



Policy Prohibiting Hedging

Insteel directors and officers who are subject to the reporting requirements of Section 16 of the Securities Exchange Act are prohibited from entering into financial transactions designed to hedge or offset any decrease in the market value of Insteel stock. In addition, directors and Section 16 Officers are required to disclose to the Board of Directors (through the Secretary) any intention to enter into arrangements involving the pledge or other use of our stock as collateral to secure personal loans or other obligations.