

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, DC 20549

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**FORM 11-K**

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**ANNUAL REPORT PURSUANT TO SECTION 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended June 30, 2011

OR

**TRANSITION REPORT PURSUANT TO SECTION 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period from            to

Commission File Number 000-25032

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**UNIVERSAL STAINLESS & ALLOY PRODUCTS, INC.  
1996 EMPLOYEE STOCK PURCHASE PLAN**  
(Full title of the plan and the address of the plan, if different  
from that of the issuer named below)

**UNIVERSAL STAINLESS & ALLOY PRODUCTS, INC.**  
**600 Mayer Street**  
**Bridgeville, PA 15107**  
(Name of the issuer of the securities held pursuant to the plan  
and the address of its principal executive office)

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1996 Employee Stock Purchase Plan  
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Report of Independent Registered Public Accounting Firm

To the Participants and Administrator of  
Universal Stainless & Alloy Products, Inc.  
1996 Employee Stock Purchase Plan  
Bridgeville, Pennsylvania

We have audited the accompanying statements of financial condition of the Universal Stainless & Alloy Products, Inc. 1996 Employee Stock Purchase Plan (Plan) as of June 30, 2011 and 2010, and the related statements of income and changes in plan equity for the years ended June 30, 2011, 2010 and 2009. These financial statements are the responsibility of the Plan Administrator. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial condition of the Plan as of June 30, 2011 and 2010, and the income and changes in plan equity for the years ended June 30, 2011, 2010 and 2009 in conformity with accounting principles generally accepted in the United States of America.

/s/ Schneider Downs & Co., Inc.

Schneider Downs & Co., Inc.  
Pittsburgh, Pennsylvania  
September 16, 2011

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Universal Stainless & Alloy Products, Inc.  
1996 Employee Stock Purchase Plan  
Statements of Financial Condition

	June 30,	
	2011	2010
Assets:		
Cash	\$118,365	\$66,293
Receivable from Plan sponsor	3,257	—
Total assets	<u>\$121,622</u>	<u>\$66,293</u>
Liabilities and Plan equity:		
Payable to Plan sponsor	\$118,643	\$60,650
Refunds payable to Plan participants	2,079	5,278
Total liabilities	120,722	65,928
Plan equity	<u>900</u>	<u>365</u>
Total liabilities and Plan equity	<u>\$121,622</u>	<u>\$66,293</u>

The accompanying notes are an integral part of these financial statements.

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Universal Stainless & Alloy Products, Inc.  
1996 Employee Stock Purchase Plan  
Statements of Income and Changes in Plan Equity

	For the Years Ended June 30,		
	2011	2010	2009
<b>Additions:</b>			
Contributions by participating employees	\$202,897	\$127,666	\$151,907
Interest on bank deposits	347	257	660
<b>Total additions</b>	<b>203,244</b>	<b>127,923</b>	<b>152,567</b>
<b>Deductions:</b>			
Stock distributions	195,600	118,310	117,845
Participant withdrawals	6,762	9,309	34,786
Administrative costs	347	257	660
<b>Total deductions</b>	<b>202,709</b>	<b>127,876</b>	<b>153,291</b>
Net increase (decrease) in Plan equity	535	47	(724)
Plan equity, beginning of year	365	318	1,042
Plan equity, end of year	<u>\$ 900</u>	<u>\$ 365</u>	<u>\$ 318</u>

The accompanying notes are an integral part of these financial statements.

Universal Stainless & Alloy Products, Inc.  
1996 Employee Stock Purchase Plan  
Notes to the Financial Statements

1. Description of the Plan

The Universal Stainless & Alloy Products, Inc. (the “Company”) 1996 Employee Stock Purchase Plan (the “Plan”) was adopted by the stockholders of the Company on May 22, 1996 and was amended on May 17, 2006. The stockholders authorized an aggregate 150,000 shares of Company Common Stock for issuance under the Plan for the benefit of substantially all employees of the Company. The Plan was established to enable eligible employees of the Company to acquire an ownership interest in the Company. Employees are eligible on the first business day of any purchase period following the commencement of their employment with the Company, provided they are expected on a regularly-scheduled basis to work more than 20 hours per week for more than five months per calendar year.

Purchase rights are granted twice each year in six-month purchase periods beginning July 1 and ending December 31 and beginning January 1 and ending June 30. Purchase rights are limited to the lesser of (i) 100 shares, (ii) the maximum number of whole shares that could be purchased by an amount equal to 10 percent of an employee’s compensation paid during the purchase period, or (iii) a pro-rata share, based on the employee’s contribution to the Plan, of the shares remaining in the aggregate authorization under the Plan. The purchase price for shares subject to the purchase right is the lesser of (i) 85 percent of the closing market price of such Common Stock on the date the purchase right is granted, the first business day of the beginning of a six-month purchase period, or (ii) 85 percent of the closing market price of such Common Stock on the date the purchase right is exercised, the last business day of the six-month purchase period. No cash consideration is received for the granting of purchase rights.

No employee may be granted a purchase right under the Plan if the employee, immediately after the purchase right is granted, owns stock possessing five percent or more of the total combined voting power or value of all classes of stock of the Company. Also, no employee may purchase shares under the Plan in excess of \$25,000 of fair market value of such shares on the date of grant of the purchase right.

Employees may elect to participate by filing an enrollment form and authorizing payroll deductions of up to 10 percent of their base compensation; provided, however, that such amount may not exceed 100 shares multiplied by 85 percent of the fair market value of a share of Company Common Stock on the date of the grant of the purchase right. Payroll deductions begin with the first paycheck received after commencement of the relevant purchase period and end with the last paycheck received within the purchase period. The shares of Common Stock subject to the purchase right are automatically purchased on the last day of the purchase period by applying the accumulated payroll deductions to the purchase of whole shares of Common Stock. Any amount remaining after the purchase of whole shares is recorded as Plan equity and applied to the next purchase period; provided, however, if the employee purchased 100 shares during the purchase period, the balance is refunded.

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The Board of Directors of the Company has the power to terminate or amend the Plan at any time. In 2009, the Board extended the stated termination date of the Plan for a period of up to five years and the Plan will, unless further amended by the Board of Directors, terminate on the earlier of the last day of the first purchase period ending in 2015 or on the date on which all shares available for issuance under the Plan have been sold pursuant to the purchase rights exercised under the Plan.

2. Summary of Significant Accounting Policies:

Basis of Accounting

The accompanying financial statements of the Plan have been prepared in accordance with accounting principles generally accepted in the United States of America.

Security Transactions

Security transactions are accounted for as of the last day of each six-month purchase period. Securities are issued directly by the Company to the participants of the Plan from unissued shares designated for the Plan, and a corresponding liability to the Plan sponsor is recorded. The Plan does not hold the securities as temporary investments. For the fiscal years ended June 30, 2011, 2010 and 2009, the shares issued were 9,751, 8,471 and 9,409, respectively. Since inception of the Plan, 127,271 of the designated shares have been issued. The valuation of securities distributed is at cost determined in accordance with the Plan.

Contributions and Deposits

Employee contributions are recorded on the accrual basis as of the date the contributions are withheld from the employees' compensation. Contributions to the Plan are initially invested in an interest-bearing cash account pending their investment in the Company's Common Stock. Interest earned on such cash balances is returned to the Company to partially offset administrative costs of the Plan.

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Withdrawals and Refunds

Participant withdrawals from the Plan may occur at the election of the participant, upon termination of employment or as a refund of contributions made in excess of the value of 100 shares of Common Stock distributed during each purchase period. Participant withdrawals equal the cash contributed to the Plan less the value of Common Stock distributed to the participant.

3. Income Taxes

The Plan is an employee stock purchase plan that is intended to meet the requirement of Section 423 of the Internal Revenue Code of 1986, as amended. Under Section 423, participants receive certain favorable tax benefits by purchasing and selling Common Stock issued under the Plan. Employees participating in the Plan receive a purchase price discount at the date of purchase but do not recognize taxable income until the shares are subsequently sold. The Plan is not subject to federal income taxes, therefore no provision for income taxes is included in the financial statements.



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Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the members of the Board of Directors who administer the Plan have duly caused this annual report to be signed on their behalf by the undersigned hereunto duly authorized.

Universal Stainless & Alloy Products, Inc.  
1996 Employee Stock Purchase Plan

Date: September 16, 2011

/s/ Douglas M. McSorley  
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Douglas M. McSorley  
(Plan Administrator)

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statements (No. 333-13511 and No. 333-136984) on Form S-8 of Universal Stainless & Alloy Products, Inc. of our report dated September 16, 2011 with respect to the statements of financial condition of the Universal Stainless & Alloy Products, Inc. 1996 Employee Stock Purchase Plan as of June 30, 2011 and 2010 and the related statements of income and changes in plan equity for the years ended June 30, 2011, 2010, and 2009, which report appears in the June 30, 2011 Annual Report on the Form 11-K of the Universal Stainless and Alloy Products, Inc. 1996 Employee Stock Purchase Plan.

/s/ Schneider Downs & Co., Inc.

Schneider Downs & Co., Inc.

Pittsburgh, Pennsylvania

September 16, 2011