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SERVOTRONICS INC /DE/  
Form 10KSB/A  
April 30, 2007

U.S. SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-KSB/A  
AMENDMENT NO. 1

Annual Report Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934

For the Fiscal Year Ended December 31, 2006          Commission File Number 1-07109

SERVOTRONICS, INC.  
(Name of Small Business Issuer in Its Charter)

Delaware  
(State or other jurisdiction  
of incorporation or organization)

16-0837866  
(I.R.S. Employer  
Identification No.)

1110 Maple Street  
Elma, New York  
(Address of principal executive offices)

14059  
(Zip Code)

Registrant's telephone number, including area code: (716) 655-5990

Securities registered pursuant to Section 12(b) of the Act:

Title of each class -----	Name of each exchange on which registered -----
Common Stock, \$.20 par value	American Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None.  
Check whether the issuer is not required to file reports pursuant to Section 13  
or 15(d) of the Exchange Act. [ ]

Check whether the issuer: (1) filed all reports required to be filed by Section  
13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter  
period that the registrant was required to file such reports), and (2) has been  
subject to such filing requirements for the past 90 days.  
Yes X      No  
---      ---

Check if disclosure of delinquent filers in response to Item 405 of Regulation  
S-B is not contained in this form, and no disclosure will be contained, to the  
best of the registrant's knowledge, in definitive proxy or information  
statements incorporated by reference in Part III of this Form 10-KSB or any  
amendment to this Form 10-KSB. [X]

Indicate by check mark whether the registrant is a shell company (as defined in  
Rule 12b-2 of the Exchange Act). Yes      No X  
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Issuer's revenues for its most recent fiscal year: \$24,548,000

As of March 31, 2007 the aggregate market value of the voting common stock held  
by non-affiliates of the registrant was \$14,109,278 based on the closing sales  
price reported by the American Stock Exchange on that day.

As of March 31, 2007 the number of \$.20 par value common shares outstanding was  
2,329,102.



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President of the Company since 1990  
eAutoclaims, Inc.

Dr. Nicholas D. Trbovich	71	Chairman of the Board of Directors and Chief Executive Officer of the Company since 1959.
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(b) EXECUTIVE OFFICERS. The following is a listing of the Company's current executive officers:

Name ----	Age ---	Position with the Company and Principal Occupation and Business Experience for Past Five Years -----
Dr. Nicholas D. Trbovich	71	See table under "Directors."
Nicholas D. Trbovich, Jr.	46	See table under "Directors."

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Cari L. Jaroslowsky	37	Treasurer and Chief Financial Officer of the Company since 2005; CPA Consultant for the Company for more than five years to 2005.
Michael D. Trbovich	44	Corporate Secretary of the Company since 2005; Corporate Administration and Liaison for the Company for more than five years prior to 2005.

Nicholas D. Trbovich, Jr. and Michael D. Trbovich are the sons of Dr. Nicholas D. Trbovich. There are no other family relationships between any of the directors or executive officers of the Company.

(c) SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE. Based solely on its review of reports filed pursuant to Section 16(a) of the Securities Exchange Act or representations from directors and executive officers required to file such reports, the Company believes that all such filings required of its executive officers, directors and greater than 10% beneficial owners were timely made.

(d) CODE OF ETHICS. The Company has adopted a Code of Ethics and Business Conduct that applies to all directors, officers and employees of the Company as required by the listing standards of the American Stock Exchange. The Code is available on the Company's website at [www.servotronics.com](http://www.servotronics.com) and the Company intends to disclose on this website any amendment to the Code. Waivers under the Code, if any, will be disclosed under the rules of the SEC and the American Stock Exchange.

(e) AUDIT COMMITTEE. The Board of Directors has an Audit Committee

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comprised of Dr. Duerig and Mr. Hedges. The Board has (i) determined that Dr. Duerig and Mr. Hedges are independent pursuant to Section 121A of the listing standards of the American Stock Exchange and (ii) designated Dr. Duerig as the Company's "Audit Committee financial expert."

Item 10. EXECUTIVE COMPENSATION.

SUMMARY COMPENSATION TABLE. The following table contains information with respect to the annual compensation for the year ended December 31, 2006 for the Company's Chief Executive Officer and the two most highly compensated Executive Officers who were serving as Executive Officers at December 31, 2006 (the "Named Executive officers").

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Name and Principal Position -----	Year -----	Salary -----	Bonus -----	All Other Compen- sation (1) -----
Dr. Nicholas D. Trbovich..... Chairman, President and CEO	2006	\$407,333	\$40,000	\$39,765
Nicholas D. Trbovich, Jr..... Director, Executive Vice President	2006	\$186,547	\$25,000	\$36,250
Raymond C. Zielinski..... Vice President	2006	\$151,800	\$ 8,000	\$20,510

(1) All Other Compensation for 2006 includes (i) an allocation of 1,180 shares, 1,180 shares, and 1,003 shares for Dr. Trbovich, Mr. Trbovich, Jr. and Mr. Zielinski, respectively, of common stock of the Company under the Servotronics, Inc. Employee Stock Ownership Plan valued as of November 30, 2006 (the date of the allocation) at the closing price on the American Stock Exchange of \$8.10 per share; (ii) \$7,787, \$387 and \$1,481 to Dr. Trbovich, Mr. Trbovich, Jr. and Mr. Zielinski, respectively, for life insurance; (iii) \$15,488, \$23,818 and \$10,903 paid for Dr. Trbovich, Mr. Trbovich, Jr. and Mr. Zielinski, respectively, for health insurance and medical related expenses, and \$6,934 and \$2,489 for personal use of company cars to Dr. Trbovich and Mr. Trbovich, Jr., respectively.

EMPLOYMENT AGREEMENTS. Dr. Trbovich and Mr. Trbovich, Jr. have employment agreements with the Company pursuant to which they are entitled to receive minimum salary compensation of \$412,300 and \$188,820 per annum respectively, or such greater amount as the Company's Board of Directors may determine, and individual and spousal lifetime health and life insurance benefits. In the event of Dr. Trbovich's or Mr. Trbovich, Jr.'s death or total disability during the term of the employment agreement, they or their estate is entitled to receive 50% of the compensation they are receiving from the Company at the time of their death or disability during the remainder of the term of the employment agreement. Also, in the event of (i) a breach of the agreement by the Company, (ii) a change in control of the Company, as defined, or (iii) a change in the responsibilities, positions or geographic office location of Dr. Trbovich or Mr. Trbovich, Jr., they are entitled to terminate the agreement and receive a payment of 2.99 times their average annual compensation from the Company for the

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preceding five years. If this provision is invoked by Dr. Trbovich or Mr. Trbovich, Jr. and the Company makes the required payment, the Company will be relieved of any further salary liability under the agreement notwithstanding the number of years covered by the agreement prior to termination.

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The term of the agreement extends to and includes July 1, 2010 for Dr. Trbovich and extends to and includes July 1, 2011 for Mr. Trbovich, Jr., provided, however the term of the agreement will be automatically extended for one additional year beyond its then expiration date unless either party has notified the other in writing that the term will not be extended. If the Company elects not to extend the agreement, Dr. Trbovich and/or Mr. Trbovich, Jr. will be entitled to a severance payment equal to nine months' salary and benefits.

OUTSTANDING EQUITY AWARDS AT 2006 FISCAL YEAR END. The following table shows information with respect to the value of unexercised options held by the Named Executive Officers as of December 31, 2006. All of the options granted to the Named Executive Officers are currently exercisable.

Name of Officer	Option Awards		
	Number of securities underlying unexercised options (#)	Option Exercise Price	Option Expiration Date
Dr. Nicholas D. Trbovich	37,800	\$8.50	03/24/2008
	37,800	\$3.8125	07/07/2010
	45,000	\$4.38	09/06/2011
	50,000	\$2.045	04/11/2013
	25,000	\$4.70	12/30/2015
Nicholas D. Trbovich Jr.	18,400	\$8.50	03/24/2008
	18,400	\$3.8125	07/07/2010
	24,000	\$4.38	09/06/2011
	27,000	\$2.045	04/11/2013
	15,000	\$4.70	12/30/2015
Raymond C. Zielinski	5,800	\$8.50	03/24/2008
	7,500	\$3.8125	07/07/2010
	8,000	\$4.38	09/06/2011
	9,000	\$2.045	04/11/2013
	7,500	\$4.70	12/30/2015

DIRECTORS' COMPENSATION. Under the Company's compensation arrangements, non-employee directors are paid a yearly director's fee of \$10,000 plus a per meeting fee of \$700 and reimbursement of actual expenses for attendance at Board meetings. Directors who are also employees do not receive the Director's and/or meeting fees. Members of the Audit Committee of the Board are paid a yearly Audit Committee fee of \$2,500 plus a per-meeting fee of \$500 and reimbursement of actual expenses for attendance at Audit Committee meetings.

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The following table contains information with respect to the compensation paid to the non-employee directors for the year ended December 31, 2006.

Name -----	Fees Earned or Paid in Cash (1) -----	Option Awards (2) -----
William H. Duerig	\$25,500	--
Donald W. Hedges	\$25,500	--

- (1) Includes cash compensation earned by the Directors during the fiscal year 2006.
- (2) No options were awarded in 2006. As of December 31, 2006, Dr. Duerig and Mr. Hedges stock option holdings in the Company consisted of: 12,600 options with an exercise price of \$8.50 expiring on March 24, 2008; 15,000 options with an exercise price of \$3.8125 expiring on July 7, 2010; 16,000 options with an exercise price of \$4.38 expiring on September 6, 2011; 18,000 options with an exercise price of \$2.045 expiring on April 11, 2013; and 7,500 options with an exercise price of \$4.70 expiring on December 30, 2015. All stock options are currently exercisable.

Item 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

(a) SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS. The following table lists the persons that owned beneficially, as of March 31, 2007, more than 5% of the outstanding shares of common stock of the Company, based on the Company's records. Unless otherwise stated, each person has sole voting and investment power with respect to the shares of common stock indicated as beneficially owned by that person.

Name and Address of Beneficial Owner -----	Amount and Nature of Beneficial Ownership -----	Percent of Class (1) -----
Servotronics, Inc. Employee Stock Ownership Trust (2) 1110 Maple Street P.O. Box 300 Elma, New York 14059	783,630 (2)	33.6%
Dr. Nicholas D. Trbovich (3) 1110 Maple Street P.O. Box 300 Elma, New York 14059	583,278 (3)	23.1%
Nicholas D. Trbovich, Jr. (4) 1110 Maple Street P.O. Box 300 Elma, New York 14059	142,866 (4)	5.9%
Harvey Houtkin (5) 160 Summit Avenue	352,088 (5)	15.1%

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Montvale, New Jersey 07645

- (1) Percent of class is based upon 2,329,102 shares of common stock outstanding as of March 31, 2007 plus, in the case of Dr. Trbovich and Nicholas D. Trbovich, Jr., the shares underlying their stock options, all of which are presently exercisable.
- (2) The trustees of the Servotronics, Inc. Employee Stock Ownership Trust (the "ESOT") -- Dr. Nicholas D. Trbovich and Nicholas D. Trbovich, Jr. -- direct the voting of unallocated shares. The participants in the related plan have the right to direct the voting of shares which have been allocated to their respective accounts; if a participant does not direct the vote, the trustees may direct the vote of that participant's shares. As of March 31, 2007, approximately 412,262 shares have been allocated to the accounts of participants and approximately 371,368 shares remain unallocated.
- (3) This amount includes (i) 32,309 shares held by a charitable foundation for which Dr. Trbovich serves as a trustee; (ii) 195,600 shares which Dr. Trbovich has the right to acquire under stock options which are currently exercisable and (iii) approximately 44,983 shares allocated to Dr. Trbovich's account under the Servotronics, Inc. Employee Stock Ownership Plan. This amount does not include the shares beneficially owned by certain of Dr. Trbovich's other relatives. Except as set forth above, does not include shares held by the ESOT as to which Dr. Trbovich serves as one of the two trustees. See note (2) above.
- (4) This amount includes (i) 102,800 shares which Mr. Trbovich, Jr. has the right to acquire under stock options which are currently exercisable and (ii) approximately 24,252 shares allocated to Mr. Trbovich, Jr.'s account under the Servotronics, Inc. Employee Stock Ownership Plan. Except as set forth above, does not include shares held by the ESOT as to which Mr. Trbovich, Jr. serves as one of two trustees. See note (2) above.
- (5) Based on a statement on Schedule 13D, as last amended on February 12, 2004, filed by Mr. Houtkin with the Securities and Exchange Commission. According to Mr. Houtkin's statement, he has sole voting and investment power with respect to 190,000 shares and shared voting and investment power with respect to 162,088 shares. Mr. Houtkin disclaims beneficial ownership in additional shares owned by other members of his family.

(b) SECURITY OWNERSHIP OF MANAGEMENT. The following table sets forth, as of March 31, 2007, information as to the beneficial ownership of shares of common stock of the Company held by each director, executive officer and by all directors and officers as a group (each individual listed in the following table has sole voting and investment power with respect to the shares of common stock indicated as beneficially owned by that person, except as otherwise indicated):

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Name of Beneficial Owner -----	Amount and Nature of Beneficial Ownership -----	Percent of Class (1) -----
Dr. Nicholas D. Trbovich	583,278 (2)	23.1%

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Nicholas D. Trbovich, Jr.	142,866 (3)	5.9%
Donald W. Hedges	73,836 (4)	3.1%
Dr. William H. Duerig	72,693 (5)	3.0%
Raymond C. Zielinski	65,023 (6)	2.7%
Cari L. Jaroslowsky	7,500 (7)	0.3%
Michael D. Trbovich	34,120 (8)	1.4%
All directors and officers as a group	1,350,684 (9)	47.6%

- (1) Percent of class is based upon 2,329,102 shares of common stock outstanding as of March 31, 2007 plus the number of shares subject to stock options held by the indicated person or group.
- (2) See note (9) below and note (3) to the table in "Security Ownership of Certain Beneficial Owners."
- (3) See note (9) below and note (4) to the table in "Security Ownership of Certain Beneficial Owners."
- (4) This amount includes 69,100 shares which Mr. Hedges has the right to acquire under stock options which are currently exercisable. Mr. Hedges has sole voting and investment power with respect to 4,261 shares and shared voting and investment power with respect to 475 shares.
- (5) This amount includes 69,100 shares which Dr. Duerig has the right to acquire under stock options which are currently exercisable.
- (6) This amount includes (i) 37,800 shares which Mr. Zielinski has the right to acquire under stock options which are currently exercisable and (ii) approximately 13,199 shares allocated to Mr. Zielinski's account under the Servotronics, Inc. Employee Stock Ownership Plan.
- (7) This amount represents 7,500 shares which Mrs. Jaroslowsky has the right to acquire under stock options which are currently exercisable.
- (8) This amount includes (i) 24,500 shares which Mr. Trbovich has the right to acquire under stock options which are currently exercisable and (ii) approximately 8,084 shares allocated to Mr. Trbovich's account under the Servotronics, Inc. Employee Stock Ownership Plan.
- (9) See notes (2) through (8) above. Also includes unallocated shares held by the ESOT over which certain officers, as trustees of the ESOT, may be deemed to have voting power, as well as shares allocated to the

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accounts of all officers as a group under the related plan. See the table in "Security Ownership of Certain Beneficial Owners" and note (2) thereto.

(c) SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS.



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EQUITY COMPENSATION PLAN INFORMATION

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of remaining future i equity plans (excl reflected
Equity compensation plans approved by security holders.....	333,000	\$3.503	
Equity compensation plans not approved by security holders.....	180,900	\$6.072	
	----- 513,900 =====	\$4.407	
Total.....			

Item 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

Nicholas D. Trbovich, Jr., Executive Vice President of the Company, is an inventor or co-inventor of certain issued patents and patent pending applications that are used in the business of a subsidiary of the Company. The patents have been and are currently used by the subject subsidiary on a royalty-free basis with Mr. Trbovich, Jr.'s consent.

The Board has determined that Dr. Duerig and Mr. Hedges are independent pursuant to Section 121A of the listing standards of the American Stock Exchange. The Board of Directors has an Audit Committee comprised of Dr. Duerig and Mr. Hedges. The Board does not have a standing nominating or compensation committee. The Board of Directors approves/ratifies all director nominees after they are determined by the independent directors. Additionally, the independent directors determine the compensation of the Chief Executive Officer and determine/recommend the compensation for all other Executive Officers and such determinations/recommendations are then subsequently submitted to the full Board of Directors for approval/ratification.

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Item 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

The following table shows the fees paid or accrued by the Company for the audit and other services provided by Freed Maxick & Battaglia, CPAs, PC and RSM McGladrey for fiscal years 2006 and 2005.

	2006	2005
Audit Fees (1).....	\$ 71,050	\$ 63,000
Tax Fees (2).....	33,223	1,713
All Other Fees (3).....	1,446	35,704

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Total.....	\$105,719	\$100,417
	=====	=====

- (1) Audit fees represent fees for professional services provided in connection with the audit of the Company's financial statements and review of the Company's quarterly financial statements and audit services provided in connection with other statutory or regulatory filings.
- (2) Tax fees principally included fees for tax preparation and tax consulting services.
- (3) Primarily for a forensic accounting report by RSM McGladrey.

The Audit Committee pre-approves audit and non-audit services provided by Freed Maxick & Battaglia, CPAs, PC and RSM McGladrey.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the Registrant caused this amendment to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: April 30, 2007

SERVOTRONICS, INC.

By: /s/ Cari L. Jaroslowsky, Treasurer and CFO  
 -----  
 Cari L. Jaroslowsky, Treasurer and  
 Chief Financial Officer

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Exhibits

Exhibit No. -----	Description -----
31.1	Certification of Chief Financial Officer pursuant to Rule 13a-14 or 15d-14 of the Securities Exchange act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Executive Officer pursuant to Rule 13a-14 or 15d-14 of the Securities Exchange act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley

