

Jafroodi Scot R
Form 4
February 10, 2010

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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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

(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)
02/09/2010

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)
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 Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
Common Stock (Restricted Stock Units)	02/09/2010		A		2,929	A	\$ 0
Common Stock					8,942	D	
Common Stock					1,576	D	
Common Stock					7,103	I	Restricted

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

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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. Amount or Number of Shares
Incentive Stock Option (Right to Buy) (Common Stock)	\$ 9.39	02/09/2010		A	5,952	(1) 02/09/2020	Common Stock	5,952
Incentive Stock Option (Right to Buy)	\$ 11.6					(1) 08/10/2019	Common Stock	4,393
Incentive Stock Option (right to buy)	\$ 7.55					(1) 02/10/2019	Common Stock	5,978
Incentive Stock Option (right to buy)	\$ 11.15					(1) 02/19/2018	Common Stock	5,278
Incentive Stock Option (right to buy)	\$ 16.69					(1) 08/19/2018	Common Stock	2,926
Incentive Stock	\$ 17.11					(1) 02/13/2017	Common Stock	2,639

