

ULTRALIFE BATTERIES INC
 Form 4
 March 15, 2007

FORM 4

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

OMB APPROVAL

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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 *
 GRACE BROTHERS LTD

2. Issuer Name and Ticker or Trading Symbol
 ULTRALIFE BATTERIES INC
 [ULBI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 1560 SHERMAN AVE SUITE 900
 (Street)

3. Date of Earliest Transaction
 (Month/Day/Year)
 03/15/2007

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

EVANSTON, IL 60201

(City) (State) (Zip)

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

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

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. Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	03/15/2007		P		100	A	\$ 8.1 4,419,642
Common Stock	03/15/2007		P		100	A	\$ 8.17 4,419,742
Common Stock	03/15/2007		P		200	A	\$ 8.2 4,419,942
Common Stock	03/15/2007		P		100	A	\$ 8.23 4,420,042
Common Stock	03/15/2007		P		100	A	\$ 8.24 4,420,142

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Common Stock	03/15/2007	P	300	A	\$ 8.25	4,420,442	D
Common Stock	03/15/2007	P	1,798	A	\$ 8.26	4,422,240	D
Common Stock	03/15/2007	P	2,020	A	\$ 8.27	4,424,260	D
Common Stock	03/15/2007	P	100	A	\$ 8.29	4,424,360	D
Common Stock	03/15/2007	P	1,000	A	\$ 8.3	4,425,360	D
Common Stock	03/15/2007	P	200	A	\$ 8.31	4,425,560	D
Common Stock	03/15/2007	P	100	A	\$ 8.33	4,425,660	D
Common Stock	03/15/2007	P	900	A	\$ 8.34	4,426,560	D
Common Stock	03/15/2007	P	900	A	\$ 8.35	4,427,460	D
Common Stock	03/15/2007	P	400	A	\$ 8.36	4,427,860	D
Common Stock	03/15/2007	P	2,800	A	\$ 8.37	4,430,660	D
Common Stock	03/15/2007	P	1,956	A	\$ 8.39	4,432,616	D
Common Stock	03/15/2007	P	74,400	A	\$ 8.4	4,507,016	D
Common Stock	03/15/2007	P	400	A	\$ 8.41	4,507,416	D
Common Stock	03/15/2007	P	1,415	A	\$ 8.42	4,508,831	D
Common Stock	03/15/2007	P	200	A	\$ 8.43	4,509,031	D
Common Stock	03/15/2007	P	764	A	\$ 8.45	4,509,795	D
Common Stock	03/15/2007	P	1,000	A	\$ 8.46	4,510,795	D
Common Stock	03/15/2007	P	218	A	\$ 8.48	4,511,013	D
Common Stock	03/15/2007	P	2,200	A	\$ 8.49	4,513,213	D
	03/15/2007	P	4,500	A	\$ 8.5	4,517,713	D

Common
Stock

Common Stock 03/15/2007 P 903 A \$
8.55 4,518,616 D

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

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(9-02)

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. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6)
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Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

GRACE BROTHERS LTD
1560 SHERMAN AVE SUITE 900
EVANSTON, IL 60201

X

Signatures

Bradford T. Whitmore, General
Partner

03/15/2007

__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).

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

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