



Policy #: **POL – 3.1**

Effective Date: **July 25, 2006**

Subject: **Policy with Respect to Stock Ownership of Officers (Tier 0 and Tier 1)**

Maintained By: **General Counsel**

Approved By: **Board of Directors**

Applies to: **All Officers (Tier 0 and Tier 1)**

Supersedes: **N/A**

### *Purpose*

The purpose of the Insituform Technologies, Inc. Policy With Respect to Stock Ownership of Officers (Tier 0 and Tier 1) (the “**Policy**”) is to align the interests of the Company’s senior management more directly with the interests of the Company’s stockholders.

This policy is effective as of July 25, 2006 (the “**Effective Date**”).

### *Policy*

Each person serving as a Tier 0 or Tier 1 Officer (each as designated below) as of the Effective Date shall be required to own, by no later than July 25, 2009, and to thereafter retain until the termination of such person’s employment, the number of shares of the Company’s Class A common stock, par value \$.01 per share (“**Common Stock**”), equal in value to one (1) times his or her annual base salary as of the Effective Date (the “**Minimum Ownership Amount**”):

- Tier 0 Officers
  - Chief Executive Officer
  - Chief Operating Officer
  - Chief Financial Officer
  - General Counsel
  
- Tier 1 Officers
  - Vice President – Human Resources
  - Vice President – Marketing and Technology
  - Vice President and Chief Information Officer

The Minimum Ownership Amount for each Tier 0 and Tier 1 officer serving as of the Effective Date shall be determined by dividing the officer’s annual base salary as of the Effective Date, by the average closing price of the Company’s Common Stock for the ten (10) trading days prior to the Effective Date.

Each person appointed as a Tier 0 or Tier 1 officer after the Effective Date shall, by no later than the third anniversary of his or her appointment as a Tier 0 or Tier 1 officer, be required to own, and to thereafter retain until the termination of the officer’s employment, his or her respective Minimum Ownership Amount. The Minimum Ownership Amount for each Tier 0 and Tier 1 officer appointed after the Effective Date shall be determined by dividing the officer’s annual base salary as of the date of the officer’s appointment as a Tier 0 or Tier 1 officer, by the average closing price of the Company’s Common Stock for the ten (10) trading days prior to the date of such appointment.

***Shares Counted***

The following forms of equity interest shall count towards the achievement of the Minimum Ownership Amount by each officer subject to this Policy:

- Shares of Common Stock purchased on open market;
- Shares of Common Stock owned jointly with or separately by spouse and/or children;
- Shares of Common Stock purchased through employee stock purchase program;
- Shares of Common Stock acquired upon stock option exercise; and
- Shares of restricted Common Stock or restricted stock units (vested or unvested).

***Pre-Clearance Requirement***

All officers subject to this Policy must pre-clear any sale of Common Stock with the Company's Chief Executive Officer and General Counsel.

***Amendment, Revision or Termination of Policy; Suspension of Policy for Officers Showing Personal Hardship***

The Company's Board of Directors has the authority to amend, modify or revise any of the terms of this Policy at any time after the Effective Date. The Board also has the authority to terminate this Policy in its entirety, or to suspend the coverage of this Policy in its discretion under terms and for a period or periods that the Board may determine. In order for the Board to consider a suspension of this Policy for an officer or officers, the officer or officers must request that the Board consider a suspension of this Policy and provide the Board with a showing of facts and circumstances that evidence the existence of a personal hardship for the requesting officer. Failure to abide by this Policy may, unless otherwise prohibited by applicable law, affect an officer's employment status and/or consideration for additional equity awards and/or discretionary bonuses, in the sole discretion of the Company's Chief Executive Officer and/or the Compensation Committee of the Board. Neither any amendment, modification or revision of this Policy, nor the termination or suspension of this Policy, will have any effect on the terms and conditions of any option, restricted stock or restricted stock unit award held by any officer subject to this Policy at the time of such amendment, modification, revision, termination or suspension.