

UNIVERSAL STAINLESS & ALLOY PRODUCTS INC  
 Form 4  
 January 25, 2007

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 DUNN DOUGLAS M

2. Issuer Name and Ticker or Trading Symbol  
 UNIVERSAL STAINLESS & ALLOY PRODUCTS INC [USAP]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 11817 OAKLAND HILLS DRIVE  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 01/23/2007

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

LAS VEGAS, NV 89141-6014

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

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

(City) (State) (Zip)

**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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  |                                | (A) or (D)  | Price   |  |   |
| USAP Common Stock               | 01/23/2007                           |  | M                              | 16,600  | A \$ 12.25  | 16,600   | D   |
| USAP Common Stock               | 01/23/2007                           |  | S                              | 14,000  | D \$ 42.48  | 2,600  | D   |
| USAP Common Stock               | 01/23/2007                           |  | S                              | 2,600   | D \$ 42.46  | 0  | D   |
| USAP Common                     | 01/24/2007                           |  | M                              | 3,400   | A \$ 12.25  | 3,400  | D   |

Stock

USAP

Common 01/24/2007 S 3,400 D \$ 42.47 0 D

Stock

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

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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 |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| USAP Common Stock                          | \$ 12.25   | 01/23/2007                           |  | M                              | 16,600  | <sup>(1)</sup> 05/21/2007                                | Common Stock  | 16,600                        |
| USAP Common Stock                          | \$ 12.25   | 01/24/2007                           |  | M                              | 3,400   | <sup>(2)</sup> 05/22/2004                                | Common Stock  | 3,400                         |

## Reporting Owners

### Reporting Owner Name / Address

### Relationships

Director 10% Owner Officer Other

DUNN DOUGLAS M  
11817 OAKLAND HILLS DRIVE X  
LAS VEGAS, NV 89141-6014

## Signatures

Paul A. McGrath  
(AIF) 01/25/2007

\*\*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) 6,667 shares exercisable 05/22/1998 6,667 shares exercisable 05/22/1999 3,266 shares exercisable 05/22/2000
  - (2) 3400 shares exercisable 05/22/2000

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.