting Agreement constitutes the entire understanding between the parties hereto superseding all prior and contemporaneous agreements or understandings among the parties hereto concerning the grant of stock options to the Optionee. This Agreement shall not terminated, except in accordance with its terms, or amended in writing executed by all of the parties hereto.

(g) Waiver. The waiver of a breach of any term or condition of this Agreement shall not be deemed to constitute the waiver of any other breach of the same or any other term or condition.

(h) Severability. The invalidity or enforceability, in whole or in part, of any covenant, promise or undertaking, or any section, subsection, paragraph, sentence, clause phrase or word or of any provision of this Agreement shall not affect the validity or enforceability of the remaining portions thereof.

(i) Construction. This Agreement shall be governed by and construed in accordance

with the internal laws of the State of New York.

(j) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the heirs, successors, estate and personal representatives of the Optionee and upon the successors and assigns of the Company.

(k) Litigation-Attorney' Fees. In connection with any litigation arising out of the enforcement of this Agreement or for its interpretation, the prevailing party shall be entitled to recover its costs, including reasonable attorneys' fees, at the trial and all appellate levels form the other party hereto, who was an adverse party to such litigation.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year set forth in the first paragraph of this Agreement above.

STEVEN MADDEN, LTD.

By: /s/Steven Madden

Name: Steven Madden

Title: President and
Chief Executive Officer

THE VAYNESS COMPANY, LTD.

By: /s/Vital Vayness

Name: Vital Vayness
Title:

Exhibit 10.24

CONSULTING AGREEMENT DATED AS OF AUGUST 23, 1994
BY AND BETWEEN THE CORPORATION AND
STEPHEN DRESCHER

CONSULTING AGREEMENT

AGREEMENT, made and entered into this ____ day of _____, between _____, having offices at _____ (the "Consultant"), and STEVEN MADDEN, LTD. having an office at 52-16 Barnett Avenue, Long Island City, NY 11104 (the "Company").

WHEREAS, the Company desires to obtain the benefit of the services of the Consultant, and the Consultant desires to render such services on the terms and conditions hereinafter set forth;

NOW, THEREFORE, the parties hereto, in consideration of the premises and the mutual covenants herein contained, hereby agree as follows:

1. Term: Subject to the provisions hereinafter set forth, the Company hereby retains the Consultant and the consultant hereby accepts its retention for a term commencing as of the date hereof and terminating _____ (the "Term")

2. Scope: During the Term, the Consultant shall consult with and render advice to the Company specifically concerning strategic planning and other related matters.

All final decisions with respect to areas as to which the Consultant has rendered advice to the Company are decisions of the Company and the Consultant shall have no liability or responsibility therefore. The Consultant shall render such services to the best of its ability and shall use its best efforts to promote the interests of the Company.

3. Compensation: As compensation for the services to be rendered by Consultant during the Term, the Company agrees to sell to the Consultant _____ shares of _____ common stock of the Company for $.0001 per share. The shares of common stock have been registered on a Form S-8 registration statement which was declared effective by the Securities and Exchange Commission on _____.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

By: _____

STEVEN MADDEN, LTD.

By: _____

Exhibit 10.25

STOCK OPTION AGREEMENT DATED AS OF AUGUST 23, 1994
BY AND BETWEEN THE CORPORATION AND
STEPHEN DRESCHER

STOCK OPTION AGREEMENT

THIS AGREEMENT dated as of the 23rd day of August, 1994, (the "Grant Date") is made and entered into by and between STEVEN MADDEN, LTD., a New York corporation with its principal offices located at 540 Broadway, New York, New York 10012 (the "Company") and Stephen Drescher whose address is 300 East 93rd Street, Penthouse E, New York, New York 10128 (the "Optionee").

W I T N E S S E T H:

WHEREAS, the Board of Directors of the Company has approved the granting to the Optionee of the option to purchase certain shares of common stock, par value $.0001 per share ("Common Stock"); and

WHEREAS, the Optionee desires to accept the grant of such option, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, the Company and the Optionee hereby agree as follows:

Section 1. Grant of Option. Subject to the provisions of this Agreement, the Company hereby grants to the Optionee an option (the "Option") to purchase from the Company at any time during the period commencing on the date hereof through and including August 1, 1999 (the "Termination Date") Twenty Thousand (20,000) shares of Common Stock (the "Option Shares") at an exercise price of $2.00 per share (the "Exercise Price")

Section 2. Termination of Options. To the extent not exercised, the Option shall terminate on the Termination Date.

Section 3. Corporate Events. In the event of a proposed liquidation of the Company, a proposed sale of all or substantially all of its assets or its Common Stock, a proposed merger or consolidation, or a proposed separation or reorganization, the Board of Directors may declare that the Option shall terminate as of a date to be fixed by the Board of Directors; provided however, that not less than thirty (30) days preceding the date of such termination, the Optionee may exercise the Option in whole or in part. However, nothing set forth herein shall (i) extend the term set for purchasing the Option Shares or (ii) give the Optionee any rights or privileges as a stockholder of the Company prior to Optionee's exercise of any of the Option Shares.

Section 4. Exercise of Option. The Option may be exercised in whole or in part in accordance with the provisions of this Agreement by the Optionee's tendering the Exercise Price (or a proportionate part thereof if the Option is partially exercised) in immediately available funds. The Company shall cooperate to the extent reasonably possible with the Optionee in an exercise pursuant to which all or part of the Optionee Shares will be sold simultaneously with the

exercise of this Option with the broker-dealer participating in such sale being irrevocably instructed to remit the proceeds from the exercise of the Option to the Company upon settlement of the sale of the underlying Option Shares.

The Optionee may exercise part or all of the Option by tender to the Company of a written notice of exercise together with advice of the delivery of an order to a broker to sell part or all of the

Option Shares, subject to such exercise notice and an irrevocable order to such broker to deliver to the Company (or its transfer agent) sufficient proceeds from the sale of such Option Shares to pay the exercise price and any withholding taxes. All documentation and procedures to be followed in connection with such a "cashless exercise" shall be approved in advance by the Company, which approval shall be expeditiously provided and not unreasonably withheld.

Section 5. Shares Certificates. Upon receipt of payment in full of the Exercise Price, and after taking such steps as it deems necessary to satisfy any withholding tax obligations imposed upon it by any level of government, the Company will cause one or more stock certificates evidencing the Optionee's ownership of the Option Shares so purchased by the Optionee to be issued to the Optionee.

Section 6. Restrictions; Registration Rights. The Option and the Option Shares have not been registered under the Securities Act of 1933, as amended (the "Act"). The Company agrees to register the Option Shares on Form S-8 with the Securities and Exchange Commission. All Option Shares acquired upon the exercise of the Option shall be "restricted securities" as that term is defined in Rule 144 promulgated under the Act. The certificate representing the Option Shares shall bear an appropriate legend restricting their transfer. Such Option Shares cannot be sold, transferred, assigned or otherwise hypothecated without registration under the Act or unless a valid exemption from registration is then available

under applicable federal and state securities laws and the Optionee has furnished the Company with an opinion of counsel satisfactory in form and substance to the Company's counsel that such registration is not required.

Section 7. Default of Optionee. Should the Optionee at any time breach any provision of this Agreement, the Option granted hereunder shall be null and void. The provision shall be in addition and not in lieu of any other remedies which the Company may have at law and/or in equity.

Section 8. Share Adjustments. If there is any change in the number of shares of Common Stock on account of the declaration of stock dividends, recapitalization resulting in stock splits, or combinations or exchanges of shares of Common Stock, or otherwise, the number of Option Shares available for purchase by the exercise of the Option, and the Exercise Price, shall be proportionately adjusted by the Company.

Section 9. Miscellaneous Provisions.

(a) Notices. Unless otherwise specifically provided herein, all notices to be given hereunder shall be in writing and sent to the parties by certified mail, return receipt requested, which shall be addressed to each party's respective address, as set forth in the first paragraph of this Agreement, or to such other address as such party shall give to the other party hereto by a notice given in accordance with this Section and, except as otherwise provided in this Agreement, shall be effective when deposited in the United States mail properly addressed and postage prepaid. If

such notice is sent other than by the United States mail, such notice shall be effective when actually received by the party being noticed.

(b) Assignment. This Agreement and the rights granted hereunder may not be assigned in whole or in part by Optionee except by will or the laws of descent and distribution, and the Option is exercisable during Optionee's lifetime only by the Optionee. This Agreement may be assigned by the Company without the consent of the Optionee.

(c) Further Assurances. Both parties hereto shall execute and deliver such other instruments and do such other acts as may be necessary to carry out the intent and purposes of this Agreement.

(d) Gender. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms and the singular form of nouns and pronouns shall include the plural and vice versa.

(e) Captions. The captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit, extend or prescribe the scope of this Agreement or the intent of any of the provisions hereof.

(f) Completeness and Modification. This Agreement constitutes the entire

understanding between the parties hereto superseding all prior and contemporaneous agreements or understandings among the parties hereto concerning the grant of stock options to the Optionee. This Agreement shall not terminated, except in accordance with its terms, or amended in writing executed by all of

the parties hereto.

(g) Waiver. The waiver of a breach of any term or condition of this Agreement shall not be deemed to constitute the waiver of any other breach of the same or any other term or condition.

(h) Severability. The invalidity or enforceability, in whole or in part, of any covenant, promise or undertaking, or any section, subsection, paragraph, sentence, clause phrase or word or of any provision of this Agreement shall not affect the validity or enforceability of the remaining portions thereof.

(i) Construction. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

(j) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the heirs, successors, estate and personal representatives of the Optionee and upon the successors and assigns of the Company.

(k) Litigation-Attorney' Fees. In connection with any litigation arising out of the enforcement of this Agreement or for its interpretation, the prevailing party shall be entitled to recover its costs, including reasonable attorneys' fees, at the trial and all appellate levels form the other party hereto, who was an adverse party to such litigation.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year set forth in the first paragraph of this Agreement above.

ATTEST:

STEVEN MADDEN, LTD.

BY: /s/ Steven Madden

Steven Madden
President

Exhibit 10.26

STOCK OPTION AGREEMENT DATED AS OF JANUARY 7, 1997
BY AND BETWEEN THE CORPORATION AND
HAMPEL STEFANIDES, INC.

LETTER OF AGREEMENT

This agreement is by and between Hampel Stefanides, Inc., of 111 Fifth Avenue, New York, New York 10003 (Agency) and Steve Madden, Ltd. of 52-16 Barnett Avenue, Long Island City, New York 11104 (Client).

Agency and Client hereby agree to have the Agency serve as Client's advertising agency from January 8, 1997 through January 7, 1998 in accordance with and subject to the following terms and conditions:

1. The Agency will perform the following services for Client, with Client's direction:

A. Study Clients products and/or services.

B. Analyze Client's present and potential markets.

C. Utilize Agency's knowledge of the factors of distribution and sales and their methods of operation.

D. Write, design, illustrate, or otherwise prepare Client's advertisements, in a final format, ready for distribution to the media.

E. Plan and order the space, time, or other means to be used for Client's advertising while endeavoring to secure the most advantageous rates available.

F. Check, verify and analyze insertions, displays, broadcasts, or other means used for Client's advertising.

G. Create and produce collateral materials to include video's, signage, packaging and other marketing communications materials required for the Client

2. Agency is authorized to act as Client's agent in purchasing the materials and services required to produce advertising on Client's behalf. Agency will obtain from Client prior written approval to purchase all such materials and services. However, if time does not permit Agency to obtain prior written approval, it may proceed based on verbal approval with prompt confirmation in writing by Agency. Agency will use its best efforts to secure the most competitive rates for both materials and media. All such materials and services will become Client's property upon payment to Agency by Client.

3. Agency will submit written proposals with estimated timetables and budgetary requirements for Client's prior approval.

4. Agency will take every reasonable precaution to safeguard any and all of Client's property entrusted to its custody or control, but in the absence of gross negligence on Agency's part or willful disregard by Agency, Agency will not be held responsible for any loss, damage, destruction, or unauthorized use

by others of any such property.

5. Client reserves the right to modify, reject, cancel, or stop any and all plans, schedules, or work in process, and in such event Agency shall immediately take proper steps to carry out Client's instructions; provided such action is taken, Client agrees to assume Agency's liability for all previously approved commitments, and to reimburse Agency for any losses it may incur in connection with these canceled plans, in addition to paying Agency any compensation due it prior to cancellation in accordance with the provisions of this agreement.

Agency will endeavor to the best of its knowledge and ability to guard against any loss to Client through failure of media or suppliers to properly execute their commitments, but Agency shall not be held responsible for failure on their parts unless such failure is the result of Agency's negligence and/or misconduct.

6. Agency shall not disclose Client's trade secrets or pending patents or other confidential information used by Client in the operation of its business, nor use the information in any way, directly or indirectly, except as required in the performance of this contract.

7. Client shall be responsible for the accuracy, completeness, and propriety of information concerning its products and services that it furnishes to Agency in connection with performance of this agreement.

8. Except as is otherwise provided below, Client will indemnify and hold Agency harmless from and against any liabilities and expenses (including attorney's fees) reasonably incurred by Agency in respect of any action or proceeding brought or threatened to be brought before any court, administrative body, or other tribunal, which action arises out of the services rendered by Agency hereunder including, without limitation, liabilities and expenses arising out of claims with respect to advertising prepared by Agency. Agency agrees to indemnify and hold Client harmless from and against any liabilities and expenses (including attorney's fees) reasonably incurred by Client in respect to any advertising materials prepared by Agency for Client that give rise to any claim pertaining to libel, slander, defamation, trademark infringement, copyright

infringement, invasion of privacy, trade secrets, piracy and/or plagiarism unless such claim results from information or materials furnished by Client. The terms of this paragraph 8 will not terminate with termination of this agreement. Agency represents that it has Professional Liability Insurance and will maintain such coverage for the term of this contract in an amount of not less than $1,000,000.

9. Agency is a signatory to the Screen Actors Guild (SAG) and the American Federation of Television and Radio Artists (AFTRA). Client agrees to abide by regulations regarding these associations. Upon termination of this agreement, Client agrees to sign a Transfer of Rights Agreement which will transfer all talent obligations from Agency to Client.

10. Client agrees to pay Agency the actual, net costs of all media, materials and third party services purchased on its behalf including reasonable miscellaneous reimbursable expenses such as travel, telephone, photocopies, facsimiles, postage and shipping. The exact amount of cash discounts allowed to Agency by suppliers for prompt payment will be credited to Client provided Client pays Agency in time to take the suppliers' discount and that there is not an overdue indebtedness at the time of payment.

11. Compensation to the Agency for services rendered will be made in the form of a retainer, Steve Madden Ltd. common stock and hourly fees in the following manner:

a) In consideration of services related to the development and placement of advertising in the media during the term of this agreement, the Client will pay a monthly retainer of $ 8,000 (to be billed the first of each month) and provide Agency with a number of options to purchase shares of Client's Common Stock equal to $ 54,000 divided by the closing price as reported by the NASDAQ Stock Market on January 7,1997 (The Market Price). The options will have an exercise price equal to The Market Price and vest in four (4) equal installments each on April 7,1997, July 7, 19971 October 7, 1997 and January 7, 1998. The Client agrees to register the shares of Common Stock issuable upon exercise of the options prior to the date of vesting. The options will terminate two (2) years from the date of vesting. If this agreement is terminated by the Client prior to January 7, 1998, then the Agency shall retain the right to the option installment which it would have earned during the contract year quarter which in such termination occurs.

11b) For projects that are both unrelated to media advertising and do not utilize graphics inherent to the advertising idea (e.g. corporate video's, annual reports, research), Agency will bid on a project basis with compensation based on hourly fees.

11c) For all Agency digital studio services (e.g., mechanicals, type, etc.), Client will be billed standard Agency rates.

12. Client agrees to pay all invoices within thirty days of invoice date. Any invoice not paid according to these terms is subject to a monthly finance charge of 1 1/2% plus all collection costs, including reasonable attorney costs and court fees.

13. The term of this agreement shall be from January 8, 1997 and shall continue in force from that date until January 7, 1998 and may be terminated by thirty days notice in writing given by either party to the other and sent registered mail or overnight mail courier service to the principal place of business of the party to whom such notice is addressed. This agreement may be terminated without notice by either party if the other party is (a) in default or breach and the default or breach has not been cured within ten (10) days, (b) bankrupt or

making an assignment for the benefit of creditors, (c) subject to a suit for appointment of a receiver, or (d) dissolved or liquidated.

14. Agency, during the term of this agreement, will not act as advertising agency for any product directly competitive with Client.

15. Agency will not utilize services or purchase products from a subsidiary or other entity with which Agency has a financial interest unless Agency discloses that information to Client and Client approves the transaction in writing.

16. Agency agrees that Client is under no obligation to approve or use the ideas presented to Client by Agency.

17. Agency acknowledges that, except as set forth in paragraph 2, it is acting as an independent contractor and no employment responsibility or obligation is created with this agreement. All work product is made as work for hire and upon termination all paid for work product will be delivered to Client at Client's cost.

18. Client may at any time during the life of this contract, and upon reasonable notice and during normal business hours, examine Agency's files and records that pertain to the handling of Client's advertising.

19. This agreement, which is to be governed by the laws of New York, contains the entire understanding of the parties and supersedes all prior discussion, correspondence and understandings whether oral or written and may not be changed, assigned or modified except in writing signed by both parties.

Hampel Stefanides, Inc.:	Steve Madden Ltd.:
By /s/ ILLEGIBLE	By /s/ Rhonda J. Brown
Date 1/8/97	Date 1/9/97

Exhibit 10.27

1996 STOCK PLAN

STEVEN MADDEN, LTD.

1996 STOCK PLAN

APPROVED AND ADOPTED BY THE BOARD OF DIRECTORS ON MARCH 6, 1996

SECTION 1. PURPOSE. The purpose of the Steven Madden, Ltd. 1996 Stock Plan (the "Plan") is to provide a means whereby directors and selected employees, officers, agents, consultants, and independent contractors of Steven Madden, Ltd., a Delaware corporation (the "Company"), or of any parent or subsidiary (as defined in subsection 5.7 hereof and referred to hereinafter as "Affiliates") thereof, may be granted incentive stock options and/or nonqualified stock options to purchase shares of common stock, $.0001 par value ("Common Stock") in order to attract and retain the services or advice of such directors, employees, officers, agents, consultants, and independent contractors and to provide additional incentive for such persons to exert maximum efforts for the success of the Company and its Affiliates by encouraging stock ownership in the Company.

SECTION 2. ADMINISTRATION. Subject to Section 2.3 hereof, the Plan shall be administered by the Board of Directors of the Company (the "Board") or, in the event the Board shall appoint and/or authorize a committee of two or more members of the Board to administer the Plan, by such committee. The administrator of the Plan shall hereinafter be referred to as the "Plan Administrator".

The foregoing notwithstanding, with respect to grants to be made to directors: (a) the Plan Administrator shall be constituted so as to meet the requirements of Section 16(b) of the Exchange Act and Rule 16b-3 thereunder, each as amended from time to time, or (b) if the Plan Administrator cannot be so constituted, no options shall be granted under the Plan to any directors.

2.1 PROCEDURES. The Board shall designate one of the members of the Plan Administrator as chairman. The Plan Administrator may hold meetings at such times and places as it shall determine. The acts of a majority of the members of the Plan Administrator present at meetings at which a quorum exists, or acts approved in writing by all Plan Administrator members, shall be valid acts of the Plan Administrator.

2.2 RESPONSIBILITIES. Except for the terms and conditions explicitly set forth herein, the Plan Administrator shall have the authority, in its discretion, to determine all matters relating to the options to be granted under the Plan, including, without limitation, selection of whether an option will be an incentive stock option or a nonqualified stock option, selection of the individuals to be granted options, the number of shares to be subject to each option, the exercise price per share, the timing of grants and all other terms and conditions of the options. Grants under the Plan need not be identical in any respect, even when made

simultaneously. The Plan Administrator may also establish, amend, and revoke rules and regulations for the administration of the Plan. The interpretation and construction by the Plan Administrator of any terms or provisions of the Plan or any option issued hereunder, or of any rule or regulation promulgated in connection herewith, shall be conclusive and binding on all interested parties, so long as such interpretation and construction with respect to incentive stock options corresponds to the requirements of Internal Revenue Code of 1986, as amended (the "Code"). Section 422, the regulations thereunder, and any amendments thereto. The Plan Administrator shall not be personally liable for any action made in good faith with respect to the Plan or any option granted thereunder.

2.3 RULE 16b-3 AND SECTION 16(b) COMPLIANCE; BIFURCATION OF PLAN. It is the intention of the Company that the Plan comply in all respects with Rule 16b-3 under the Securities Exchange Act of 1934 (the "Exchange Act") to the extent applicable, and in all events the Plan shall be construed in favor of its meeting the requirements of Rule 16b-3. If any Plan provision is later found not to be in compliance with such Rule, such provision shall be deemed null and void. The Board of Directors may act under the Plan only if all members thereof are "disinterested persons" as defined in Rule 16b-3 and further described in Section 4 hereof; and no director or officer or other Company "insider" subject to Section 16 of the Exchange Act may sell shares received upon the exercise of an option during the six month period immediately following the grant of the option without complying with the terms of Section 16 of the Exchange Act.

Notwithstanding anything in the Plan to the contrary, the Board, in its absolute discretion, may bifurcate the Plan so as to restrict, limit, or condition the use of any provision of the Plan to participants who are officers and directors or other persons subject to Section 16(b) of the Exchange Act without so restricting, limiting, or conditioning the Plan with respect to other participants.

SECTION 3. STOCK SUBJECT TO THE PLAN. The stock subject to this Plan shall be the Common Stock, presently authorized but unissued or subsequently acquired by the Company. Subject to adjustment as provided in Section 7 hereof, the aggregate amount of Common Stock to be delivered upon the exercise of all options granted under the Plan shall not exceed in the aggregate 375,000 shares as such Common Stock was constituted on the effective date of the Plan. If any option granted under the Plan shall expire, be surrendered, exchanged for another option, canceled, or terminated for any reason without having been exercised in full, the unpurchased shares subject thereto shall thereupon again be available for purposes of the Plan, including for replacement options which may be granted in exchange for such surrendered, canceled, or terminated options.

SECTION 4. ELIGIBILITY. An incentive stock option may be granted only to any individual who, at the time the option is granted, is a director, employee, officer, agent, consultant, or independent contractor of the Company or any Affiliate thereof. A nonqualified stock option may be granted to any director, employee, officer, agent, consultant, or independent

contractor of the Company or any Affiliate thereof, whether an individual or an entity. Any party to whom an option is granted under the Plan shall be referred to hereinafter as an "Optionee".

A director shall in no event be eligible for the benefits of the Plan unless at the time discretion is exercised in the selection of a director as a person to whom options may be granted, or in the determination of the number of shares which may be covered by options granted to the director, the Plan complies with the requirements of Rule 16b-3 under the Exchange Act.

SECTION 5. TERMS AND CONDITIONS OF OPTIONS. Options granted under the Plan shall be evidenced by written agreements which shall contain such terms, conditions, limitations, and restrictions as the Plan Administrator shall deem advisable and which are not inconsistent with the Plan.

5.2 TERM AND MATURITY. Subject to the restrictions contained in Section 6 hereof with respect to granting stock options to greater than ten percent stockholders, the term of each stock option shall be as established by the Plan Administrator and, if not so established, shall be ten years from the date of its grant, but in no event shall the term of any incentive stock option exceed a ten year period.

5.3 EXERCISE. Each option may be exercised in whole or in part; provided, that only whole shares may be issued pursuant to the exercise of any option. Subject to any other terms and conditions herein, the Plan Administrator may provide that an option may not be exercised in whole or in part for a stated period or periods of time during which such option is outstanding; provided, that the Plan Administrator may rescind, modify, or waive any such limitation (including by the acceleration of the vesting schedule upon a change in control of the Company) at any time and from time to time after the grant date thereof. During an Optionee's lifetime, any incentive stock options granted under the Plan are personal to such Optionee and are exercisable solely by such Optionee. Options shall be exercised by delivery to the Company of notice of the number of shares with respect to which the option is exercised, together with payment of the exercise price in accordance with Section 5.4 hereof.

5.4 PAYMENT OF EXERCISE PRICE. Except as set forth below, payment of the option exercise price shall be made in full at the time the notice of exercise of the option is delivered to the Company and shall be in cash, bank certified or cashier's check, or personal check (unless at the time of exercise the Plan Administrator in a particular case determines not to accept a personal check) for shares of Common Stock being purchased.

The Plan Administrator can determine at the time the option is granted in the case of incentive stock options, or at any time before exercise in the case of nonqualified stock options, that additional forms of payment will be permitted. To the extent permitted by the Plan Administrator and applicable laws and regulations (including, without limitation, federal tax and securities laws and regulations and state corporate law), an option may be exercised by:

(a) delivery of shares of Common Stock of the Company held by an Optionee having a fair market value equal to the exercise price, such fair market value to be determined in good faith by the Plan Administrator;

(b) delivery of a properly executed Notice of Exercise, together with irrevocable instructions to a broker, all in accordance with the regulations of the Federal Reserve Board, to promptly deliver to the Company the amount of sale or loan proceeds to pay the exercise price and any federal, state, or local withholding tax obligations that may arise in connection with the exercise; or

(c) delivery of a properly executed Notice of Exercise, together with instructions to the Company to withhold from the shares of Common Stock that would otherwise be issued upon exercise that number of shares of Common Stock having a fair market value equal to the option exercise price.

5.5 WITHHOLDING TAX REQUIREMENT. The Company or any Affiliate thereof shall have the right to retain and withhold from any payment of cash or Common Stock under the Plan the amount of taxes required by any government to be withheld or otherwise deducted and paid with respect to such payment. No option may be exercised unless and until arrangements satisfactory to the Company, in its sole discretion, to pay such withholding taxes are made. At its discretion, the Company may require an Optionee to reimburse the Company for any such taxes required to be withheld by the Company and withhold any distribution in whole or in part until the Company is so reimbursed. In lieu thereof, the Company shall have the right to withhold from any other cash amounts due or to become due from the Company to the Optionee an amount equal to such taxes or retain and withhold a number of shares having a market value not less than the amount of such taxes required to be withheld by the Company to reimburse the Company for any such taxes and cancel (in whole or in part) any such shares of Common Stock so withheld. If required by Section 16(b) of the Exchange Act, the election to pay withholding taxes by delivery of shares of Common Stock held by any person who at the time of exercise is subject to Section 16(b) of the Exchange Act shall be made either six months prior to the date the option exercise becomes taxable or at such other times as the Company may determine as necessary to comply with Section 16(b) of the Exchange Act. Although the Company may, in its discretion, accept Common Stock as payment of withholding taxes, the Company shall not be obligated to do so.

5.6 NONTRANSFERABILITY.

5.6.1 OPTION. Options granted under the Plan and the rights and privileges conferred hereby may not be transferred, assigned, pledged, or hypothecated in any manner (whether by operation of law or otherwise) other than by will or by the applicable laws of descent and distribution or pursuant to a qualified

domestic relations order as defined in Section 414(p) of the Code, or Title I of the Employee Retirement Income Security Act of 1974, as amended, or the rules thereunder, and shall not be subject to execution, attachment, or similar

process. Any attempt to transfer, assign, pledge, hypothecate, or otherwise dispose of any option under the Plan or of any right or privilege conferred hereby, contrary to the Code or to the provisions of the Plan, or the sale or levy or any attachment or similar process upon the rights and privileges conferred hereby shall be null and void ab initio. The designation by an Optionee of a beneficiary does not, in and of itself, constitute an impermissible transfer under this subsection 5.6.1.

5.6.2 STOCK. The Plan Administrator may provide in the agreement granting the option that (a) the Optionee may not transfer or otherwise dispose of shares acquired upon exercise of an option without first offering such shares to the Company for purchase on the same terms and conditions as those offered to the proposed transferee or (b) upon termination of employment of an Optionee, the Company shall have a six month right of repurchase as to the shares acquired upon exercise, which right of repurchase shall allow for a maximum purchase price equal to the fair market value of the shares on the termination date. The foregoing rights of the Company shall be assignable by the Company upon reasonable written notice to the Optionee.

5.7 TERMINATION OF RELATIONSHIP. If the Optionee's relationship with the Company or any Affiliate thereof ceases for any reason other than termination for cause, death, or total disability, and unless by its terms the option sooner terminates or expires, then the Optionee may exercise, for a three month period, that portion of the Optionee's option which is exercisable at the time of such cessation, but the Optionee's option shall terminate at the end of the three month period following such cessation as to all shares for which it has not theretofore been exercised, unless, in the case of a nonqualified stock option, such provision is waived in the agreement evidencing the option or by resolution adopted by the Plan Administrator within 90 days of such cessation. If, in the case of an incentive stock option, an Optionee's relationship with the Company or Affiliate thereof changes from employee to nonemployee (i.e., from employee to a position such as a consultant), such change shall constitute a termination of an Optionee's employment with the Company or Affiliate and the Optionee's incentive stock option shall terminate in accordance with this subsection 5.7.

If an Optionee is terminated for cause, any option granted hereunder shall automatically terminate as of the first discovery by the Company of any reason for termination for cause, and such Optionee shall thereupon have no right to purchase any shares pursuant to such option. "Termination for cause" shall mean dismissal for dishonesty, conviction or confession of a crime punishable by law (except minor violations), fraud, misconduct, or disclosure of confidential information. If an Optionee's relationship with the Company or any Affiliate thereof is suspended pending an investigation of whether or not the Optionee shall be terminated for cause, all Optionee's rights under any option granted hereunder likewise shall be suspended during the period of investigation.

If an Optionee's relationship with the Company or any Affiliate thereof ceases because of a total disability, the Optionee's option shall not terminate or, in the case of an incentive stock

option, cease to be treated as an incentive stock option until the end of the 12 month period following such cessation (unless by its terms it sooner terminates and expires). As used in the Plan, the term "total disability" refers to a mental or physical impairment of the Optionee which is expected to result in death or which has lasted or is, in the opinion of the Company and two independent physicians, expected to last for a continuous period of 12 months or more and which causes or is, in such opinion, expected to cause the Optionee to be unable to perform his or her duties for the Company and to be engaged in any substantial gainful activity. Total disability shall be deemed to have occurred on the first day after the Company and the two independent physicians have furnished their opinion of total disability to the Plan Administrator.

For purposes of this subsection 5.7, a transfer of relationship between or among the Company and/or any Affiliate thereof shall not be deemed to constitute a cessation of relationship with the Company or any of its Affiliates. For purposes of this subsection 5.7, with respect to incentive stock options, employment shall be deemed to continue while the Optionee is on military leave, sick leave, or other bona fide leave of absence (as determined by the Plan Administrator). The foregoing notwithstanding, employment shall not be deemed to continue beyond the first 90 days of such leave, unless the Optionee's reemployment rights are guaranteed by statute or by contract.

As used herein, the term "Affiliate" shall be defined as follows: (a) when referring to a subsidiary corporation, "Affiliate" shall mean any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if, at the time of the granting of the option, the stock possessing 50% or more of the total combined voting power of all classes of stock of each of the corporations other than the Company is owned by one of the other corporations in such chain; and (b) when referring to a parent corporation, "Affiliate" shall mean any corporation in an unbroken chain of corporations ending with the Company if, at the time of the granting of the option, each of the corporations other than the Company owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

5.8 DEATH OF OPTIONEE. If an Optionee dies while he or she has a relationship with the Company or any Affiliate thereof or within the three month period (or 12 month period in the case of totally disabled Optionees) following cessation of such relationship, any option held by such Optionee, to the extent that the Optionee would have been entitled to exercise such option, may be exercised within one year after his or her death by the personal representative of his or her estate or by the person or persons to whom the Optionee's rights under the option shall pass by will or by the applicable laws of descent and distribution.

5.9 STATUS OF STOCKHOLDER. Neither the Optionee nor any party to which the Optionee's rights and privileges under the option may pass shall be, or have any of the rights or privileges of, a stockholder of the Company with respect to any of the shares issuable upon the exercise of any option granted under the Plan unless and until such option has been exercised.

5.10 CONTINUATION OF EMPLOYMENT. Nothing in the Plan or in any option granted pursuant to the Plan shall confer upon any Optionee any right to continue in the employ of the Company or of an Affiliate thereof, or to interfere in any way with the right of the Company or of any such Affiliate to terminate his or her employment or other relationship with the Company at any time.

5.11 MODIFICATION AND AMENDMENT OF OPTION. Subject to the requirements of Section 422 of the Code with respect to incentive stock options and to the terms and conditions and within the limitations of the Plan, including, without limitation, Section 9.1 hereof, the Plan Administrator may modify or amend outstanding options granted under the Plan. The modification or amendment of an outstanding option shall not, without the consent of the Optionee, impair or diminish any of his or her rights or any of the obligations of the Company under such option. Except as otherwise provided herein, no outstanding option shall be terminated without the consent of the Optionee. Unless the Optionee agrees otherwise, any changes or adjustments made to outstanding incentive stock options granted under the Plan shall be made in such a manner so as not to constitute a "modification" as defined in Section 424(h) of the Code and so as not to cause any incentive stock option issued hereunder to fail to continue to qualify as an incentive stock option as defined in Section 422(b) of the Code.

5.12 LIMITATION ON VALUE FOR INCENTIVE STOCK OPTIONS. As to all incentive stock options granted under the terms of the Plan, to the extent that the aggregate fair market value (determined at the time of the grant of the incentive stock option) of the shares of Common Stock with respect to which incentive stock options are exercisable for the first time by the Optionee during any calendar year (under the Plan and all other incentive stock option plans of the Company, an Affiliate thereof or a predecessor corporation) exceeds $100,000, such options shall be treated as nonqualified stock options. The foregoing sentence shall not apply, and the limitation shall be that provided by the Code or the Internal Revenue Service, as the case may be, if such annual limit is changed or eliminated by (a) amendment of the Code or (b) issuance by the Internal Revenue Service of (i) a Revenue ruling, (ii) a Private Letter ruling to any of the Company, any Optionee, or any legatee, personal representative, or distributee of any Optionee, or (iii) regulations.

5.13 VALUATION OF COMMON STOCK RECEIVED UPON EXERCISE.

5.13.1 EXERCISE OF OPTIONS UNDER SECTIONS 5.4(A) AND (C). The value of Common Stock received by the Optionee from an exercise under Sections 5.4(a) and 5.4(c) hereof shall be the fair market value as determined by the Plan

Administrator, provided, that if the Common Stock is traded in a public market, such valuation shall be the average of the high and low trading prices or bid and asked prices, as applicable, of the Common Stock for the date of receipt by the Company of the Optionee's delivery of shares under Section 5.4(a) hereof or delivery of the Notice of Exercise under Section 5.4(c) hereof, determined as of the trading day immediately preceding such date (or, if no sale of shares is reported for such

trading day, on the next preceding day on which any sale shall have been reported).

5.13.2 EXERCISE OF OPTION UNDER SECTION 5.4(B). The value of Common Stock received by the Optionee from an exercise under Section 5.4(b) hereof shall equal the sales price received for such shares.

SECTION 6. GREATER THAN TEN PERCENT STOCKHOLDERS.

6.1 EXERCISE PRICE AND TERM OF INCENTIVE STOCK OPTIONS. If incentive stock options are granted under the Plan to employees who, at the time of such grant, own greater than ten percent of the total combined voting power of all classes of stock of the Company or any Affiliate thereof, the term of such incentive stock options shall not exceed five years and the exercise price shall be not less than 110% of the fair market value of the Common Stock at the time of grant of the incentive stock option. This provision shall control notwithstanding any contrary terms contained in an option agreement or any other document. The term and exercise price limitations of this provision shall be amended to conform to any change required by a change in the Code or by ruling or pronouncement of the Internal Revenue Service.

6.2 ATTRIBUTION RULE. For purposes of subsection 6.1, in determining stock ownership, an employee shall be deemed to own the stock owned, directly or indirectly, by or for his or her brothers, sisters, spouse, ancestors, and lineal descendants. Stock owned, directly or indirectly, by or for a corporation, partnership estate, or trust shall be deemed to be owned proportionately by or for its stockholders, partners, or beneficiaries. If an employee or a person related to the employee owns an unexercised option or warrant to purchase stock of the Company, the stock subject to that portion of the option or warrant which is unexercised shall not be counted in determining stock ownership. For purposes of this Section 6, stock owned by an employee shall include all stock owned by him or her which is actually issued and outstanding immediately before the grant of the incentive stock option to the employee.

SECTION 7. ADJUSTMENTS UPON CHANGES IN CAPITALIZATION. The aggregate number and class of shares for which options may be granted under the Plan, the number and class of shares covered by each outstanding option, and the exercise price per share thereof (but not the total price), and each such option, shall all be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock of the Company resulting from a split or consolidation of

shares or any like capital adjustment, or the payment of any stock dividend.

7.1. EFFECT OF LIQUIDATION, REORGANIZATION, OR CHANGE IN CONTROL.

7.1.1 CASH, STOCK, OR OTHER PROPERTY FOR STOCK. Except as provided in subsection 7.1.2 hereof, upon a merger (other than a merger of the

Company in which the holders of Common Stock immediately prior to the merger have the same proportionate ownership of common stock in the surviving corporation immediately after the merger), consolidation, acquisition of property or stock, separation, reorganization (other than mere reincorporation or creation of a holding company), or liquidation of the Company (each, an "event"), as a result of which the stockholders of the Company receive cash, stock, or other property in exchange for, or in connection with, their shares of Common Stock, any option granted hereunder shall terminate, but the time during which such options may be exercised shall be accelerated as follows: the Optionee shall have the right immediately prior to any such event to exercise such Optionee's option in whole or in part whether or not the vesting requirements set forth in the option agreement have been satisfied.

7.1.2 CONVERSION OF OPTIONS ON STOCK FOR EXCHANGE STOCK. If the stockholders of the Company receive capital stock of another corporation ("Exchange Stock") in exchange for their shares of Common Stock in any transaction involving a merger (other than a merger of the Company in which the holders of Common Stock immediately prior to the merger have the same proportionate ownership of common stock in the surviving corporation immediately after the merger), consolidation, acquisition of property or stock, separation, or reorganization (other than mere reincorporation or creation of a holding company), all options granted hereunder shall be converted into options to purchase shares of Exchange Stock unless the Company and corporation issuing the Exchange Stock, in their sole discretion, determine that any or all such options granted hereunder shall not be converted into options to purchase shares of Exchange Stock but instead shall terminate in accordance with the provisions of subsection 7.1.1 hereof. The amount and price of converted options shall be determined by adjusting the amount and price of the options granted hereunder in the same proportion as used for determining the number of shares of Exchange Stock the holders of the Common Stock receive in such merger, consolidation, acquisition, separation, or reorganization. Unless the Board determines otherwise, the converted options shall be fully vested whether or not the vesting requirements set forth in the option agreement have been satisfied.

7.2 FRACTIONAL SHARES. In the event of any adjustment in the number of shares covered by an option, any fractional shares resulting from such adjustment shall be disregarded and each such option shall cover only the number of full shares resulting from such adjustment.

7.3 DETERMINATION OF BOARD TO BE FINAL. Except as otherwise required for the Plan to qualify for the exemption afforded by Rule 16b-3 under the Exchange Act, all adjustments under this Section 7 shall be made by the Board, and its

determination as to what adjustments shall be made, and the extent thereof, shall be final, binding, and conclusive. Unless an Optionee agrees otherwise, any change or adjustment to an incentive stock option shall be made in such a manner so as not to constitute a "modification" as defined in Section 424(h) of the Code and so as not to cause the incentive stock option issued hereunder to fail to continue to qualify as an incentive stock option as defined in Section 422(b) of the Code.

SECTION 8. SECURITIES LAW COMPLIANCE. Shares shall not be issued with respect to an option granted under the Plan unless the exercise of such option and the issuance and delivery of such shares pursuant thereto shall comply with all relevant provisions of law, including, without limitation, any applicable state securities laws, the Securities Act of 1933, as amended (the "Act"), the Exchange Act, the rules and regulations promulgated thereunder, and the requirements of any stock exchange upon which the shares may then be listed, and shall be further subject to the approval of counsel for the Company with respect to such compliance, including, without limitation, the availability of an exemption from registration for the issuance and sale of any shares hereunder. Inability of the Company to obtain from any regulatory body having jurisdiction, the authority deemed by the Company's counsel to be necessary for the lawful issuance and sale of any shares hereunder or the unavailability of an exemption from registration for the issuance and sale of any shares hereunder shall relieve the Company of any liability in respect of the nonissuance or sale of such shares as to which such requisite authority shall not have been obtained.

As a condition to the exercise of an option, if, in the opinion of counsel for the Company, assurances are required by any relevant provision of the aforementioned laws, the Company may require the Optionee to give written assurances satisfactory to the Company at the time of any such exercise (a) as to the Optionee's knowledge and experience in financial and business matters (and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters) and that such Optionee is capable of evaluating, either alone or with the purchaser representative, the merits and risks of exercising the option or (b) that the shares are being purchased only for investment and without any present intention to sell or distribute such shares. The foregoing requirements shall be inoperative if the issuance of the shares upon the exercise of the option has been registered under a then currently effective registration statement under the Act.

At the option of the Company, a stop-transfer order against any shares may be placed on the official stock books and records of the Company, and a legend indicating that the stock may not be pledged, sold, or otherwise transferred unless an opinion of counsel is provided (concurred in by counsel for the Company) stating that such transfer is not in violation of any applicable law or regulation, may be stamped on stock certificates in order to assure exemption from registration. The Plan Administrator may also require such other action or agreement by the Optionees as may from time to time be necessary to comply with

the federal and state securities laws. NONE OF THE ABOVE SHALL BE CONSTRUED TO IMPLY AN OBLIGATION ON THE PART OF THE COMPANY TO UNDERTAKE REGISTRATION OF THE OPTIONS OR STOCK HEREUNDER.

Should any of the Company's capital stock of the same class as the stock subject to options granted hereunder be listed on a national securities exchange or on the NASDAQ National Market, all stock issued hereunder if not previously listed on such exchange or market shall, if required by the rules of such exchange or market, be authorized by that exchange or market for listing thereon prior to the issuance thereof.

SECTION 9. USE OF PROCEEDS. The proceeds received by the Company from the sale of shares pursuant to the exercise of options granted hereunder shall constitute general funds of the Company.

SECTION 10. AMENDMENT AND TERMINATION.

10.1 BOARD ACTION. The Board may at any time suspend, amend, or terminate the Plan, provided, that no amendment shall be made without stockholder approval within 12 months before or after adoption of the Plan if such approval is necessary to comply with any applicable tax or regulatory requirement, including any such approval as may be necessary to satisfy the requirements for exemptive relief under Rule 16b-3 of the Exchange Act or any successor provision. Rights and obligations under any option granted before amendment of the Plan shall not be altered or impaired by any amendment of the Plan unless the Company requests the consent of the person to whom the option was granted and such person consents in writing thereto.

10.2 AUTOMATIC TERMINATION. Unless sooner terminated by the Board, the Plan shall terminate ten years from the earlier of (a) the date on which the Plan is adopted by the Board or (b) the date on which the Plan is approved by the stockholders of the Company. No option may be granted after such termination or during any suspension of the Plan. The amendment or termination of the Plan shall not, without the consent of the option holder, alter or impair any rights or obligations under any option theretofore granted under the Plan.

SECTION 11. EFFECTIVENESS OF THE PLAN. The Plan shall become effective upon adoption by the Board so long as it is approved by the holders of a majority of the Company's outstanding shares of voting capital stock at any time within 12 months before or after the adoption of the Plan by the Board.

STEVEN MADDEN, LTD.

[INCENTIVE][NONQUALIFIED] STOCK OPTION LETTER AGREEMENT

TO: _____

We are pleased to inform you that you have been selected by the Plan Administrator of the Steven Madden, Ltd. (the "Company") 1996 Stock Plan (the "Plan") to receive a(n) [INCENTIVE] [NONQUALIFIED] option for the purchase of ___ shares of the Company's common stock, $.0001 par value, at an exercise price of $____ per share (the "exercise price"). A copy of the Plan is attached and the provisions thereof, including, without limitation, those relating to withholding taxes, are incorporated into this Agreement by reference.

The terms of the option are as set forth in the Plan and in this Agreement. The most important of the terms set forth in the Plan are summarized as follows:

Term. The term of the option is ten years from date of grant, unless sooner terminated.

Exercise. During your lifetime only you can exercise the option. The Plan also provides for exercise of the option by the personal representative of your estate or the beneficiary thereof following your death. You may use the Notice of Exercise in the form attached to this Agreement when you exercise the option.

Payment for Shares. The option may be exercised by the delivery of:

(a) Cash, personal check (unless at the time of exercise the Plan Administrator determines otherwise), or bank certified or cashier's checks;

(b) Unless the Plan Administrator in its sole discretion determines otherwise, shares of the capital stock of the Company held by you having a fair market value at the time of exercise, as determined in good faith by the Plan Administrator, equal to the exercise price;

(c) Unless the Plan Administrator in its sole discretion determines otherwise, a properly executed Notice of Exercise, together with instructions to the Company to withhold from the shares that would otherwise be issued upon exercise that number of shares having a fair market value equal to the option exercise price; or

(d) Unless the Plan Administrator in its sole discretion determines otherwise, a properly executed Notice of Exercise, together with irrevocable instructions to a broker to promptly deliver to the Company the amount of sale or loan proceeds to pay the exercise price.

Acceleration. Notwithstanding the vesting schedule for the option set forth below, the option will be automatically exercisable for the total number of

shares the subject of the option upon a "Change in Control," (as defined below), or if advised by the Plan Administrator in writing, upon any actually-anticipated "Change in Control," unless otherwise advised in writing by the Plan Administrator, who has complete discretion in determining the specific conditions upon which the option is to accelerate in connection with a Change in Control.

Termination. The option will terminate: (i) immediately upon termination for cause, as defined in the Plan, or three months after cessation of your relationship as a director of the Company, unless cessation is due to death or total disability, in which case the option shall terminate 12 months after cessation of such relationship; (ii) three months after a "Change in Control", unless otherwise advised in writing by the Plan Administrator, who has complete discretion in determining the specific conditions upon which the option is to terminate in connection with a Change in Control, if at all.

Transfer of Option. The option is not transferable except by will or by the applicable laws of descent and distribution or pursuant to a qualified domestic relations order.

Vesting. The option is vested according to the following schedule:

Period of Optionee's Continuous Relationship With the Company or Affiliate From the Date the Option is Granted	Portion of Total Option Which is Exercisable
1 year	33%
2 years	67%
3 years	100%

Date of Grant. The date of grant of the option is____.

A. "Change of Control" will be deemed to occur (i) should a person or related group of persons (other than the Company or its affiliates), who does not own of record 10% or more (a "10% Acquisition") of the Company's outstanding voting stock, which 10% Acquisition of the Company's outstanding voting stock is not approved by the Board; and (ii) within any period of twenty-four consecutive months or less from the date of such 10% Acquisition (the "Period"), there is effected a change in the composition of the Board of Directors such that a majority of the Board members (rounded up to the next whole number) cease to be comprised of individuals who either (A) have been members of the Board continuously before such 10% Acquisition and throughout the Period or (B) have been elected or nominated for election as Board members

during the Period by at least a majority of the Board members described in

clause (A) who were still in office at the time such election or nomination was approved by the Board.

YOUR PARTICULAR ATTENTION IS DIRECTED TO SECTION 8 OF THE PLAN WHICH DESCRIBES CERTAIN IMPORTANT CONDITIONS RELATING TO FEDERAL AND STATE SECURITIES LAWS THAT MUST BE SATISFIED BEFORE THE OPTION CAN BE EXERCISED AND BEFORE THE COMPANY CAN ISSUE ANY SHARES TO YOU. THE COMPANY HAS NO OBLIGATION TO REGISTER THE SHARES THAT WOULD BE ISSUED UPON THE EXERCISE OF YOUR OPTION, AND IF IT NEVER REGISTERS THE SHARES, YOU WILL NOT BE ABLE TO EXERCISE THE OPTION UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. AT THE PRESENT TIME, EXEMPTIONS FROM REGISTRATION UNDER FEDERAL AND STATE SECURITIES LAWS ARE VERY LIMITED AND MIGHT BE UNAVAILABLE TO YOU PRIOR TO THE EXPIRATION OF THE OPTION. CONSEQUENTLY, YOU MIGHT HAVE NO OPPORTUNITY TO EXERCISE THE OPTION AND TO RECEIVE SHARES UPON SUCH EXERCISE. IN ADDITION, YOU SHOULD CONSULT WITH YOUR TAX ADVISOR CONCERNING THE RAMIFICATIONS TO YOU OF HOLDING OR EXERCISING YOUR OPTIONS OR HOLDING OR SELLING THE SHARES UNDERLYING SUCH OPTIONS.

You understand that, during any period in which the shares which may be acquired pursuant to your option are subject to the provisions of Section 16 of the Securities Exchange Act of 1934, as amended (and you yourself are also so subject), in order for your transactions under the Plan to qualify for the exemption from Section 16(b) provided by Rule 16b-3, a total of six months must elapse between the grant of the option and the sale of shares underlying the option.

Please execute the Acceptance and Acknowledgment set forth below on the enclosed copy of this Agreement and return it to the undersigned.

Very truly yours,

STEVEN MADDEN, LTD.

By: _____
Name:
Title:

ACCEPTANCE AND ACKNOWLEDGMENT

I, a resident of the State of _____, accept the stock option described above granted under the Steven Madden, Ltd. 1996 Stock Plan, and acknowledge receipt of a copy of this Agreement, including a copy of the Plan. I have read and understand the Plan,

including the provisions of Section 8 thereof.

Dated: _____

_____ _____
Taxpayer I.D. Number Signature

By his or her signature below, the spouse of the Optionee, if such Optionee is legally married as of the date of such Optionee's execution of this Agreement, acknowledges that he or she has read this Agreement and the Plan and is familiar with the terms and provisions thereof, and agrees to be bound by all the terms and conditions of this Agreement and the Plan.

Dated: _____

_____
Spouse's Signature

_____
Printed Name

NOTICE OF EXERCISE

The undersigned, pursuant to a nonqualified Stock Option Letter Agreement (the "Agreement") between the undersigned and Steven Madden, Ltd. (the "Company"), hereby irrevocably elects to exercise purchase rights represented by the Agreement, and to purchase thereunder shares (the "Shares") of the Company's common stock, $.0001 par value ("Common Stock"), covered by the Agreement and herewith makes payment in full therefor.

1. If the sale of the Shares and the resale thereof has not, prior to the date hereof, been registered pursuant to a registration statement filed and declared effective under the Securities Act of 1933, as amended (the "Act"), the undersigned hereby agrees, represents, and warrants that:

(a) the undersigned is acquiring the Shares for his or her own account (and not for the account of others), for investment and not with a view to the distribution or resale thereof;

(b) By virtue of his or her position, the undersigned has access to the same kind of information which would be available in a registration statement filed under the Act;

(c) the undersigned is a sophisticated investor;

(d) the undersigned understands that he or she may not sell or otherwise dispose of the Shares in the absence of either (i) a registration statement filed under the Act or (ii) an exemption from the registration provisions thereof; and

(e) The certificates representing the Shares may contain a legend to the effect of subsection (d) of this Section 1.

2. If the sale of the Shares and the resale thereof has been registered pursuant to a registration statement filed and declared effective under the Act, the undersigned hereby represents and warrants that he or she has received the applicable prospectus and a copy of the most recent annual report, as well as all other material sent to stockholders generally.

3. The undersigned acknowledges that the number of shares of Common Stock subject to the Agreement is hereafter reduced by the number of shares of Common Stock represented by the Shares.

Very truly yours,

_____
(type name under signature line)

Social Security No. _____

Address: _____

STEVEN MADDEN, LTD.

NON-QUALIFIED STOCK OPTION LETTER AGREEMENT

TO: _____

We are pleased to inform you that you have been selected by the Board of Directors of Steven Madden, Ltd. (the "Company") to receive a nonqualified option for the purchase of _____ shares of the Company's common stock, $.0001 par value, at an exercise price of $_____ per share (the "exercise price").

The terms of the option are as set forth in the Plan and in this Agreement. The most important of the terms set forth in the Plan are summarized as follows:

Term. The term of the option is ten years from date of grant, unless sooner terminated.

Exercise. During your lifetime only you can exercise the option. The Plan also provides for exercise of the option by the personal representative of your estate or the beneficiary thereof following your death. You may use the Notice of Exercise in the form attached to this Agreement when you exercise the option.

Payment For Shares. The option may be exercised by the delivery of:

(a) Cash, personal check (unless at the time of exercise the Plan Administrator determines otherwise), or bank certified or cashier's checks;

(b) Unless the Plan Administrator in its sole discretion determines otherwise, shares of the capital stock of the Company held by you having a fair market value at the time of exercise, as determined in good faith by the Plan Administrator, equal to the exercise price;

(c) Unless the Plan Administrator in its sole discretion determines otherwise, a properly executed Notice of Exercise, together with instructions to the Company to withhold from the shares that would otherwise be issued upon exercise that number of shares having a fair market value equal to the option exercise price; or

(d) Unless the Plan Administrator in its sole discretion determines otherwise, a properly executed Notice of Exercise, together with irrevocable instructions to a broker to promptly deliver to the Company the amount of sale or loan proceeds to pay the exercise price.

Transfer of Option. The option is not transferable except by will or by the applicable

laws of descent and distribution or pursuant to a qualified domestic relations order.

Vesting. Your options will vest upon final approval and signing of the contract with the City of Seattle for the Interbay site.

Date of Grant. The date of grant of the option is _____, 1996.

YOUR PARTICULAR ATTENTION IS DIRECTED TO SECTION 8 OF THE PLAN WHICH DESCRIBES CERTAIN IMPORTANT CONDITIONS RELATING TO FEDERAL AND STATE SECURITIES LAWS THAT MUST BE SATISFIED BEFORE THE OPTION CAN BE EXERCISED AND BEFORE THE COMPANY CAN ISSUE ANY SHARES TO YOU THE COMPANY HAS NO OBLIGATION TO REGISTER THE SHARES THAT WOULD BE ISSUED UPON THE EXERCISE OF YOUR OPTION, AND IF IT NEVER REGISTERS THE SHARES, YOU WILL NOT BE ABLE TO EXERCISE THE OPTION UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. AT THE PRESENT TIME, EXEMPTIONS FROM REGISTRATION UNDER FEDERAL AND STATE SECURITIES LAWS ARE VERY LIMITED AND MIGHT BE UNAVAILABLE TO YOU PRIOR TO THE EXPIRATION OF THE OPTION. CONSEQUENTLY, YOU MIGHT HAVE NO OPPORTUNITY TO EXERCISE THE OPTION AND TO RECEIVE SHARES UPON SUCH EXERCISE. IN ADDITION, YOU SHOULD CONSULT WITH YOUR TAX ADVISOR CONCERNING THE

RAMIFICATIONS TO YOU OF HOLDING OR EXERCISING YOUR OPTIONS OR HOLDING OR SELLING THE SHARES UNDERLYING SUCH OPTIONS.

You understand that, during any period in which the shares which may be acquired pursuant to your option are subject to the provisions of Section 16 of the Securities Exchange Act of 1934, as amended (and you yourself are also so subject), in order for your transactions under the Plan to qualify for the exemption from Section 16(b) provided by Rule 16b-3, a total of six months must elapse between the grant of the option and the sale of shares underlying the option.

Please execute the Acceptance and Acknowledgment set forth below on the enclosed copy of this Agreement and return it to the undersigned.

Very truly yours,

STEVEN MADDEN, LTD.

By: _____
Name:
Title:

Exhibit 10.28

1997 STOCK PLAN

THE 1997 STOCK PLAN

APPROVED AND ADOPTED BY THE BOARD OF DIRECTORS ON MAY 10, 1997

SECTION 1. PURPOSE. The purpose of the Steven Madden, Ltd. 1997 Stock Plan (the "Plan") is to provide a means whereby directors and selected employees, officers, agents, consultants, and independent contractors of Steven Madden, Ltd., a New York corporation (the "Company"), or of any parent or subsidiary (as defined in subsection 5.7 hereof and referred to hereinafter as "Affiliates") thereof, may be granted incentive stock options and/or nonqualified stock options to purchase shares of common stock, $.0001 par value ("Common Stock") in order to attract and retain the services or advice of such directors, employees, officers, agents, consultants, and independent contractors and to provide additional incentive for such persons to exert maximum efforts for the success of the Company and its Affiliates by encouraging stock ownership in the Company.

SECTION 2. ADMINISTRATION. Subject to Section 2.3 hereof, the Plan shall be administered by the Board of Directors of the Company (the "Board") or, in the event the Board shall appoint and/or authorize a committee of two or more members of the Board to administer the Plan, by such committee. The administrator of the Plan shall hereinafter be referred to as the "Plan Administrator".

The foregoing notwithstanding, with respect to grants to be made to directors: (a) the Plan Administrator shall be constituted so as to meet the requirements of Section 16(b) of the Exchange Act and Rule 16b-3 thereunder, each as amended from time to time, or (b) if the Plan Administrator cannot be so constituted, no options shall be granted under the Plan to any directors.

2.1 PROCEDURES. The Board shall designate one of the members of the Plan Administrator as chairman. The Plan Administrator may hold meetings at such times and places as it shall determine. The acts of a majority of the members of the Plan Administrator present at meetings at which a quorum exists, or acts approved in writing by all Plan Administrator members, shall be valid acts of the Plan Administrator.

2.2 RESPONSIBILITIES. Except for the terms and conditions explicitly set forth herein, the Plan Administrator shall have the authority, in its discretion, to determine all matters relating to the options to be granted under the Plan, including, without limitation, selection of whether an option will be an incentive stock option or a nonqualified stock option, selection of the individuals to be granted options, the number of shares to be subject to each option, the exercise price per share, the timing of grants and all other terms and conditions of the options. Grants under the Plan need not be identical in any respect, even when made simultaneously. The Plan Administrator may also establish, amend, and revoke rules and regulations for the administration of the Plan. The interpretation and construction by the Plan Administrator of any terms or provisions of the Plan or any option issued hereunder, or of any rule or regulation promulgated in connection herewith, shall be conclusive and binding on all

interested parties, so long as such interpretation and construction with respect to incentive stock options corresponds to the requirements of Internal Revenue Code of 1986, as amended (the "Code"). Section 422, the regulations thereunder, and any amendments thereto. The Plan Administrator shall not be personally liable for any action made in good faith with respect to the Plan or any option granted thereunder.

2.3 RULE 16b-3 AND SECTION 16(b) COMPLIANCE; BIFURCATION OF PLAN. It is the intention of the Company that the Plan comply in all respects with Rule 16b-3 under the Securities Exchange Act of 1934 (the "Exchange Act") to the extent applicable, and in all events the Plan shall be construed in favor of its meeting the requirements of Rule 16b-3. If any Plan provision is later found not to be in compliance with such Rule, such provision shall be deemed null and void. The Board of Directors may act under the Plan only if all members thereof are "disinterested persons" as defined in Rule 16b-3 and further described in Section 4 hereof; and no director or officer or other Company "insider" subject to Section 16 of the Exchange Act may sell shares received upon the exercise of an option during the six month period immediately following the grant of the option without complying with the terms of Section 16 of the Exchange Act.

Notwithstanding anything in the Plan to the contrary, the Board, in its absolute discretion, may bifurcate the Plan so as to restrict, limit, or condition the use of any provision of the Plan to participants who are officers and directors or other persons subject to Section 16(b) of the Exchange Act without so restricting, limiting, or conditioning the Plan with respect to other participants.

SECTION 3. STOCK SUBJECT TO THE PLAN. The stock subject to this Plan shall be the Common Stock, presently authorized but unissued or subsequently acquired by the Company. Subject to adjustment as provided in Section 7 hereof, the aggregate amount of Common Stock to be delivered upon the exercise of all options granted under the Plan shall not exceed in the aggregate 1,000,000 shares as such Common Stock was constituted on the effective date of the Plan. If any option granted under the Plan shall expire, be surrendered, exchanged for another option, canceled, or terminated for any reason without having been exercised in full, the unpurchased shares subject thereto shall thereupon again be available for purposes of the Plan, including for replacement options which may be granted in exchange for such surrendered, canceled, or terminated options.

SECTION 4. ELIGIBILITY. An incentive stock option may be granted only to any individual who, at the time the option is granted, is a director, employee, officer, agent, consultant, or independent contractor of the Company or any Affiliate thereof. A nonqualified stock option may be granted to any director, employee, officer, agent, consultant, or independent contractor of the Company or any Affiliate thereof, whether an individual or an entity. Any party to whom an option is granted under the Plan shall be referred to hereinafter as an "Optionee".

A director shall in no event be eligible for the benefits of the Plan unless at the time discretion is exercised in the selection of a director as a person to whom options may be granted, or in the determination of the number of shares which may be covered by options granted to the

director, the Plan complies with the requirements of Rule 16b-3 under the Exchange Act.

SECTION 5. TERMS AND CONDITIONS OF OPTIONS. Options granted under the Plan shall be evidenced by written agreements which shall contain such terms, conditions, limitations, and restrictions as the Plan Administrator shall deem advisable and which are not inconsistent with the Plan.

5.2 TERM AND MATURITY. Subject to the restrictions contained in Section 6 hereof with respect to granting stock options to greater than ten percent stockholders, the term of each stock option shall be as established by the Plan Administrator and, if not so established, shall be ten years from the date of its grant, but in no event shall the term of any incentive stock option exceed a ten year period.

5.3 EXERCISE. Each option may be exercised in whole or in part; provided, that only whole shares may be issued pursuant to the exercise of any option. Subject to any other terms and conditions herein, the Plan Administrator may provide that an option may not be exercised in whole or in part for a stated period or periods of time during which such option is outstanding; provided, that the Plan Administrator may rescind, modify, or waive any such limitation (including by the acceleration of the vesting schedule upon a change in control of the Company) at any time and from time to time after the grant date thereof. During an Optionee's lifetime, any incentive stock options granted under the Plan are personal to such Optionee and are exercisable solely by such Optionee. Options shall be exercised by delivery to the Company of notice of the number of shares with respect to which the option is exercised, together with payment of the exercise price in accordance with Section 5.4 hereof.

5.4 PAYMENT OF EXERCISE PRICE. Except as set forth below, payment of the option exercise price shall be made in full at the time the notice of exercise of the option is delivered to the Company and shall be in cash, bank certified or cashier's check, or personal check (unless at the time of exercise the Plan Administrator in a particular case determines not to accept a personal check) for shares of Common Stock being purchased.

The Plan Administrator can determine at the time the option is granted in the case of incentive stock options, or at any time before exercise in the case of nonqualified stock options, that additional forms of payment will be permitted. To the extent permitted by the Plan Administrator and applicable laws and regulations (including, without limitation, federal tax and securities laws and regulations and state corporate law), an option may be exercised by:

(a) delivery of shares of Common Stock of the Company held by an Optionee

having a fair market value equal to the exercise price, such fair market value to be determined in good faith by the Plan Administrator;

(b) delivery of a properly executed Notice of Exercise, together with irrevocable instructions to a broker, all in accordance with the regulations of the Federal Reserve Board, to promptly deliver to the Company the amount of sale or loan proceeds to pay the exercise price and any federal, state, or local withholding tax

obligations that may arise in connection with the exercise; or

(c) delivery of a properly executed Notice of Exercise, together with instructions to the Company to withhold from the shares of Common Stock that would otherwise be issued upon exercise that number of shares of Common Stock having a fair market value equal to the option exercise price.

5.5 WITHHOLDING TAX REQUIREMENT. The Company or any Affiliate thereof shall have the right to retain and withhold from any payment of cash or Common Stock under the Plan the amount of taxes required by any government to be withheld or otherwise deducted and paid with respect to such payment. No option may be exercised unless and until arrangements satisfactory to the Company, in its sole discretion, to pay such withholding taxes are made. At its discretion, the Company may require an Optionee to reimburse the Company for any such taxes required to be withheld by the Company and withhold any distribution in whole or in part until the Company is so reimbursed. In lieu thereof, the Company shall have the right to withhold from any other cash amounts due or to become due from the Company to the Optionee an amount equal to such taxes or retain and withhold a number of shares having a market value not less than the amount of such taxes required to be withheld by the Company to reimburse the Company for any such taxes and cancel (in whole or in part) any such shares of Common Stock so withheld. If required by Section 16(b) of the Exchange Act, the election to pay withholding taxes by delivery of shares of Common Stock held by any person who at the time of exercise is subject to Section 16(b) of the Exchange Act shall be made either six months prior to the date the option exercise becomes taxable or at such other times as the Company may determine as necessary to comply with Section 16(b) of the Exchange Act. Although the Company may, in its discretion, accept Common Stock as payment of withholding taxes, the Company shall not be obligated to do so.

5.6 NONTRANSFERABILITY.

5.6.1 OPTION. Options granted under the Plan and the rights and privileges conferred hereby may not be transferred, assigned, pledged, or hypothecated in any manner (whether by operation of law or otherwise) other than by will or by the applicable laws of descent and distribution or pursuant to a qualified domestic relations order as defined in Section 414(p) of the Code, or Title I of the Employee Retirement Income Security Act of 1974, as amended, or the rules thereunder, and shall not be subject to execution, attachment, or similar process. Any attempt to transfer, assign, pledge, hypothecate, or otherwise

dispose of any option under the Plan or of any right or privilege conferred hereby, contrary to the Code or to the provisions of the Plan, or the sale or levy or any attachment or similar process upon the rights and privileges conferred hereby shall be null and void ab initio. The designation by an Optionee of a beneficiary does not, in and of itself, constitute an impermissible transfer under this subsection 5.6.1.

5.6.2 STOCK. The Plan Administrator may provide in the agreement granting the option that (a) the Optionee may not transfer or otherwise dispose of shares acquired upon exercise of an option without first offering such shares to the Company for purchase on the

same terms and conditions as those offered to the proposed transferee or (b) upon termination of employment of an Optionee, the Company shall have a six month right of repurchase as to the shares acquired upon exercise, which right of repurchase shall allow for a maximum purchase price equal to the fair market value of the shares on the termination date. The foregoing rights of the Company shall be assignable by the Company upon reasonable written notice to the Optionee.

5.7 TERMINATION OF RELATIONSHIP. If the Optionee's relationship with the Company or any Affiliate thereof ceases for any reason other than termination for cause, death, or total disability, and unless by its terms the option sooner terminates or expires, then the Optionee may exercise, for a three month period, that portion of the Optionee's option which is exercisable at the time of such cessation, but the Optionee's option shall terminate at the end of the three month period following such cessation as to all shares for which it has not theretofore been exercised, unless, in the case of a nonqualified stock option, such provision is waived in the agreement evidencing the option or by resolution adopted by the Plan Administrator within 90 days of such cessation. If, in the case of an incentive stock option, an Optionee's relationship with the Company or Affiliate thereof changes from employee to nonemployee (i.e., from employee to a position such as a consultant), such change shall constitute a termination of an Optionee's employment with the Company or Affiliate and the Optionee's incentive stock option shall terminate in accordance with this subsection 5.7.

If an Optionee is terminated for cause, any option granted hereunder shall automatically terminate as of the first discovery by the Company of any reason for termination for cause, and such Optionee shall thereupon have no right to purchase any shares pursuant to such option. "Termination for cause" shall mean dismissal for dishonesty, conviction or confession of a crime punishable by law (except minor violations), fraud, misconduct, or disclosure of confidential information. If an Optionee's relationship with the Company or any Affiliate thereof is suspended pending an investigation of whether or not the Optionee shall be terminated for cause, all Optionee's rights under any option granted hereunder likewise shall be suspended during the period of investigation.

If an Optionee's relationship with the Company or any Affiliate thereof ceases because of a total disability, the Optionee's option shall not terminate

or, in the case of an incentive stock option, cease to be treated as an incentive stock option until the end of the 12 month period following such cessation (unless by its terms it sooner terminates and expires). As used in the Plan, the term "total disability" refers to a mental or physical impairment of the Optionee which is expected to result in death or which has lasted or is, in the opinion of the Company and two independent physicians, expected to last for a continuous period of 12 months or more and which causes or is, in such opinion, expected to cause the Optionee to be unable to perform his or her duties for the Company and to be engaged in any substantial gainful activity. Total disability shall be deemed to have occurred on the first day after the Company and the two independent physicians have furnished their opinion of total disability to the Plan Administrator.

For purposes of this subsection 5.7, a transfer of relationship between or among the Company and/or any Affiliate thereof shall not be deemed to constitute a cessation of

relationship with the Company or any of its Affiliates. For purposes of this subsection 5.7, with respect to incentive stock options, employment shall be deemed to continue while the Optionee is on military leave, sick leave, or other bona fide leave of absence (as determined by the Plan Administrator). The foregoing notwithstanding, employment shall not be deemed to continue beyond the first 90 days of such leave, unless the Optionee's reemployment rights are guaranteed by statute or by contract.

As used herein, the term "Affiliate" shall be defined as follows: (a) when referring to a subsidiary corporation, "Affiliate" shall mean any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if, at the time of the granting of the option, the stock possessing 50% or more of the total combined voting power of all classes of stock of each of the corporations other than the Company is owned by one of the other corporations in such chain; and (b) when referring to a parent corporation, "Affiliate" shall mean any corporation in an unbroken chain of corporations ending with the Company if, at the time of the granting of the option, each of the corporations other than the Company owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

5.8 DEATH OF OPTIONEE. If an Optionee dies while he or she has a relationship with the Company or any Affiliate thereof or within the three month period (or 12 month period in the case of totally disabled Optionees) following cessation of such relationship, any option held by such Optionee, to the extent that the Optionee would have been entitled to exercise such option, may be exercised within one year after his or her death by the personal representative of his or her estate or by the person or persons to whom the Optionee's rights under the option shall pass by will or by the applicable laws of descent and distribution.

5.9 STATUS OF STOCKHOLDER. Neither the Optionee nor any party to which the

Optionee's rights and privileges under the option may pass shall be, or have any of the rights or privileges of, a stockholder of the Company with respect to any of the shares issuable upon the exercise of any option granted under the Plan unless and until such option has been exercised.

5.10 CONTINUATION OF EMPLOYMENT. Nothing in the Plan or in any option granted pursuant to the Plan shall confer upon any Optionee any right to continue in the employ of the Company or of an Affiliate thereof, or to interfere in any way with the right of the Company or of any such Affiliate to terminate his or her employment or other relationship with the Company at any time.

5.11 MODIFICATION AND AMENDMENT OF OPTION. Subject to the requirements of Section 422 of the Code with respect to incentive stock options and to the terms and conditions and within the limitations of the Plan, including, without limitation, Section 9.1 hereof, the Plan Administrator may modify or amend outstanding options granted under the Plan. The modification or amendment of an outstanding option shall not, without the consent of the Optionee, impair or diminish any of his or her rights or any of the obligations of the Company under such option. Except as otherwise provided herein, no outstanding option shall be

terminated without the consent of the Optionee. Unless the Optionee agrees otherwise, any changes or adjustments made to outstanding incentive stock options granted under the Plan shall be made in such a manner so as not to constitute a "modification" as defined in Section 424(h) of the Code and so as not to cause any incentive stock option issued hereunder to fail to continue to qualify as an incentive stock option as defined in Section 422(b) of the Code.

5.12 LIMITATION ON VALUE FOR INCENTIVE STOCK OPTIONS. As to all incentive stock options granted under the terms of the Plan, to the extent that the aggregate fair market value (determined at the time of the grant of the incentive stock option) of the shares of Common Stock with respect to which incentive stock options are exercisable for the first time by the Optionee during any calendar year (under the Plan and all other incentive stock option plans of the Company, an Affiliate thereof or a predecessor corporation) exceeds $100,000, such options shall be treated as nonqualified stock options. The foregoing sentence shall not apply, and the limitation shall be that provided by the Code or the Internal Revenue Service, as the case may be, if such annual limit is changed or eliminated by (a) amendment of the Code or (b) issuance by the Internal Revenue Service of (i) a Revenue ruling, (ii) a Private Letter ruling to any of the Company, any Optionee, or any legatee, personal representative, or distributee of any Optionee, or (iii) regulations.

5.13 VALUATION OF COMMON STOCK RECEIVED UPON EXERCISE.

5.13.1 EXERCISE OF OPTIONS UNDER SECTIONS 5.4(A) AND (C). The value of Common Stock received by the Optionee from an exercise under Sections 5.4(a) and 5.4(c) hereof shall be the fair market value as determined by the Plan Administrator, provided, that if the Common Stock is traded in a public market,

such valuation shall be the average of the high and low trading prices or bid and asked prices, as applicable, of the Common Stock for the date of receipt by the Company of the Optionee's delivery of shares under Section 5.4(a) hereof or delivery of the Notice of Exercise under Section 5.4(c) hereof, determined as of the trading day immediately preceding such date (or, if no sale of shares is reported for such trading day, on the next preceding day on which any sale shall have been reported).

5.13.2 EXERCISE OF OPTION UNDER SECTION 5.4(B). The value of Common Stock received by the Optionee from an exercise under Section 5.4(b) hereof shall equal the sales price received for such shares.

SECTION 6. GREATER THAN TEN PERCENT STOCKHOLDERS.

6.1 EXERCISE PRICE AND TERM OF INCENTIVE STOCK OPTIONS. If incentive stock options are granted under the Plan to employees who, at the time of such grant, own greater than ten percent of the total combined voting power of all classes of stock of the Company or any Affiliate thereof, the term of such incentive stock options shall not exceed five years and the exercise price shall be not less than 110% of the fair market value of the Common Stock at the time of grant of the incentive stock option. This provision shall control notwithstanding any contrary terms contained in an option agreement or any other document.

The term and exercise price limitations of this provision shall be amended to conform to any change required by a change in the Code or by ruling or pronouncement of the Internal Revenue Service.

6.2 ATTRIBUTION RULE. For purposes of subsection 6.1, in determining stock ownership, an employee shall be deemed to own the stock owned, directly or indirectly, by or for his or her brothers, sisters, spouse, ancestors, and lineal descendants. Stock owned, directly or indirectly, by or for a corporation, partnership estate, or trust shall be deemed to be owned proportionately by or for its stockholders, partners, or beneficiaries. If an employee or a person related to the employee owns an unexercised option or warrant to purchase stock of the Company, the stock subject to that portion of the option or warrant which is unexercised shall not be counted in determining stock ownership. For purposes of this Section 6, stock owned by an employee shall include all stock owned by him or her which is actually issued and outstanding immediately before the grant of the incentive stock option to the employee.

SECTION 7. ADJUSTMENTS UPON CHANGES IN CAPITALIZATION. The aggregate number and class of shares for which options may be granted under the Plan, the number and class of shares covered by each outstanding option, and the exercise price per share thereof (but not the total price), and each such option, shall all be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock of the Company resulting from a split or consolidation of shares or any like capital adjustment, or the payment of any stock dividend.

7.1. EFFECT OF LIQUIDATION, REORGANIZATION, OR CHANGE IN CONTROL.

7.1.1 CASH, STOCK, OR OTHER PROPERTY FOR STOCK. Except as provided in subsection 7.1.2 hereof, upon a merger (other than a merger of the Company in which the holders of Common Stock immediately prior to the merger have the same proportionate ownership of common stock in the surviving corporation immediately after the merger), consolidation, acquisition of property or stock, separation, reorganization (other than mere reincorporation or creation of a holding company), or liquidation of the Company (each, an "event"), as a result of which the stockholders of the Company receive cash, stock, or other property in exchange for, or in connection with, their shares of Common Stock, any option granted hereunder shall terminate, but the time during which such options may be exercised shall be accelerated as follows: the Optionee shall have the right immediately prior to any such event to exercise such Optionee's option in whole or in part whether or not the vesting requirements set forth in the option agreement have been satisfied.

7.1.2 CONVERSION OF OPTIONS ON STOCK FOR EXCHANGE STOCK. If the stockholders of the Company receive capital stock of another corporation ("Exchange Stock") in exchange for their shares of Common Stock in any transaction involving a merger (other than a merger of the Company in which the holders of Common Stock immediately prior to the merger have the same proportionate ownership of common stock in the surviving corporation immediately after the merger), consolidation, acquisition of property or

stock, separation, or reorganization (other than mere reincorporation or creation of a holding company), all options granted hereunder shall be converted into options to purchase shares of Exchange Stock unless the Company and corporation issuing the Exchange Stock, in their sole discretion, determine that any or all such options granted hereunder shall not be converted into options to purchase shares of Exchange Stock but instead shall terminate in accordance with the provisions of subsection 7.1.1 hereof. The amount and price of converted options shall be determined by adjusting the amount and price of the options granted hereunder in the same proportion as used for determining the number of shares of Exchange Stock the holders of the Common Stock receive in such merger, consolidation, acquisition, separation, or reorganization. Unless the Board determines otherwise, the converted options shall be fully vested whether or not the vesting requirements set forth in the option agreement have been satisfied.

7.2 FRACTIONAL SHARES. In the event of any adjustment in the number of shares covered by an option, any fractional shares resulting from such adjustment shall be disregarded and each such option shall cover only the number of full shares resulting from such adjustment.

7.3 DETERMINATION OF BOARD TO BE FINAL. Except as otherwise required for the Plan to qualify for the exemption afforded by Rule 16b-3 under the Exchange Act, all adjustments under this Section 7 shall be made by the Board, and its determination as to what adjustments shall be made, and the extent thereof, shall be final, binding, and conclusive. Unless an Optionee agrees otherwise,

any change or adjustment to an incentive stock option shall be made in such a manner so as not to constitute a "modification" as defined in Section 424(h) of the Code and so as not to cause the incentive stock option issued hereunder to fail to continue to qualify as an incentive stock option as defined in Section 422(b) of the Code.

SECTION 8. SECURITIES LAW COMPLIANCE. Shares shall not be issued with respect to an option granted under the Plan unless the exercise of such option and the issuance and delivery of such shares pursuant thereto shall comply with all relevant provisions of law, including, without limitation, any applicable state securities laws, the Securities Act of 1933, as amended (the "Act"), the Exchange Act, the rules and regulations promulgated thereunder, and the requirements of any stock exchange upon which the shares may then be listed, and shall be further subject to the approval of counsel for the Company with respect to such compliance, including, without limitation, the availability of an exemption from registration for the issuance and sale of any shares hereunder. Inability of the Company to obtain from any regulatory body having jurisdiction, the authority deemed by the Company's counsel to be necessary for the lawful issuance and sale of any shares hereunder or the unavailability of an exemption from registration for the issuance and sale of any shares hereunder shall relieve the Company of any liability in respect of the nonissuance or sale of such shares as to which such requisite authority shall not have been obtained.

As a condition to the exercise of an option, if, in the opinion of counsel for the Company, assurances are required by any relevant provision of the aforementioned laws, the Company may require the Optionee to give written assurances satisfactory to the Company at the time of any such exercise (a) as to the Optionee's knowledge and experience in financial and business matters

(and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters) and that such Optionee is capable of evaluating, either alone or with the purchaser representative, the merits and risks of exercising the option or (b) that the shares are being purchased only for investment and without any present intention to sell or distribute such shares. The foregoing requirements shall be inoperative if the issuance of the shares upon the exercise of the option has been registered under a then currently effective registration statement under the Act.

At the option of the Company, a stop-transfer order against any shares may be placed on the official stock books and records of the Company, and a legend indicating that the stock may not be pledged, sold, or otherwise transferred unless an opinion of counsel is provided (concurred in by counsel for the Company) stating that such transfer is not in violation of any applicable law or regulation, may be stamped on stock certificates in order to assure exemption from registration. The Plan Administrator may also require such other action or agreement by the Optionees as may from time to time be necessary to comply with the federal and state securities laws. NONE OF THE ABOVE SHALL BE CONSTRUED TO IMPLY AN OBLIGATION ON THE PART OF THE COMPANY TO UNDERTAKE REGISTRATION OF THE

OPTIONS OR STOCK HEREUNDER.

Should any of the Company's capital stock of the same class as the stock subject to options granted hereunder be listed on a national securities exchange or on the Nasdaq National Market, all stock issued hereunder if not previously listed on such exchange or market shall, if required by the rules of such exchange or market, be authorized by that exchange or market for listing thereon prior to the issuance thereof.

SECTION 9. USE OF PROCEEDS. The proceeds received by the Company from the sale of shares pursuant to the exercise of options granted hereunder shall constitute general funds of the Company.

SECTION 10. AMENDMENT AND TERMINATION.

10.1 BOARD ACTION. The Board may at any time suspend, amend, or terminate the Plan, provided, that no amendment shall be made without stockholder approval within 12 months before or after adoption of the Plan if such approval is necessary to comply with any applicable tax or regulatory requirement, including any such approval as may be necessary to satisfy the requirements for exemptive relief under Rule 16b-3 of the Exchange Act or any successor provision. Rights and obligations under any option granted before amendment of the Plan shall not be altered or impaired by any amendment of the Plan unless the Company requests the consent of the person to whom the option was granted and such person consents in writing thereto.

10.2 AUTOMATIC TERMINATION. Unless sooner terminated by the Board, the Plan shall terminate ten years from the earlier of (a) the date on which the Plan is adopted by the Board or (b) the date on which the Plan is approved by the stockholders of the Company. No option may be granted after such termination or during any suspension of the Plan.

The amendment or termination of the Plan shall not, without the consent of the option holder, alter or impair any rights or obligations under any option theretofore granted under the Plan.

SECTION 11. EFFECTIVENESS OF THE PLAN. The Plan shall become effective upon adoption by the Board so long as it is approved by the holders of a majority of the Company's outstanding shares of voting capital stock at any time within 12 months before or after the adoption of the Plan by the Board.

Exhibit 23.1

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Registration Statement on Form S-8 of our report dated February 14, 1997 on the consolidated financial statements of Steven Madden, Ltd. and subsidiaries included in the 1996 Annual Report on Form 10-KSB.

Richard A. Eisner & Company, LLP

New York, New York
October 28, 1997