

Jafroodi Scot R
Form 4
February 16, 2010

FORM 4

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

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

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Jafroodi Scot R

(Last) (First) (Middle)

965 KAYE GIBBSONS COURT

(Street)

KERNERSVILLE, NC 27284

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

INSTEEL INDUSTRIES INC [IIN]

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

02/13/2010

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
☒ Officer (give title below) ____ Other (specify
below) below)

Chief Accounting Officer

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	02/13/2010		F	623 D	\$ 9.56 2,565	D	
Common Stock (Restricted Stock Units)					8,942	D	
Common Stock					5,491	I	Restricted

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

**Persons who respond to the collection of
information contained in this form are not**

SEC 1474
(9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price or Value of Derivative Security (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Incentive Stock Option (Right to Buy) (Common Stock)	\$ 9.39							<u>(1)</u>	02/09/2020	Common Stock	5,952
Incentive Stock Option (Right to Buy)	\$ 11.6							<u>(1)</u>	08/10/2019	Common Stock	4,393
Incentive Stock Option (right to buy)	\$ 7.55							<u>(1)</u>	02/10/2019	Common Stock	5,978
Incentive Stock Option (right to buy)	\$ 11.15							<u>(1)</u>	02/19/2018	Common Stock	5,278
Incentive Stock Option (right to buy)	\$ 16.69							<u>(1)</u>	08/19/2018	Common Stock	2,926
	\$ 17.11							(1)	02/13/2017		2,639

Incentive
Stock
Option
(right to
buy)

Common
Stock

Incentive
Stock
Option
(right to
buy)

\$ 20.27

(1)

08/13/2017

Common
Stock

2,178

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Jafroodi Scot R 965 KAYE GIBBSONS COURT KERNERSVILLE, NC 27284			Chief Accounting Officer	

Signatures

James F. Petelle for Scot R.
Jafroodi

02/16/2010

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Options vest 1/3 annually beginning 1 year from grant date.

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

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