

PETELLE JAMES F

Form 4

March 06, 2013

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
Number: 3235-0287
Expires: January 31,
2005
Estimated average
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(Print or Type Responses)

1. Name and Address of Reporting Person *
PETELLE JAMES F

(Last) (First) (Middle)

1373 BOGGS DRIVE

(Street)

MOUNT AIRY, NC 27030

(City) (State) (Zip)

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

INSTEEL INDUSTRIES INC [IIN]

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

03/05/2013

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

Vice President

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ 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	03/05/2013		M	1,300 A	\$ 7.55 7,901	D	
Common Stock	03/05/2013		S	1,300 D	\$ 16.528 6,601	D	
Common Stock (Restricted Stock Units)					16,596	D	

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)

required to respond unless the form
displays a currently valid OMB control
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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. D S (1
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Incentive Stock Option (Right to Buy)	\$ 7.55	03/05/2013		M	1,300	<u>(1)</u>	02/10/2019	Common Stock	1,300	
Incentive Stock Option (Right to Buy)	\$ 16.45					<u>(1)</u>	02/12/2023	Common Stock	5,230	
Stock Option (Right to Buy)	\$ 10.23					<u>(1)</u>	08/21/2022	Common Stock	8,242	
Stock Option (Right to Buy)	\$ 13.06					<u>(1)</u>	02/21/2022	Common Stock	6,188	
Incentive Stock Option (Right to Buy)	\$ 10.72					<u>(1)</u>	08/08/2021	Common Stock	5,670	
Incentive Stock Option (Right to Buy)	\$ 12.43					<u>(1)</u>	02/08/2021	Common Stock	4,693	
	\$ 9.16					<u>(1)</u>	08/09/2020		6,180	

Incentive Stock Option (Right to Buy)					Common Stock	
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)	\$ 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	
Incentive Stock Option (Right to Buy)	\$ 17.11	<u>(1)</u>	02/13/2017	Common Stock	2,639	
Incentive Stock Option (Right to Buy)	\$ 20.27	<u>(1)</u>	08/13/2017	Common Stock	2,178	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PETELLE JAMES F 1373 BOGGS DRIVE MOUNT AIRY, NC 27030			Vice President	

Signatures

James F. Petelle

03/06/2013

__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 one 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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