

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

OMB APPROVAL

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>DUNN DOUGLAS M</u>  (Last) (First) (Middle) <u>11817 OAKLAND HILLS DRIVE</u>  (Street) <u>LAS VEGAS NV 89141-6014</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>UNIVERSAL STAINLESS &amp; ALLOY PRODUCTS INC [USAP]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>05/06/2009</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**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)
			Code	V	Amount	(A) or (D)	Price			
USAP Common Stock	05/06/2009		M		10,000	A	\$6.063	10,000	D	
USAP Common Stock	05/06/2009		M		10,000	A	\$7.125	20,000	D	
USAP Common Stock	05/06/2009		M		10,000	A	\$9.9	30,000	D	

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
USAP Common Stock	\$6.063	05/06/2009		M			10,000	(1)	05/26/2009	Common Stock	10,000	\$6.063	0	D	
USAP Common Stock	\$7.125	05/06/2009		M			10,000	(2)	05/24/2010	Common Stock	10,000	\$7.125	0	D	
USAP Common Stock	\$9.9	05/06/2009		M			10,000	(3)	05/24/2011	Common Stock	10,000	\$9.9	0	D	

**Explanation of Responses:**

- 3333 options exercisable 05/26/2000 3333 options exercisable 05/26/2001 3334 options exercisable 05/26/2002
- 3333 options exercisable 05/24/2001 3333 options exercisable 05/24/2002 3334 options exercisable 05/24/2003
- 3333 options exercisable 05/24/2002 3333 options exercisable 05/24/2003 3334 options exercisable 05/24/2004

Paul A. McGrath (AIF)

05/07/2009

\*\* Signature of Reporting Person Date

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

\* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.