

SECURITIES AND EXCHANGE COMMISSION

FORM 10-K/A

Annual report pursuant to section 13 and 15(d) [amend]

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FILER

UNITED COMMUNITY FINANCIAL CORP

CIK: **707886** | IRS No.: **341856319** | State of Incorporation: **OH** | Fiscal Year End: **1231**
Type: **10-K/A** | Act: **34** | File No.: **000-24399** | Film No.: **05789726**
SIC: **6036** Savings institutions, not federally chartered

Business Address
275 FEDERAL PLAZA WEST
YOUNGSTOWN OH
44503-1203
3307420500

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-K/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, 2004

OR

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: 0-024399

UNITED COMMUNITY FINANCIAL CORP.

(Exact name of registrant as specified in its charter)

Ohio

(State or other jurisdiction of
incorporation or organization)

34-1856319

(I.R.S. Employer
Identification Number)

275 Federal Plaza West, Youngstown, Ohio

(Address of principal executive offices)

44503

(Zip Code)

Registrant's telephone number: (330) 742-0500

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

None

(Title of Class)

None

(Name of each exchange on which registered)

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

Common shares, no par value per share

(Title of Class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period than the registrant was required to file such reports), and (2) has been subject to such requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 Regulation S-K (section 229.405 of this chapter) is not contained herein, will not be contained, to the best of the registrants knowledge, in a definitive proxy or information statements incorporated by reference in Part III of this form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). Yes No .

The aggregate market value of the registrant' s common shares held by non-affiliates of the registrant, computed by reference to the price at which the common shares were last sold, as of June 30, 2004 (the last business day of the registrant' s most recently completed second fiscal quarter) was approximately \$396.3 million.

As of March 31, 2005, there were outstanding 31,149,506 common shares, no par value, of the registrant.

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EXPLANATORY NOTE

In reliance upon the Exemptive Order of the Securities and Exchange Commission issued under Section 36 of the Securities Exchange Act of 1934 (Release No. 50754, November 30, 2004), United Community Financial Corp. (the "Company") omitted from Item 9A of its Annual Report on Form 10-K for the fiscal year ended December 31, 2004 (the "Original Report") both the annual report of its management on internal control over financial reporting, as required by Item 308(a) of Regulation S-K, as well as the related attestation report of a registered public accounting firm, as required by Item 308(b) of Regulation S-K. The Company is filing this Amendment No. 1 to Annual Report on Form 10-K (this "Amendment") to provide the information that was omitted from Item 9A of the Original Report. The Company is also filing this Amendment to restate Part IV, Item 15 in order to file Exhibits 10.2, 10.3, 10.4 and 10.6 and to update the Exhibit Index accordingly.

No other information in the Original Report is being amended by this Amendment and the Company has not updated disclosures in this Amendment to reflect any event subsequent to the Company's filing of the Original Report.

Item 9A. Controls and Procedures (Amended).

Disclosure Controls and Procedures.

As of December 31, 2004, the Company carried out an evaluation, under the supervision and with the participation of its principal executive officer and principal financial officer, of the effectiveness of the design and operation of its disclosure controls and procedures. Based on this evaluation, the Company's principal executive officer and principal financial officer concluded that the Company's disclosure controls and procedures are effective in timely alerting them to material information required to be included in the Company's periodic reports filed with the Securities and Exchange Commission.

Changes in Internal Control over Financial Reporting in Most Recent Fiscal Quarter.

There was no change in the Company's internal control over financial reporting that occurred during the Company's fourth fiscal quarter of 2004 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting.

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company's internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2004. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework. Based on our assessment and those criteria, management concluded that the Company maintained effective internal control over financial reporting as of December 31, 2004.

The Company's independent registered public accounting firm has issued their report on management's assessment of the Company's internal control over financial reporting. That report follows under the heading, *Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting*.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

We have audited management's assessment, included in the accompanying Management's Report on Internal Control over Financial Reporting, that United Community Financial Corp. (the "Company") maintained effective internal control over financial reporting as of December 31, 2004, based on Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). United Community Financial Corp.'s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on management's assessment and an opinion on the effectiveness of the Company's internal control over financial reporting based on our audit.

We conducted our audit 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 effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, evaluating management's assessment, testing and evaluating the design and operating effectiveness of internal control, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, management's assessment that United Community Financial Corp. maintained effective internal control over financial reporting as of December 31, 2004, is fairly stated, in all material respects, based on Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Also in our opinion, United Community Financial Corp. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2004, based on Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of United Community Financial Corp. as of December 31, 2004 and 2003, and the related consolidated statements of income, changes in shareholders' equity and cash flows for each of the three years in the period ended December 31, 2004 and our report dated February 17, 2005 expressed an unqualified opinion on those consolidated financial statements.

/S/ Crowe Chizek and Company LLC
Crowe Chizek and Company LLC

Columbus, Ohio
April 22, 2005

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a) Financial Statements.

None.

(b) Exhibits.

The Exhibits described in the Exhibit List immediately following the “Signatures” pages of this report (which Exhibit List is incorporated herein by reference) are hereby filed as part of this report.

(c) Financial Statement Schedules.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

UNITED COMMUNITY FINANCIAL CORP.

By: /S/ Douglas M. McKay

Douglas M. McKay, President
(Duly Authorized Representative)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons in the capacities and on the dates indicated.

/S/ Douglas M. McKay

Douglas M. McKay, President and Director

Date: May 2, 2005

/S/ Richard M. Barrett

Richard M. Barrett, Director

Date: May 2, 2005

/S/ David G. Lodge

David G. Lodge, Director

Date: May 2, 2005

/S/ Herbert F. Schuler, Sr.

Herbert F. Schuler, Sr., Director

Date: May 2, 2005

/S/ David C. Sweet

David C. Sweet, Director

Date: May 2, 2005

/S/ Eugenia C. Atkinson

Eugenia C. Atkinson, Director

Date: May 2, 2005

/S/ Thomas J. Cavalier

Thomas J. Cavalier, Director

Date: May 2, 2005

/S/ Richard J. Schiraldi

Richard J. Schiraldi, Director

Date: May 2, 2005

/S/ Clarence R. Smith, Jr.

Clarence R. Smith, Jr, Director

Date: May 2, 2005

/S/ Patrick A. Kelly

Patrick A. Kelly, Treasurer (Principal Financial Officer)

Date: May 2, 2005

INDEX TO EXHIBITS

<u>Exhibit Number</u>		
* 3.1	Articles of Incorporation	Incorporated by reference to the Registration Statement on Form S-1 filed by United Community on March 13, 1998 (S-1) with the Securities and Exchange Commission (SEC), Exhibit 3.1
* 3.2	Amended Code of Regulations	Incorporated by reference to the 1998 10-K filed by United Community on March 31, 1999 via Edgar, film number 99582343, Exhibit 3.2
* 10.1	The Home Savings and Loan Company of Youngstown, Ohio Employee Stock Ownership Plan	Incorporated by reference to the 2001 10-K filed by United Community on March 29, 2002 via Edgar, film number 02593161, Exhibit 10.1
10.2	Employment Agreement between The Home Savings and Loan Company of Youngstown, Ohio and Douglas M. McKay, dated December 31, 2004.	
10.3	Employment Agreement between The Home Savings and Loan Company of Youngstown, Ohio and Patrick W. Bevac, dated December 31, 2004.	
10.4	Employment Agreement between The Home Savings and Loan Company of Youngstown, Ohio and Patrick A. Kelly, dated December 31, 2004.	
* 10.5	Employment Agreement between Butler Wick Corp. and Thomas J. Cavalier, dated August 12, 1999.	Incorporated by reference to the 1999 10-K filed by United Community on March 29, 2000 via Edgar, film number 582478, Exhibit 10.5
10.6	Employment Agreement between The Home Savings and Loan Company of Youngstown, Ohio and David G. Lodge, dated December 31, 2004.	
* 10.7	United Community 1999 Long -Term Incentive Plan	Incorporated by reference to the Proxy Statement filed by United Community via Edgar on June 7, 1999, file number 9964170 (1999 Proxy), Exhibit
* 10.8	United Community Recognition and Retention Plan and Trust Agreement	Incorporated by reference to the 1999 Proxy, Exhibit B
* 11	Statement Regarding Computation of Per Share Earnings	Incorporated by reference to Note 21 to the Financial Statements included in the Annual Report in Exhibit 13.
* 13	Portions of the 2004 Annual Report to Shareholders	
* 20	Proxy Statement for 2005 Annual Meeting of Shareholders	Incorporated by reference to the Proxy Statement, to be filed with the Securities and Exchange Commission on or about March 30, 2005.
* 21	Subsidiaries of Registrant	
23	Crowe Chizek and Company, LLC Consent	

- 31.1 Section 302 Certification by Chief Executive Officer
- 31.2 Section 302 Certification by Chief Financial Officer
- 32 Certification of Financial Statements by Chief Executive Officer and Chief Financial Officer

* Previously filed.

EXHIBIT 10.2

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (hereinafter referred to as this "AGREEMENT"), is entered into this 31st day of December, 2004 ("Effective Date") by and between The Home Savings and Loan Company of Youngstown, Ohio, a savings and loan association incorporated under Ohio Law (hereinafter referred to as the "COMPANY"), and Douglas M. McKay, an individual (hereinafter referred to as the "EXECUTIVE");

WITNESSETH:

WHEREAS, the EXECUTIVE is currently employed as the Chief Executive Officer and Chairman of the COMPANY;

WHEREAS, as a result of the skill, knowledge and experience of the EXECUTIVE, the Board of Directors of the COMPANY desires to continue to retain the services of the EXECUTIVE as the Chief Executive Officer and Chairman of the COMPANY;

WHEREAS, the EXECUTIVE desires to serve as the Chief Executive Officer and Chairman of the COMPANY; and

WHEREAS, the EXECUTIVE and the COMPANY desire to enter into this AGREEMENT to set forth the terms and conditions of the employment relationship between the COMPANY and the EXECUTIVE;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the COMPANY and the EXECUTIVE, each party intending to be legally bound, hereby agree as follows:

1. Employment and Term.

(a) Term. Upon the terms and subject to the conditions of this AGREEMENT, the COMPANY hereby employs the EXECUTIVE, and the EXECUTIVE hereby accepts employment, as the Chief Executive Officer and Chairman of the COMPANY. The term of this AGREEMENT shall commence on December 31, 2004 and shall end on December 31, 2007, unless extended by the COMPANY, with the consent of the EXECUTIVE, as provided in subsection (b) of this Section 1 (hereinafter referred to, together with such extensions, as the "TERM").

(b) Extension. Additionally, on, or before, each annual anniversary date of the Effective Date, the Term of Agreement shall be extended for up to an additional one-year period beyond the then effective Term upon a determination and resolution of the Board of Directors that the performance of the Executive has met the requirements and standards of the Board, and that the Term of such Agreement shall be extended for such additional period. References herein to the

Term of this Agreement shall refer both to the

initial term and successive terms. Any such extension shall be subject to the consent of the EXECUTIVE.

2. Duties of the EXECUTIVE.

(a) General Duties and Responsibilities. The EXECUTIVE shall serve as the Chief Executive Officer and Chairman of the COMPANY. Subject to the direction of the Board of Directors of the COMPANY and such EXECUTIVE'S manager, the EXECUTIVE shall perform all duties and shall have all powers which are commonly incident to the office of Chief Executive Officer and Chairman or which, consistent therewith, are delegated to him by the Board of Directors.

(b) Devotion of Entire Time to the Business of the COMPANY. The EXECUTIVE shall devote his entire productive time, ability and attention during normal business hours throughout the TERM to the faithful performance of his duties under this AGREEMENT. The EXECUTIVE shall not directly or indirectly render any services of a business, commercial or professional nature to any person or organization other than the COMPANY, United Community Financial Corp. (hereinafter referred to as the "HOLDING COMPANY"), or its subsidiaries without the prior written consent of the Board of Directors of the COMPANY; provided, however, that the EXECUTIVE shall not be precluded from (i) vacations and other leave time in accordance with Section 3 (d) below, (ii) reasonable participation in community, civic, charitable or similar organizations, (iii) reasonable participation in industry-related activities, including, but not limited to, attending state and national trade association meetings and serving as an officer, director or trustee of a state or national trade association or Federal Home Loan Bank, (iv) serving as an officer or director of the HOLDING COMPANY or its subsidiaries and receiving a salary, director's fees or other compensation or benefits, as appropriate, or (v) pursuing personal investments which do not interfere or conflict with the performance of the EXECUTIVE'S duties to the COMPANY.

(c) Standards. During the Term of this Agreement, the Executive shall perform his duties in accordance with such reasonable standards expected of executives with comparable positions in comparable organizations and as may be established from time to time by the Board of Directors.

3. Remuneration.

(a) Compensation. The EXECUTIVE shall receive during the TERM compensation established by the applicable Compensation Committee of the Boards of Directors. It is the intent of the COMPANY that the EXECUTIVE'S compensation shall include the following components: (1) a base salary, payable in installments not less often than monthly; (2) cash incentive compensation, payable not less often than annually; and (3) long term incentive compensation.

(b) Annual Review. On or before December 31st of each year, commencing

EXECUTIVE shall be reviewed by the Board of Directors of the COMPANY and shall be set at an amount not less than \$349,673.00, based upon the EXECUTIVE'S individual performance and such other factors as the Board of Directors may deem appropriate (hereinafter referred to as the "ANNUAL REVIEW").

(c) Executive Benefit Programs. During the TERM, the EXECUTIVE shall be entitled to participate in all formally established benefit, bonus, insurance, profit sharing plans, stock benefit plans and similar programs (hereinafter collectively referred to as "BENEFIT PLANS"), in accordance with the terms and conditions of such BENEFIT PLANS that are maintained by the COMPANY or the HOLDING COMPANY from time to time and all EXECUTIVE benefit plans or programs hereafter adopted in writing by the Board of Directors of the COMPANY or the HOLDING COMPANY for which senior management personnel of the COMPANY are eligible. Notwithstanding any statement to the contrary contained elsewhere in this AGREEMENT, the COMPANY may at any time discontinue or terminate any BENEFIT PLAN now existing or hereafter adopted, to the extent permitted by the terms of such BENEFIT PLAN, and shall not be required to compensate the EXECUTIVE for such discontinuance or termination to the extent such discontinuance or termination pertains to all employees of the COMPANY who are eligible participants at the time.

(d) Vacation and Sick Leave. The EXECUTIVE shall be entitled, without loss of pay, to be absent voluntarily from the performance of his duties under this AGREEMENT, in accordance with the policies periodically established by the Board of Directors of the COMPANY for senior management officials of the COMPANY. The EXECUTIVE shall be entitled to annual sick leave as established by the Board of Directors of the COMPANY for senior management officials of the COMPANY.

(e) Expenses. The COMPANY shall pay or reimburse the EXECUTIVE for reasonable travel, entertainment and miscellaneous expenses incurred in connection with the performance of his duties under this AGREEMENT, including participation in industry-related activities upon furnishing timely documentation to the COMPANY of such expenses incurred.

4. Termination of Employment.

(a) General. The employment of the EXECUTIVE shall terminate at any time during the TERM: (i) at the option of the COMPANY, upon the delivery by the COMPANY of written notice of termination to the EXECUTIVE with or without "Cause" (as defined hereinafter), or (ii) at the option of the EXECUTIVE, upon delivery by the EXECUTIVE of written notice of termination to the COMPANY if the present capacity or circumstances in which the EXECUTIVE is employed are materially adversely changed (including, but not limited to, a material reduction in responsibilities or authority or the assignment of duties or responsibilities substantially inconsistent with those normally associated with

the EXECUTIVE'S position described in Section 2 (a) of this AGREEMENT, change of title or removal as a director of the COMPANY or the HOLDING COMPANY, the requirement that the EXECUTIVE regularly perform his

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principal executive functions more than thirty-five (35) miles from his primary office as it existed of the date of this AGREEMENT or the EXECUTIVE'S benefits provided under this AGREEMENT are reduced, unless the benefit reductions are part of a Company-wide reduction. The following subsections (b), (c), (d) and (e) of this Section 4 shall govern the obligations of the COMPANY to the EXECUTIVE upon the occurrence of the events described in such subparagraphs. If the EXECUTIVE terminates this AGREEMENT without the written consent of the COMPANY, other than pursuant to Section 4(a)(ii) of this AGREEMENT, the EXECUTIVE shall not receive, and shall have no right to receive, any compensation or other benefits for any period after such termination and the EXECUTIVE shall not engage in the financial institutions business as a director, officer, EXECUTIVE or consultant for any business or enterprise which competes with the principal business of the COMPANY or the HOLDING COMPANY or any of their subsidiaries within Mahoning, Trumbull and Columbiana counties or any other geographic area in which the COMPANY or the HOLDING COMPANY is doing business for the unexpired TERM of this AGREEMENT. This non-compete provision shall not apply in the event the EXECUTIVE terminates employment pursuant to Section 4(a)(ii) of this AGREEMENT. The provisions of this subparagraph 4(a) shall survive the termination of this AGREEMENT.

(b) Termination for Cause. In the event that the COMPANY terminates the employment of the EXECUTIVE during the TERM because of the EXECUTIVE'S personal dishonesty, incompetence, willful misconduct, breach of fiduciary duty involving personal profit, intentional failure or refusal to perform the duties and responsibilities assigned in this AGREEMENT, willful violation of any law, rule or regulation (other than traffic violations or other minor offenses), or final cease-and-desist order or material breach of any provision of this AGREEMENT (hereinafter collectively referred to as "Cause"), the EXECUTIVE shall not receive, and shall have no right to receive, any compensation or other benefits for any period after such termination.

(c) Termination in Connection with CHANGE OF CONTROL. In the event that the employment of the EXECUTIVE is terminated by COMPANY within one (1) year before or after a CHANGE OF CONTROL (hereinafter defined) for any reason other than Cause, death, or disability, or within one (1) year before or after a CHANGE OF CONTROL the Executive's employment is terminated at the EXECUTIVE'S option as provided in Section 4 (a) (ii) above, then the following shall occur:

(i) The COMPANY shall promptly pay to the EXECUTIVE or to his beneficiaries, dependents or estate an amount equal to the product of three (3) multiplied by the EXECUTIVE'S "base amount" as defined in Section 280G(b)(3) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder LESS one dollar (\$1.00) (hereinafter collectively referred to as

(ii) The EXECUTIVE, his dependents, beneficiaries and estate shall: continue to be covered at the COMPANY'S expense under all health and welfare benefit plans of the COMPANY in which the EXECUTIVE was a participant prior to the effective date of the termination of his employment as if the EXECUTIVE were still

employed under this AGREEMENT until the earlier of the expiration of the TERM or the date on which the EXECUTIVE is included in another employer's benefit plans as a full-time EXECUTIVE; be eligible for benefit distribution from any of the COMPANY'S stock benefit plans in accordance with the terms and conditions of any such plans; but the EXECUTIVE shall not accrue any further benefit, vesting, or service credits under any qualified retirement plans maintained by the COMPANY after the effective date of the EXECUTIVE'S termination of employment.

(iii) The EXECUTIVE shall not be required to mitigate the amount of any payment provided for in this AGREEMENT by seeking other employment or otherwise, nor shall any amounts received from other employment or otherwise by the EXECUTIVE offset in any manner the obligations of the COMPANY hereunder, except as specifically stated in subparagraph (ii) above.

(iv) For purposes of this Agreement, a "CHANGE OF CONTROL" shall mean any one of the following events:

(A) the acquisition of ownership or power to vote more than 20% of the voting stock of the COMPANY or the HOLDING COMPANY, provided that acquisition of ownership or power to vote by a qualified employee stock ownership plan sponsored by the Company shall not be considered a CHANGE OF CONTROL;

(B) the acquisition of the ability to control the election of a majority of the directors of COMPANY or the HOLDING COMPANY

(C) during any period of three or less consecutive years individuals who at the beginning of such period constitute the Board of Directors of the COMPANY or the HOLDING COMPANY cease for any reason to constitute at least a majority thereof; provided, however, that any individual whose election or nomination for election as a member of the Board of Directors of the COMPANY or the HOLDING COMPANY was approved by a vote of at least two-thirds of the directors then in office shall be considered to have continued to be a member of the Board of Directors of the COMPANY or the HOLDING COMPANY;

(D) the acquisition by any person or entity of "control" of the COMPANY within the meaning of 12 C.F.R. Section 303.81(c); or

(E) an event that would be required to be reported in response to Item 1 (a) of Form 8-K or Item 6 (e) of Schedule 14A pursuant to the Securities Exchange Act of 1934, as amended (hereinafter referred to as the "EXCHANGE ACT"), or any successor thereto, whether or not any class of securities of the Corporation is registered under the EXCHANGE ACT.

For purposes of this paragraph, the term "person" refers to an individual or corporation, partnership, trust, association or other organization, but does not include the

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EXECUTIVE and any person or persons with whom the EXECUTIVE is "acting in concert" within the meaning of 12 C.F.R. Section 303.81 (b).

(v) "Golden Parachute" Provision. In the event that any payments pursuant to this Section 4(c) would result in or contribute to the imposition of a penalty tax pursuant to SECTION 280G and Internal Revenue Code Section 4999, such payments shall be reduced to the maximum amount which may be paid under SECTION 280G without exceeding such limits. Any payments made to the EXECUTIVE pursuant to this AGREEMENT are subject to and conditioned upon their compliance with 12 U.S.C. Section 1828(k) and any regulations promulgated thereunder.

(vi) In the event the EXECUTIVE'S employment terminates pursuant to this Section 4 (c), the EXECUTIVE shall not engage in the financial institutions business as a director, officer, EXECUTIVE or consultant for any business or enterprise which competes with the principal business of the COMPANY or the HOLDING COMPANY or any of their subsidiaries within Mahoning, Trumbull and Columbiana counties or any other geographic area in which the COMPANY or HOLDING COMPANY is doing business for a period of eight (8) months from the EXECUTIVE'S date of employment termination. In exchange for EXECUTIVE'S agreement concerning non-competition, the COMPANY agrees to pay EXECUTIVE eight (8) months of base salary.

(d) Death of the EXECUTIVE. The TERM shall automatically expire upon the death of the EXECUTIVE. In such event, the EXECUTIVE'S estate shall be entitled to receive the EXECUTIVE'S monthly base salary continuation for ninety (90) days following the day death occurred, except as otherwise specified herein.

(e) Disability of the EXECUTIVE. If the EXECUTIVE is unable to perform the essential functions of the position assigned by reason of illness or incapacity for a period up to one hundred and fifty (150) consecutive days, then, despite the COMPANY'S efforts to reasonably accommodate such illness or incapacity, the COMPANY may terminate this Agreement upon written notice to EXECUTIVE. Upon termination, the EXECUTIVE may be eligible for long term disability benefits under the COMPANY'S disability plan, subject to the terms and conditions of that plan. In the event that the EXECUTIVE is (and continues to be) eligible for long term disability benefits under the COMPANY'S disability plan, then the EXECUTIVE shall be entitled to be covered under the health and life insurance welfare

benefits plans in which the EXECUTIVE was a participant prior to the effective date of the termination of his employment as if the EXECUTIVE were still employed under this AGREEMENT for a period of two (2) years after the effective date of the EXECUTIVE'S termination of employment; be eligible for benefit distribution from any of the COMPANY'S stock benefit plans in accordance with the terms and conditions of any such plans; but the EXECUTIVE shall not accrue any further benefit, vesting, or service credits under any qualified retirement plans maintained by the COMPANY after the effective date of the EXECUTIVE'S termination of employment.

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(f) Other Termination. In the event that the employment of the EXECUTIVE is terminated by the COMPANY before expiration of the TERM for any reason other than death, termination for Cause or termination in connection with a CHANGE OF CONTROL, or disability, then the following shall occur:

(i) The COMPANY shall be obligated to continue to pay on at least a monthly basis, until the expiration of the TERM, to the EXECUTIVE, his designated beneficiaries or his estate, the total compensation in effect at the time of termination pursuant to Section 3 above, plus a cash bonus equal to the cash bonus, if any, paid to the EXECUTIVE in the twelve month period prior to the termination of employment.

(ii) The EXECUTIVE shall continue to be covered at the EXECUTIVE'S expense under all health and welfare benefits plans, in which the EXECUTIVE was a participant prior to the effective date of the termination of his employment as if the EXECUTIVE were still employed under this AGREEMENT until the earlier of the expiration of the TERM or the date on which the EXECUTIVE is included in another employer's benefit plans as a full-time EXECUTIVE; be eligible for benefit distribution from any of the COMPANY'S stock benefit plans in accordance with the terms and conditions of any such plans; but the EXECUTIVE shall not accrue any further benefit, vesting, or service credits under any qualified retirement plans maintained by the COMPANY after the effective date of the EXECUTIVE'S termination of employment.

(iii) The EXECUTIVE shall not be required to mitigate the amount of any payment provided for in this AGREEMENT by seeking other employment or otherwise, nor shall any amounts received from other employment or otherwise by the EXECUTIVE offset in any manner the obligations of the COMPANY hereunder, except as specifically stated in subparagraph (ii) above.

5. Withholding. All payments required to be made by the COMPANY hereunder to the Executive shall be subject to the withholding of such amounts, if any, relating to Federal, State and local tax and other payroll deductions as the COMPANY may reasonably determine should be withheld pursuant to any applicable law or regulation.

6. Indemnification; Insurance.

(a) Indemnification. The COMPANY agrees to indemnify the Executive and his heirs, executors, and administrators to the fullest extent permitted under applicable law and regulations, including, without limitation 12 U.S.C. Section 1828(k), against any and all expenses and liabilities reasonably incurred by the Executive in connection with or arising out of any action, suit or proceeding in which the Executive may be involved by reason of having been a director or officer of the Bank or any of its subsidiaries, whether or not the Executive is a director or officer at the

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time of incurring any such expenses or liabilities. Such expenses and liabilities shall include, but shall not be limited to, judgments, court costs and attorney's fees and the cost of reasonable settlements. The Executive shall be entitled to indemnification in respect of a settlement only if the Board of Directors of the Company has approved such settlement.

Notwithstanding anything herein to the contrary, (i) indemnification for expenses shall not extend to matters for which the Executive has been terminated for, and (ii) the obligations of this Section shall survive the termination of this Agreement. Nothing contained herein shall be deemed to provide indemnification prohibited by applicable law or regulation.

(b) Insurance. During the Term of the Agreement, the COMPANY shall provide the Executive (and his heirs, executors, and administrators) with coverage under a directors' and officers' liability policy at the COMPANY's expense, at least equivalent to such coverage otherwise provided to the other directors and senior officers of the COMPANY.

7. Special Regulatory Events. Notwithstanding the provisions of Section 4 of this AGREEMENT, the obligations of the COMPANY to the EXECUTIVE shall be as follows in the event of the following circumstances:

(a) If the EXECUTIVE is suspended and/or temporarily prohibited from participating in the conduct of the COMPANY'S affairs by a notice served under section 8(e)(3) or 8(g)(1) of the Federal Deposit Insurance Act (hereinafter referred to as the "FDIA"), the COMPANY'S obligations under this AGREEMENT shall be suspended as of the date of service of such notice, unless stayed by appropriate proceedings. If the charges in the notice are dismissed, the COMPANY may pay the EXECUTIVE all or part of the compensation withheld while the obligations in this AGREEMENT were suspended and reinstate, in whole or in part, any of the obligations that were suspended;

(b) If the EXECUTIVE is removed and/or permanently prohibited from participating in the conduct of the COMPANY'S affairs by an order issued under

Section 8(e)(4) or 8(g)(1) of the FDIA, all obligations of the COMPANY under this AGREEMENT shall terminate as of the effective date of such order; provided, however, that vested rights of the EXECUTIVE shall not be affected by such termination;

(c) If the COMPANY is in default, as defined in section 3(x)(1) of the FDIA, all obligations under this AGREEMENT shall terminate as of the date of default; provided, however, that vested rights of the EXECUTIVE shall not be affected;

(d) All obligations under this AGREEMENT shall be terminated, except to the extent of a determination that the continuation of this AGREEMENT is necessary for the continued operation of the COMPANY, (i) by the Superintendent of Savings Banks, Department of Commerce (hereinafter referred to as "Superintendent"), or his or her designee, at the time that the Federal Deposit Insurance Corporation enters into an agreement to provide assistance to or on behalf of the COMPANY under the

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authority continued in Section 13(c) of the FDIA or (ii) by the Superintendent, or his or her designee, at any time the Superintendent approves a supervisory merger to resolve problems related to the operation of the COMPANY or when the COMPANY is determined by the Superintendent to be in an unsafe or unsound condition; provided, however that no vested rights of the EXECUTIVE shall not be affected by any such termination.

8. Consolidation, Merger or Sale of Assets. Nothing in this AGREEMENT shall preclude the COMPANY or the HOLDING COMPANY from consolidating with, merging into, or transferring all, or substantially all, of their assets to another corporation that assumes all their obligations and undertakings hereunder. Upon such a consolidation, merger or transfer of assets, the term "COMPANY" as used herein, shall mean such other corporation or entity, and this AGREEMENT shall continue in full force and effect.

9. Confidential Information. The EXECUTIVE acknowledges that during his employment he will learn and have access to confidential information regarding the COMPANY and its customers and businesses. The EXECUTIVE agrees not to disclose or use for his own benefit, or the benefit of any other person or entity, any confidential information, unless or until the COMPANY consents to such disclosure or use of such information is otherwise legally in the public domain. The EXECUTIVE shall not knowingly disclose or reveal to any unauthorized person any confidential information relating to the HOLDING COMPANY, its subsidiaries, or affiliates, or any of the businesses operated by them, and the EXECUTIVE confirms that such information constitutes the exclusive property of the COMPANY. The provisions of this Section 9 shall survive the termination or expiration of this Agreement.

10. Non-assignability. Neither this AGREEMENT nor any right or interest

hereunder shall be assignable by the EXECUTIVE, by the EXECUTIVE, his beneficiaries or legal representatives without the COMPANY'S prior written consent; provided, however, that nothing in this Section 10 shall preclude the EXECUTIVE from designating a beneficiary to receive any benefits payable hereunder upon his death or the executors, administrators or legal representatives of the EXECUTIVE or his estate from assigning any rights hereunder to the person or persons entitled thereto.

11. No Attachment. Except as required by law, no right to receive payment under this AGREEMENT shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge or hypothecation or to execution, attachment, levy, or similar process of assignment by operation of law, and any attempt, voluntary or involuntary, to effect any such action shall be null, void and of no effect.

12. Binding Agreement. This AGREEMENT shall be binding upon, and inure to the benefit of, the EXECUTIVE and the COMPANY and its successors and assigns.

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13. Amendment of AGREEMENT. This AGREEMENT may not be modified or amended, except by an instrument in writing signed by the parties hereto.

14. Waiver. No term or condition of this AGREEMENT shall deemed to have been waived, nor shall there be an estoppel against the enforcement of any provision of this AGREEMENT, except by written instrument of the party charged with such waiver or estoppel. No such written waiver shall be deemed a continuing waiver, unless specifically stated therein, and each waiver shall operate only as to the specific term or condition waived and shall not constitute a waiver of such term or condition for the future or as to any act other than the act specifically waived.

15. Severability. If, for any reason, any provision of this AGREEMENT is held invalid, such invalidity shall not affect the other provisions of this AGREEMENT not held so invalid, and each such other provision shall, to the full extent consistent with applicable law, continue in full force and effect. If this AGREEMENT is held invalid or cannot be enforced, then any prior AGREEMENT between the COMPANY (or any predecessor thereof) and the EXECUTIVE shall be deemed reinstated to the full extent permitted by law, as this AGREEMENT had not been executed.

16. Headings. The headings of the paragraphs herein are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this AGREEMENT.

17. Governing Law. This AGREEMENT has been executed and delivered in the State of Ohio and its validity, interpretation, performance, and enforcement shall be governed by the laws of the State of Ohio, except to the extent that federal law is governing.

18. Effect of Prior Agreements. This AGREEMENT contains the entire understanding between the parties hereto and supersedes any prior employment agreement between the COMPANY or any predecessor of the COMPANY and the EXECUTIVE.

19. Arbitration. Any dispute concerning the interpretation or application of this AGREEMENT that cannot be resolved by mutual agreement of the COMPANY and EXECUTIVE must be submitted for determination by an impartial arbitrator selected in accordance with the American Arbitration Association's Employment Dispute Resolution Rules.

20. Notices. Any notice or other communication required or permitted pursuant to this AGREEMENT shall be deemed delivered if such notice or communication is in writing and is delivered personally or by facsimile transmission or is deposited in the United States mail, postage prepaid, addressed as follows:

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If to the COMPANY:

Chairman and CEO
The Home Savings and Loan Company
Of Youngstown, Ohio
275 Federal Plaza West
Youngstown, Ohio 44503

If to the EXECUTIVE:

Douglas M. McKay
8288 Maplevale Drive
Canfield Ohio 44406

IN WITNESS WHEREOF, the COMPANY has caused this AGREEMENT to be executed by its duly authorized officer, and the EXECUTIVE has signed this AGREEMENT, each as of the day and year first above written.

THE HOME SAVINGS AND LOAN
COMPANY OF YOUNGSTOWN, OHIO

By: _____
Director

Douglas M. McKay

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EXHIBIT 10.3

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (hereinafter referred to as this "AGREEMENT"), is entered into this 31st day of December, 2004("Effective Date") by and between The Home Savings and Loan Company of Youngstown, Ohio, a savings and loan association incorporated under Ohio Law (hereinafter referred to as the "COMPANY"), and Patrick W. Bevack, an individual (hereinafter referred to as the "EXECUTIVE");

WITNESSETH:

WHEREAS, the EXECUTIVE is currently employed as the Executive Vice President and Chief Financial Officer of the COMPANY;

WHEREAS, as a result of the skill, knowledge and experience of the EXECUTIVE, the Board of Directors of the COMPANY desires to continue to retain the services of the EXECUTIVE as the Executive Vice President and Chief Financial Officer of the COMPANY;

WHEREAS, the EXECUTIVE desires to serve as the Executive Vice President and Chief Financial Officer of the COMPANY; and

WHEREAS, the EXECUTIVE and the COMPANY desire to enter into this AGREEMENT to set forth the terms and conditions of the employment relationship between the COMPANY and the EXECUTIVE;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the COMPANY and the EXECUTIVE, each party intending to be legally bound, hereby agree as follows:

1. Employment and Term.

(a) Term. Upon the terms and subject to the conditions of this AGREEMENT, the COMPANY hereby employs the EXECUTIVE, and the EXECUTIVE hereby accepts employment, as the Executive Vice President and Chief Financial Officer of the COMPANY. The term of this AGREEMENT shall commence on December 31, 2004 and shall end on December 31, 2007, unless extended by the COMPANY, with the consent of the EXECUTIVE, as provided in subsection (b) of this Section 1 (hereinafter referred to, together with such extensions, as the "TERM").

(b) Extension. Additionally, on, or before, each annual anniversary date of the Effective Date, the Term of Agreement shall be extended for up to an additional one-year period beyond the then effective Term upon a determination and resolution of the Board of Directors that the performance of the Executive has met the requirements and standards of the Board, and that the Term of such Agreement shall be extended for such additional period. References herein to the

Term of this Agreement shall refer both to the

initial term and successive terms. Any such extension shall be subject to the consent of the EXECUTIVE.

2. Duties of the EXECUTIVE.

(a) General Duties and Responsibilities. The EXECUTIVE shall serve as the Executive Vice President and Chief Financial Officer of the COMPANY. Subject to the direction of the Board of Directors of the COMPANY and such EXECUTIVE'S manager, the EXECUTIVE shall perform all duties and shall have all powers which are commonly incident to the office of Executive Vice President and Chief Financial Officer or which, consistent therewith, are delegated to him by the Board of Directors.

(b) Devotion of Entire Time to the Business of the COMPANY. The EXECUTIVE shall devote his entire productive time, ability and attention during normal business hours throughout the TERM to the faithful performance of his duties under this AGREEMENT. The EXECUTIVE shall not directly or indirectly render any services of a business, commercial or professional nature to any person or organization other than the COMPANY, United Community Financial Corp. (hereinafter referred to as the "HOLDING COMPANY"), or its subsidiaries without the prior written consent of the Board of Directors of the COMPANY; provided, however, that the EXECUTIVE shall not be precluded from (i) vacations and other leave time in accordance with Section 3 (d) below, (ii) reasonable participation in community, civic, charitable or similar organizations, (iii) reasonable participation in industry-related activities, including, but not limited to, attending state and national trade association meetings and serving as an officer, director or trustee of a state or national trade association or Federal Home Loan Bank, (iv) serving as an officer or director of the HOLDING COMPANY or its subsidiaries and receiving a salary, director's fees or other compensation or benefits, as appropriate, or (v) pursuing personal investments which do not interfere or conflict with the performance of the EXECUTIVE'S duties to the COMPANY.

(c) Standards. During the Term of this Agreement, the Executive shall perform his duties in accordance with such reasonable standards expected of executives with comparable positions in comparable organizations and as may be established from time to time by the Board of Directors.

3. Remuneration.

(a) Compensation. The EXECUTIVE shall receive during the TERM compensation established by the applicable Compensation Committee of the Boards of Directors. It is the intent of the COMPANY that the EXECUTIVE'S compensation shall include the following components: (1) a base salary, payable in installments not less often than monthly; (2) cash incentive compensation, payable not less often than annually; and (3) long term incentive compensation.

(b) Annual Review. On or before December 31st of each year, commencing during the year including the Effective Date, the annual base salary of the EXECUTIVE shall be reviewed by the Board of Directors of the COMPANY and shall be set at an amount not less than \$187,349.00, based upon the EXECUTIVE'S individual performance and such other factors as the Board of Directors may deem appropriate (hereinafter referred to as the "ANNUAL REVIEW").

(c) Executive Benefit Programs. During the TERM, the EXECUTIVE shall be entitled to participate in all formally established benefit, bonus, insurance, profit sharing plans, stock benefit plans and similar programs (hereinafter collectively referred to as "BENEFIT PLANS"), in accordance with the terms and conditions of such BENEFIT PLANS that are maintained by the COMPANY or the HOLDING COMPANY from time to time and all EXECUTIVE benefit plans or programs hereafter adopted in writing by the Board of Directors of the COMPANY or the HOLDING COMPANY for which senior management personnel of the COMPANY are eligible. Notwithstanding any statement to the contrary contained elsewhere in this AGREEMENT, the COMPANY may at any time discontinue or terminate any BENEFIT PLAN now existing or hereafter adopted, to the extent permitted by the terms of such BENEFIT PLAN, and shall not be required to compensate the EXECUTIVE for such discontinuance or termination to the extent such discontinuance or termination pertains to all employees of the COMPANY who are eligible participants at the time.

(d) Vacation and Sick Leave. The EXECUTIVE shall be entitled, without loss of pay, to be absent voluntarily from the performance of his duties under this AGREEMENT, in accordance with the policies periodically established by the Board of Directors of the COMPANY for senior management officials of the COMPANY. The EXECUTIVE shall be entitled to annual sick leave as established by the Board of Directors of the COMPANY for senior management officials of the COMPANY.

(e) Expenses. The COMPANY shall pay or reimburse the EXECUTIVE for reasonable travel, entertainment and miscellaneous expenses incurred in connection with the performance of his duties under this AGREEMENT, including participation in industry-related activities upon furnishing timely documentation to the COMPANY of such expenses incurred.

4. Termination of Employment.

(a) General. The employment of the EXECUTIVE shall terminate at any time during the TERM: (i) at the option of the COMPANY, upon the delivery by the COMPANY of written notice of termination to the EXECUTIVE with or without "Cause" (as defined hereinafter), or (ii) at the option of the EXECUTIVE, upon delivery by the EXECUTIVE of written notice of termination to the COMPANY if the present capacity or circumstances in which the EXECUTIVE is employed are materially adversely changed (including, but not limited to, a material reduction in responsibilities or authority or the assignment of duties or responsibilities substantially inconsistent with those normally associated with

this AGREEMENT, change of title or removal as a director of the COMPANY or the HOLDING COMPANY, the requirement that the EXECUTIVE regularly perform his principal executive functions more than thirty-five (35) miles from his primary office as it existed of the date of this AGREEMENT or the EXECUTIVE'S benefits provided under this AGREEMENT are reduced, unless the benefit reductions are part of a Company-wide reduction. The following subsections (b), (c), (d) and (e) of this Section 4 shall govern the obligations of the COMPANY to the EXECUTIVE upon the occurrence of the events described in such subparagraphs. If the EXECUTIVE terminates this AGREEMENT without the written consent of the COMPANY, other than pursuant to Section 4(a)(ii) of this AGREEMENT, the EXECUTIVE shall not receive, and shall have no right to receive, any compensation or other benefits for any period after such termination and the EXECUTIVE shall not engage in the financial institutions business as a director, officer, EXECUTIVE or consultant for any business or enterprise which competes with the principal business of the COMPANY or the HOLDING COMPANY or any of their subsidiaries within Mahoning, Trumbull and Columbiana counties or any other geographic area in which the COMPANY or the HOLDING COMPANY is doing business for the unexpired TERM of this AGREEMENT. This non-compete provision shall not apply in the event the EXECUTIVE terminates employment pursuant to Section 4(a)(ii) of this AGREEMENT. The provisions of this subparagraph 4(a) shall survive the termination of this AGREEMENT.

(b) Termination for Cause. In the event that the COMPANY terminates the employment of the EXECUTIVE during the TERM because of the EXECUTIVE'S personal dishonesty, incompetence, willful misconduct, breach of fiduciary duty involving personal profit, intentional failure or refusal to perform the duties and responsibilities assigned in this AGREEMENT, willful violation of any law, rule or regulation (other than traffic violations or other minor offenses), or final cease-and-desist order or material breach of any provision of this AGREEMENT (hereinafter collectively referred to as "Cause"), the EXECUTIVE shall not receive, and shall have no right to receive, any compensation or other benefits for any period after such termination.

(c) Termination in Connection with CHANGE OF CONTROL. In the event that the employment of the EXECUTIVE is terminated by COMPANY within one (1) year before or after a CHANGE OF CONTROL (hereinafter defined) for any reason other than Cause, death, or disability, or within one (1) year before or after a CHANGE OF CONTROL the Executive's employment is terminated at the EXECUTIVE'S option as provided in Section 4 (a) (ii) above, then the following shall occur:

(i) The COMPANY shall promptly pay to the EXECUTIVE or to his beneficiaries, dependents or estate an amount equal to the product of three (3) multiplied by the EXECUTIVE'S "base amount" as defined in Section 280G(b)(3) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder LESS one dollar (\$1.00) (hereinafter collectively referred to as "SECTION 280G").

(ii) The EXECUTIVE, his dependents, beneficiaries and estate shall: continue to be covered at the COMPANY'S expense under all health and welfare benefit

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plans of the COMPANY in which the EXECUTIVE was a participant prior to the effective date of the termination of his employment as if the EXECUTIVE were still employed under this AGREEMENT until the earlier of the expiration of the TERM or the date on which the EXECUTIVE is included in another employer's benefit plans as a full-time EXECUTIVE; be eligible for benefit distribution from any of the COMPANY'S stock benefit plans in accordance with the terms and conditions of any such plans; but the EXECUTIVE shall not accrue any further benefit, vesting, or service credits under any qualified retirement plans maintained by the COMPANY after the effective date of the EXECUTIVE'S termination of employment.

(iii) The EXECUTIVE shall not be required to mitigate the amount of any payment provided for in this AGREEMENT by seeking other employment or otherwise, nor shall any amounts received from other employment or otherwise by the EXECUTIVE offset in any manner the obligations of the COMPANY hereunder, except as specifically stated in subparagraph (ii) above.

(iv) For purposes of this Agreement, a "CHANGE OF CONTROL" shall mean any one of the following events:

(A) the acquisition of ownership or power to vote more than 20% of the voting stock of the COMPANY or the HOLDING COMPANY, provided that acquisition of ownership or power to vote by a qualified employee stock ownership plan sponsored by the Company shall not be considered a CHANGE OF CONTROL;

(B) the acquisition of the ability to control the election of a majority of the directors of COMPANY or the HOLDING COMPANY

(C) during any period of three or less consecutive years individuals who at the beginning of such period constitute the Board of Directors of the COMPANY or the HOLDING COMPANY cease for any reason to constitute at least a majority thereof; provided, however, that any individual whose election or nomination for election as a member of the Board of Directors of the COMPANY or the HOLDING COMPANY was approved by a vote of at least two-thirds of the directors then in office shall be considered to have continued to be a member of the Board of Directors of the COMPANY or the HOLDING COMPANY;

(D) the acquisition by any person or entity of "control" of the COMPANY within the meaning of 12 C.F.R. Section 303.81(c); or

(E) an event that would be required to be reported in response to Item 1

(a) of Form 8-K or Item 6 (e) of Schedule 14A pursuant to the Securities Exchange Act of 1934, as amended (hereinafter referred to as the "EXCHANGE ACT"), or any successor thereto, whether or not any class of securities of the Corporation is registered under the EXCHANGE ACT.

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For purposes of this paragraph, the term "person" refers to an individual or corporation, partnership, trust, association or other organization, but does not include the EXECUTIVE and any person or persons with whom the EXECUTIVE is "acting in concert" within the meaning of 12 C.F.R. Section 303.81 (b).

(v) "Golden Parachute" Provision. In the event that any payments pursuant to this Section 4(c) would result in or contribute to the imposition of a penalty tax pursuant to SECTION 280G and Internal Revenue Code Section 4999, such payments shall be reduced to the maximum amount which may be paid under SECTION 280G without exceeding such limits. Any payments made to the EXECUTIVE pursuant to this AGREEMENT are subject to and conditioned upon their compliance with 12 U.S.C. Section 1828(k) and any regulations promulgated thereunder.

(vi) In the event the EXECUTIVE'S employment terminates pursuant to this Section 4 (c), the EXECUTIVE shall not engage in the financial institutions business as a director, officer, EXECUTIVE or consultant for any business or enterprise which competes with the principal business of the COMPANY or the HOLDING COMPANY or any of their subsidiaries within Mahoning, Trumbull and Columbiana counties or any other geographic area in which the COMPANY or HOLDING COMPANY is doing business for a period of eight (8) months from the EXECUTIVE'S date of employment termination. In exchange for EXECUTIVE'S agreement concerning non-competition, the COMPANY agrees to pay EXECUTIVE eight (8) months of base salary.

(d) Death of the EXECUTIVE. The TERM shall automatically expire upon the death of the EXECUTIVE. In such event, the EXECUTIVE'S estate shall be entitled to receive the EXECUTIVE'S monthly base salary continuation for ninety (90) days following the day death occurred, except as otherwise specified herein.

(e) Disability of the EXECUTIVE. If the EXECUTIVE is unable to perform the essential functions of the position assigned by reason of illness or incapacity for a period up to one hundred and fifty (150) consecutive days, then, despite the COMPANY'S efforts to reasonably accommodate such illness or incapacity, the COMPANY may terminate this Agreement upon written notice to EXECUTIVE. Upon termination, the EXECUTIVE may be eligible for long term disability benefits under the COMPANY'S disability plan, subject to the terms and conditions of that plan. In the event that the EXECUTIVE is (and continues to be) eligible for long term disability benefits under the COMPANY'S disability plan, then the EXECUTIVE shall be entitled to be covered under the health and life insurance welfare benefits plans in which the EXECUTIVE was a participant prior to the effective date of the termination of his employment as if the EXECUTIVE were still employed under this AGREEMENT for a period of two (2) years after the effective date of the EXECUTIVE'S termination of employment; be eligible for benefit

distribution from any of the COMPANY'S stock benefit plans in accordance with the terms and conditions of any such plans; but the EXECUTIVE shall not accrue any further benefit, vesting, or service credits under any

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qualified retirement plans maintained by the COMPANY after the effective date of the EXECUTIVE'S termination of employment.

(f) Other Termination. In the event that the employment of the EXECUTIVE is terminated by the COMPANY before expiration of the TERM for any reason other than death, termination for Cause or termination in connection with a CHANGE OF CONTROL, or disability, then the following shall occur:

(i) The COMPANY shall be obligated to continue to pay on at least a monthly basis, until the expiration of the TERM, to the EXECUTIVE, his designated beneficiaries or his estate, the total compensation in effect at the time of termination pursuant to Section 3 above, plus a cash bonus equal to the cash bonus, if any, paid to the EXECUTIVE in the twelve month period prior to the termination of employment.

(ii) The EXECUTIVE shall continue to be covered at the EXECUTIVE'S expense under all health and welfare benefits plans, in which the EXECUTIVE was a participant prior to the effective date of the termination of his employment as if the EXECUTIVE were still employed under this AGREEMENT until the earlier of the expiration of the TERM or the date on which the EXECUTIVE is included in another employer's benefit plans as a full-time EXECUTIVE; be eligible for benefit distribution from any of the COMPANY'S stock benefit plans in accordance with the terms and conditions of any such plans; but the EXECUTIVE shall not accrue any further benefit, vesting, or service credits under any qualified retirement plans maintained by the COMPANY after the effective date of the EXECUTIVE'S termination of employment.

(iii) The EXECUTIVE shall not be required to mitigate the amount of any payment provided for in this AGREEMENT by seeking other employment or otherwise, nor shall any amounts received from other employment or otherwise by the EXECUTIVE offset in any manner the obligations of the COMPANY hereunder, except as specifically stated in subparagraph (ii) above.

5. Withholding. All payments required to be made by the COMPANY hereunder to the Executive shall be subject to the withholding of such amounts, if any, relating to Federal, State and local tax and other payroll deductions as the COMPANY may reasonably determine should be withheld pursuant to any applicable law or regulation.

6. Indemnification; Insurance.

(a) Indemnification. The COMPANY agrees to indemnify the Executive and his heirs, executors, and administrators to the

fullest extent permitted under applicable law and regulations, including, without limitation 12 U.S.C. Section 1828(k), against any and all expenses and liabilities reasonably incurred by the Executive in connection with or arising out of

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any action, suit or proceeding in which the Executive may be involved by reason of having been a director or officer of the Bank or any of its subsidiaries, whether or not the Executive is a director or officer at the time of incurring any such expenses or liabilities. Such expenses and liabilities shall include, but shall not be limited to, judgments, court costs and attorney's fees and the cost of reasonable settlements. The Executive shall be entitled to indemnification in respect of a settlement only if the Board of Directors of the Company has approved such settlement. Notwithstanding anything herein to the contrary, (i) indemnification for expenses shall not extend to matters for which the Executive has been terminated for, and (ii) the obligations of this Section shall survive the termination of this Agreement. Nothing contained herein shall be deemed to provide indemnification prohibited by applicable law or regulation.

(b) Insurance. During the Term of the Agreement, the COMPANY shall provide the Executive (and his heirs, executors, and administrators) with coverage under a directors' and officers' liability policy at the COMPANY's expense, at least equivalent to such coverage otherwise provided to the other directors and senior officers of the COMPANY.

7. Special Regulatory Events. Notwithstanding the provisions of Section 4 of this AGREEMENT, the obligations of the COMPANY to the EXECUTIVE shall be as follows in the event of the following circumstances:

(a) If the EXECUTIVE is suspended and/or temporarily prohibited from participating in the conduct of the COMPANY'S affairs by a notice served under section 8(e)(3) or 8(g)(1) of the Federal Deposit Insurance Act (hereinafter referred to as the "FDIA"), the COMPANY'S obligations under this AGREEMENT shall be suspended as of the date of service of such notice, unless stayed by appropriate proceedings. If the charges in the notice are dismissed, the COMPANY may pay the EXECUTIVE all or part of the compensation withheld while the obligations in this AGREEMENT were suspended and reinstate, in whole or in part, any of the obligations that were suspended;

(b) If the EXECUTIVE is removed and/or permanently prohibited from participating in the conduct of the COMPANY'S affairs by an order issued under Section 8(e)(4) or 8(g)(1) of the FDIA, all obligations of the COMPANY under this AGREEMENT shall terminate as of the effective date of such order; provided, however, that vested rights of the EXECUTIVE shall not be affected by such

termination;

(c) If the COMPANY is in default, as defined in section 3(x)(1) of the FDIA, all obligations under this AGREEMENT shall terminate as of the date of default; provided, however, that vested rights of the EXECUTIVE shall not be affected;

(d) All obligations under this AGREEMENT shall be terminated, except to the extent of a determination that the continuation of this AGREEMENT is necessary for the continued operation of the COMPANY, (i) by the Superintendent of

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Savings Banks, Department of Commerce (hereinafter referred to as "Superintendent"), or his or her designee, at the time that the Federal Deposit Insurance Corporation enters into an agreement to provide assistance to or on behalf of the COMPANY under the authority continued in Section 13(c) of the FDIA or (ii) by the Superintendent, or his or her designee, at any time the Superintendent approves a supervisory merger to resolve problems related to the operation of the COMPANY or when the COMPANY is determined by the Superintendent to be in an unsafe or unsound condition; provided, however that no vested rights of the EXECUTIVE shall not be affected by any such termination.

8. Consolidation, Merger or Sale of Assets. Nothing in this AGREEMENT shall preclude the COMPANY or the HOLDING COMPANY from consolidating with, merging into, or transferring all, or substantially all, of their assets to another corporation that assumes all their obligations and undertakings hereunder. Upon such a consolidation, merger or transfer of assets, the term "COMPANY" as used herein, shall mean such other corporation or entity, and this AGREEMENT shall continue in full force and effect.

9. Confidential Information. The EXECUTIVE acknowledges that during his employment he will learn and have access to confidential information regarding the COMPANY and its customers and businesses. The EXECUTIVE agrees not to disclose or use for his own benefit, or the benefit of any other person or entity, any confidential information, unless or until the COMPANY consents to such disclosure or use of such information is otherwise legally in the public domain. The EXECUTIVE shall not knowingly disclose or reveal to any unauthorized person any confidential information relating to the HOLDING COMPANY, its subsidiaries, or affiliates, or any of the businesses operated by them, and the EXECUTIVE confirms that such information constitutes the exclusive property of the COMPANY. The provisions of this Section 9 shall survive the termination or expiration of this Agreement.

10. Non-assignability. Neither this AGREEMENT nor any right or interest hereunder shall be assignable by the EXECUTIVE, by the EXECUTIVE, his beneficiaries or legal representatives without the COMPANY'S prior written consent; provided, however, that nothing in this Section 10 shall preclude the EXECUTIVE from designating a beneficiary to receive any benefits payable

hereunder upon his death or the executors, administrators or legal representatives of the EXECUTIVE or his estate from assigning any rights hereunder to the person or persons entitled thereto.

11. No Attachment. Except as required by law, no right to receive payment under this AGREEMENT shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge or hypothecation or to execution, attachment, levy, or similar process of assignment by operation of law, and any attempt, voluntary or involuntary, to effect any such action shall be null, void and of no effect.

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12. Binding Agreement. This AGREEMENT shall be binding upon, and inure to the benefit of, the EXECUTIVE and the COMPANY and its successors and assigns.

13. Amendment of AGREEMENT. This AGREEMENT may not be modified or amended, except by an instrument in writing signed by the parties hereto.

14. Waiver. No term or condition of this AGREEMENT shall be deemed to have been waived, nor shall there be an estoppel against the enforcement of any provision of this AGREEMENT, except by written instrument of the party charged with such waiver or estoppel. No such written waiver shall be deemed a continuing waiver, unless specifically stated therein, and each waiver shall operate only as to the specific term or condition waived and shall not constitute a waiver of such term or condition for the future or as to any act other than the act specifically waived.

15. Severability. If, for any reason, any provision of this AGREEMENT is held invalid, such invalidity shall not affect the other provisions of this AGREEMENT not held so invalid, and each such other provision shall, to the full extent consistent with applicable law, continue in full force and effect. If this AGREEMENT is held invalid or cannot be enforced, then any prior AGREEMENT between the COMPANY (or any predecessor thereof) and the EXECUTIVE shall be deemed reinstated to the full extent permitted by law, as this AGREEMENT had not been executed.

16. Headings. The headings of the paragraphs herein are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this AGREEMENT.

17. Governing Law. This AGREEMENT has been executed and delivered in the State of Ohio and its validity, interpretation, performance, and enforcement shall be governed by the laws of the State of Ohio, except to the extent that federal law is governing.

18. Effect of Prior Agreements. This AGREEMENT contains the entire understanding between the parties hereto and supersedes any prior employment agreement between the COMPANY or any predecessor of the COMPANY and the EXECUTIVE.

19. Arbitration. Any dispute concerning the interpretation or application of this AGREEMENT that cannot be resolved by mutual agreement of the COMPANY and EXECUTIVE must be submitted for determination by an impartial arbitrator selected in accordance with the American Arbitration Association's Employment Dispute Resolution Rules.

20. Notices. Any notice or other communication required or permitted pursuant to this AGREEMENT shall be deemed delivered if such notice or communication is in writing and is delivered personally or by facsimile transmission or is deposited in the United States mail, postage prepaid, addressed as follows:

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If to the COMPANY:

Chairman and CEO
The Home Savings and Loan Company
Of Youngstown, Ohio
275 Federal Plaza West
Youngstown, Ohio 44503

If to the EXECUTIVE:

Patrick W. Bevack
6075 Castlehill Drive
Highland Heights, Ohio 44143

IN WITNESS WHEREOF, the COMPANY has caused this AGREEMENT to be executed by its duly authorized officer, and the EXECUTIVE has signed this AGREEMENT, each as of the day and year first above written.

THE HOME SAVINGS AND LOAN
COMPANY OF YOUNGSTOWN, OHIO

By: _____
Chairman and Chief Executive Officer

Patrick W. Bevack

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EXHIBIT 10.4

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (hereinafter referred to as this "AGREEMENT"), is entered into this 31st day of December, 2004 ("Effective Date") by and between The Home Savings and Loan Company of Youngstown, Ohio, a savings and loan association incorporated under Ohio Law (hereinafter referred to as the "COMPANY"), and Patrick A. Kelly, an individual (hereinafter referred to as the "EXECUTIVE");

WITNESSETH:

WHEREAS, the EXECUTIVE is currently employed as the Senior Vice President and Treasurer of the COMPANY;

WHEREAS, as a result of the skill, knowledge and experience of the EXECUTIVE, the Board of Directors of the COMPANY desires to continue to retain the services of the EXECUTIVE as the Senior Vice President and Treasurer of the COMPANY;

WHEREAS, the EXECUTIVE desires to serve as the Senior Vice President and Treasurer of the COMPANY; and

WHEREAS, the EXECUTIVE and the COMPANY desire to enter into this AGREEMENT to set forth the terms and conditions of the employment relationship between the COMPANY and the EXECUTIVE;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the COMPANY and the EXECUTIVE, each party intending to be legally bound, hereby agree as follows:

1. Employment and Term.

(a) Term. Upon the terms and subject to the conditions of this AGREEMENT, the COMPANY hereby employs the EXECUTIVE, and the EXECUTIVE hereby accepts employment, as the Senior Vice President and Treasurer of the COMPANY. The term of this AGREEMENT shall commence on December 31, 2004 and shall end on December 31, 2007, unless extended by the COMPANY, with the consent of the EXECUTIVE, as provided in subsection (b) of this Section 1 (hereinafter referred to, together with such extensions, as the "TERM").

(b) Extension. Additionally, on, or before, each annual anniversary date of the Effective Date, the Term of Agreement shall be extended for up to an additional one-year period beyond the then effective Term upon a determination and resolution of the Board of Directors that the performance of the Executive has met the requirements and standards of the Board, and that the Term of such Agreement shall be extended for such additional period. References herein to the

Term of this Agreement shall refer both to the

initial term and successive terms. Any such extension shall be subject to the consent of the EXECUTIVE.

2. Duties of the EXECUTIVE.

(a) General Duties and Responsibilities. The EXECUTIVE shall serve as the Senior Vice President and Treasurer of the COMPANY. Subject to the direction of the Board of Directors of the COMPANY and such EXECUTIVE'S manager, the EXECUTIVE shall perform all duties and shall have all powers which are commonly incident to the office of Senior Vice President and Treasurer or which, consistent therewith, are delegated to him by the Board of Directors.

(b) Devotion of Entire Time to the Business of the COMPANY. The EXECUTIVE shall devote his entire productive time, ability and attention during normal business hours throughout the TERM to the faithful performance of his duties under this AGREEMENT. The EXECUTIVE shall not directly or indirectly render any services of a business, commercial or professional nature to any person or organization other than the COMPANY, United Community Financial Corp. (hereinafter referred to as the "HOLDING COMPANY"), or its subsidiaries without the prior written consent of the Board of Directors of the COMPANY; provided, however, that the EXECUTIVE shall not be precluded from (i) vacations and other leave time in accordance with Section 3 (d) below, (ii) reasonable participation in community, civic, charitable or similar organizations, (iii) reasonable participation in industry-related activities, including, but not limited to, attending state and national trade association meetings and serving as an officer, director or trustee of a state or national trade association or Federal Home Loan Bank, (iv) serving as an officer or director of the HOLDING COMPANY or its subsidiaries and receiving a salary, director's fees or other compensation or benefits, as appropriate, or (v) pursuing personal investments which do not interfere or conflict with the performance of the EXECUTIVE'S duties to the COMPANY.

(c) Standards. During the Term of this Agreement, the Executive shall perform his duties in accordance with such reasonable standards expected of executives with comparable positions in comparable organizations and as may be established from time to time by the Board of Directors.

3. Remuneration.

(a) Compensation. The EXECUTIVE shall receive during the TERM compensation established by the applicable Compensation Committee of the Boards of Directors. It is the intent of the COMPANY that the EXECUTIVE'S compensation shall include the following components: (1) a base salary, payable in installments not less often than monthly; (2) cash incentive compensation, payable not less often than annually; and (3) long term incentive compensation.

(b) Annual Review. On or before December 31st of each year, commencing

EXECUTIVE shall be reviewed by the Board of Directors of the COMPANY and shall be set at an amount not less than \$173,806.00, based upon the EXECUTIVE'S individual performance and such other factors as the Board of Directors may deem appropriate (hereinafter referred to as the "ANNUAL REVIEW").

(c) Executive Benefit Programs. During the TERM, the EXECUTIVE shall be entitled to participate in all formally established benefit, bonus, insurance, profit sharing plans, stock benefit plans and similar programs (hereinafter collectively referred to as "BENEFIT PLANS"), in accordance with the terms and conditions of such BENEFIT PLANS that are maintained by the COMPANY or the HOLDING COMPANY from time to time and all EXECUTIVE benefit plans or programs hereafter adopted in writing by the Board of Directors of the COMPANY or the HOLDING COMPANY for which senior management personnel of the COMPANY are eligible. Notwithstanding any statement to the contrary contained elsewhere in this AGREEMENT, the COMPANY may at any time discontinue or terminate any BENEFIT PLAN now existing or hereafter adopted, to the extent permitted by the terms of such BENEFIT PLAN, and shall not be required to compensate the EXECUTIVE for such discontinuance or termination to the extent such discontinuance or termination pertains to all employees of the COMPANY who are eligible participants at the time.

(d) Vacation and Sick Leave. The EXECUTIVE shall be entitled, without loss of pay, to be absent voluntarily from the performance of his duties under this AGREEMENT, in accordance with the policies periodically established by the Board of Directors of the COMPANY for senior management officials of the COMPANY. The EXECUTIVE shall be entitled to annual sick leave as established by the Board of Directors of the COMPANY for senior management officials of the COMPANY.

(e) Expenses. The COMPANY shall pay or reimburse the EXECUTIVE for reasonable travel, entertainment and miscellaneous expenses incurred in connection with the performance of his duties under this AGREEMENT, including participation in industry-related activities upon furnishing timely documentation to the COMPANY of such expenses incurred.

4. Termination of Employment.

(a) General. The employment of the EXECUTIVE shall terminate at any time during the TERM: (i) at the option of the COMPANY, upon the delivery by the COMPANY of written notice of termination to the EXECUTIVE with or without "Cause" (as defined hereinafter), or (ii) at the option of the EXECUTIVE, upon delivery by the EXECUTIVE of written notice of termination to the COMPANY if the present capacity or circumstances in which the EXECUTIVE is employed are materially adversely changed (including, but not limited to, a material reduction in responsibilities or authority or the assignment of duties or responsibilities substantially inconsistent with those normally associated with the EXECUTIVE'S position described in Section 2 (a) of this AGREEMENT, change of

title or removal as a director of the COMPANY or the HOLDING COMPANY, the requirement that the EXECUTIVE regularly perform his

principal executive functions more than thirty-five (35) miles from his primary office as it existed of the date of this AGREEMENT or the EXECUTIVE'S benefits provided under this AGREEMENT are reduced, unless the benefit reductions are part of a Company-wide reduction. The following subsections (b), (c), (d) and (e) of this Section 4 shall govern the obligations of the COMPANY to the EXECUTIVE upon the occurrence of the events described in such subparagraphs. If the EXECUTIVE terminates this AGREEMENT without the written consent of the COMPANY, other than pursuant to Section 4(a)(ii) of this AGREEMENT, the EXECUTIVE shall not receive, and shall have no right to receive, any compensation or other benefits for any period after such termination and the EXECUTIVE shall not engage in the financial institutions business as a director, officer, EXECUTIVE or consultant for any business or enterprise which competes with the principal business of the COMPANY or the HOLDING COMPANY or any of their subsidiaries within Mahoning, Trumbull and Columbiana counties or any other geographic area in which the COMPANY or the HOLDING COMPANY is doing business for the unexpired TERM of this AGREEMENT. This non-compete provision shall not apply in the event the EXECUTIVE terminates employment pursuant to Section 4(a)(ii) of this AGREEMENT. The provisions of this subparagraph 4(a) shall survive the termination of this AGREEMENT.

(b) Termination for Cause. In the event that the COMPANY terminates the employment of the EXECUTIVE during the TERM because of the EXECUTIVE'S personal dishonesty, incompetence, willful misconduct, breach of fiduciary duty involving personal profit, intentional failure or refusal to perform the duties and responsibilities assigned in this AGREEMENT, willful violation of any law, rule or regulation (other than traffic violations or other minor offenses), or final cease-and-desist order or material breach of any provision of this AGREEMENT (hereinafter collectively referred to as "Cause"), the EXECUTIVE shall not receive, and shall have no right to receive, any compensation or other benefits for any period after such termination.

(c) Termination in Connection with CHANGE OF CONTROL. In the event that the employment of the EXECUTIVE is terminated by COMPANY within one (1) year before or after a CHANGE OF CONTROL (hereinafter defined) for any reason other than Cause, death, or disability, or within one (1) year before or after a CHANGE OF CONTROL the Executive's employment is terminated at the EXECUTIVE'S option as provided in Section 4 (a) (ii) above, then the following shall occur:

(i) The COMPANY shall promptly pay to the EXECUTIVE or to his beneficiaries, dependents or estate an amount equal to the product of three (3) multiplied by the EXECUTIVE'S "base amount" as defined in Section 280G(b)(3) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder LESS one dollar (\$1.00) (hereinafter collectively referred to as "SECTION 280G").

(ii) The EXECUTIVE, his dependents, beneficiaries and estate shall: continue to be covered at the COMPANY'S expense under all health and welfare benefit plans of the COMPANY in which the EXECUTIVE was a participant prior to the effective date of the termination of his employment as if the EXECUTIVE were still

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employed under this AGREEMENT until the earlier of the expiration of the TERM or the date on which the EXECUTIVE is included in another employer's benefit plans as a full-time EXECUTIVE; be eligible for benefit distribution from any of the COMPANY'S stock benefit plans in accordance with the terms and conditions of any such plans; but the EXECUTIVE shall not accrue any further benefit, vesting, or service credits under any qualified retirement plans maintained by the COMPANY after the effective date of the EXECUTIVE'S termination of employment.

(iii) The EXECUTIVE shall not be required to mitigate the amount of any payment provided for in this AGREEMENT by seeking other employment or otherwise, nor shall any amounts received from other employment or otherwise by the EXECUTIVE offset in any manner the obligations of the COMPANY hereunder, except as specifically stated in subparagraph (ii) above.

(iv) For purposes of this Agreement, a "CHANGE OF CONTROL" shall mean any one of the following events:

(A) the acquisition of ownership or power to vote more than 20% of the voting stock of the COMPANY or the HOLDING COMPANY, provided that acquisition of ownership or power to vote by a qualified employee stock ownership plan sponsored by the Company shall not be considered a CHANGE OF CONTROL;

(B) the acquisition of the ability to control the election of a majority of the directors of COMPANY or the HOLDING COMPANY

(C) during any period of three or less consecutive years individuals who at the beginning of such period constitute the Board of Directors of the COMPANY or the HOLDING COMPANY cease for any reason to constitute at least a majority thereof; provided, however, that any individual whose election or nomination for election as a member of the Board of Directors of the COMPANY or the HOLDING COMPANY was approved by a vote of at least two-thirds of the directors then in office shall be considered to have continued to be a member of the Board of Directors of the COMPANY or the HOLDING COMPANY;

(D) the acquisition by any person or entity of "control" of the COMPANY within the meaning of 12 C.F.R. Section 303.81(c); or

(E) an event that would be required to be reported in response to Item 1 (a) of Form 8-K or Item 6 (e) of Schedule 14A pursuant to the Securities Exchange Act of 1934, as amended (hereinafter referred to as the "EXCHANGE

ACT"), or any successor thereto, whether or not any class of securities of the Corporation is registered under the EXCHANGE ACT.

For purposes of this paragraph, the term "person" refers to an individual or corporation, partnership, trust, association or other organization, but does not include the

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EXECUTIVE and any person or persons with whom the EXECUTIVE is "acting in concert" within the meaning of 12 C.F.R. Section 303.81 (b).

(v) "Golden Parachute" Provision. In the event that any payments pursuant to this Section 4(c) would result in or contribute to the imposition of a penalty tax pursuant to SECTION 280G and Internal Revenue Code Section 4999, such payments shall be reduced to the maximum amount which may be paid under SECTION 280G without exceeding such limits. Any payments made to the EXECUTIVE pursuant to this AGREEMENT are subject to and conditioned upon their compliance with 12 U.S.C. Section 1828(k) and any regulations promulgated thereunder.

(vi) In the event the EXECUTIVE'S employment terminates pursuant to this Section 4 (c), the EXECUTIVE shall not engage in the financial institutions business as a director, officer, EXECUTIVE or consultant for any business or enterprise which competes with the principal business of the COMPANY or the HOLDING COMPANY or any of their subsidiaries within Mahoning, Trumbull and Columbiana counties or any other geographic area in which the COMPANY or HOLDING COMPANY is doing business for a period of eight (8) months from the EXECUTIVE'S date of employment termination. In exchange for EXECUTIVE'S agreement concerning non-competition, the COMPANY agrees to pay EXECUTIVE eight (8) months of base salary.

(d) Death of the EXECUTIVE. The TERM shall automatically expire upon the death of the EXECUTIVE. In such event, the EXECUTIVE'S estate shall be entitled to receive the EXECUTIVE'S monthly base salary continuation for ninety (90) days following the day death occurred, except as otherwise specified herein.

(e) Disability of the EXECUTIVE. If the EXECUTIVE is unable to perform the essential functions of the position assigned by reason of illness or incapacity for a period up to one hundred and fifty (150) consecutive days, then, despite the COMPANY'S efforts to reasonably accommodate such illness or incapacity, the COMPANY may terminate this Agreement upon written notice to EXECUTIVE. Upon termination, the EXECUTIVE may be eligible for long term disability benefits under the COMPANY'S disability plan, subject to the terms and conditions of that plan. In the event that the EXECUTIVE is (and continues to be) eligible for long term disability benefits under the COMPANY'S disability plan, then the EXECUTIVE shall be entitled to be covered under the health and life insurance welfare benefits plans in which the EXECUTIVE was a participant prior to the effective date of the termination of his employment as if the EXECUTIVE were still employed under this AGREEMENT for a period of two (2) years after the effective date of the EXECUTIVE'S termination of employment; be eligible for benefit

distribution from any of the COMPANY'S stock benefit plans in accordance with the terms and conditions of any such plans; but the EXECUTIVE shall not accrue any further benefit, vesting, or service credits under any qualified retirement plans maintained by the COMPANY after the effective date of the EXECUTIVE'S termination of employment.

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(f) Other Termination. In the event that the employment of the EXECUTIVE is terminated by the COMPANY before expiration of the TERM for any reason other than death, termination for Cause or termination in connection with a CHANGE OF CONTROL, or disability, then the following shall occur:

(i) The COMPANY shall be obligated to continue to pay on at least a monthly basis, until the expiration of the TERM, to the EXECUTIVE, his designated beneficiaries or his estate, the total compensation in effect at the time of termination pursuant to Section 3 above, plus a cash bonus equal to the cash bonus, if any, paid to the EXECUTIVE in the twelve month period prior to the termination of employment.

(ii) The EXECUTIVE shall continue to be covered at the EXECUTIVE'S expense under all health and welfare benefits plans, in which the EXECUTIVE was a participant prior to the effective date of the termination of his employment as if the EXECUTIVE were still employed under this AGREEMENT until the earlier of the expiration of the TERM or the date on which the EXECUTIVE is included in another employer's benefit plans as a full-time EXECUTIVE; be eligible for benefit distribution from any of the COMPANY'S stock benefit plans in accordance with the terms and conditions of any such plans; but the EXECUTIVE shall not accrue any further benefit, vesting, or service credits under any qualified retirement plans maintained by the COMPANY after the effective date of the EXECUTIVE'S termination of employment.

(iii) The EXECUTIVE shall not be required to mitigate the amount of any payment provided for in this AGREEMENT by seeking other employment or otherwise, nor shall any amounts received from other employment or otherwise by the EXECUTIVE offset in any manner the obligations of the COMPANY hereunder, except as specifically stated in subparagraph (ii) above.

5. Withholding. All payments required to be made by the COMPANY hereunder to the Executive shall be subject to the withholding of such amounts, if any, relating to Federal, State and local tax and other payroll deductions as the COMPANY may reasonably determine should be withheld pursuant to any applicable law or regulation.

6. Indemnification; Insurance.

(a) Indemnification. The COMPANY agrees to indemnify the Executive and his heirs, executors, and administrators to the fullest extent permitted under applicable law and regulations, including, without

limitation 12 U.S.C. Section 1828(k), against any and all expenses and liabilities reasonably incurred by the Executive in connection with or arising out of any action, suit or proceeding in which the Executive may be involved by reason of having been a director or officer of the Bank or any of its subsidiaries, whether or not the Executive is a director or officer at the

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time of incurring any such expenses or liabilities. Such expenses and liabilities shall include, but shall not be limited to, judgments, court costs and attorney's fees and the cost of reasonable settlements. The Executive shall be entitled to indemnification in respect of a settlement only if the Board of Directors of the Company has approved such settlement. Notwithstanding anything herein to the contrary, (i) indemnification for expenses shall not extend to matters for which the Executive has been terminated for, and (ii) the obligations of this Section shall survive the termination of this Agreement. Nothing contained herein shall be deemed to provide indemnification prohibited by applicable law or regulation.

(b) Insurance. During the Term of the Agreement, the COMPANY shall provide the Executive (and his heirs, executors, and administrators) with coverage under a directors' and officers' liability policy at the COMPANY'S expense, at least equivalent to such coverage otherwise provided to the other directors and senior officers of the COMPANY.

7. Special Regulatory Events. Notwithstanding the provisions of Section 4 of this AGREEMENT, the obligations of the COMPANY to the EXECUTIVE shall be as follows in the event of the following circumstances:

(a) If the EXECUTIVE is suspended and/or temporarily prohibited from participating in the conduct of the COMPANY'S affairs by a notice served under section 8(e)(3) or 8(g)(1) of the Federal Deposit Insurance Act (hereinafter referred to as the "FDIA"), the COMPANY'S obligations under this AGREEMENT shall be suspended as of the date of service of such notice, unless stayed by appropriate proceedings. If the charges in the notice are dismissed, the COMPANY may pay the EXECUTIVE all or part of the compensation withheld while the obligations in this AGREEMENT were suspended and reinstate, in whole or in part, any of the obligations that were suspended;

(b) If the EXECUTIVE is removed and/or permanently prohibited from participating in the conduct of the COMPANY'S affairs by an order issued under Section 8(e)(4) or 8(g)(1) of the FDIA, all obligations of the COMPANY under this AGREEMENT shall terminate as of the effective date of such order; provided, however, that vested rights of the EXECUTIVE shall not be affected by such termination;

(c) If the COMPANY is in default, as defined in section 3(x)(1) of the FDIA, all obligations under this AGREEMENT shall terminate as of the date of default; provided, however, that vested rights of the EXECUTIVE shall not be affected;

(d) All obligations under this AGREEMENT shall be terminated, except to the extent of a determination that the continuation of this AGREEMENT is necessary for the continued operation of the COMPANY, (i) by the Superintendent of Savings Banks, Department of Commerce (hereinafter referred to as "Superintendent"), or his or her designee, at the time that the Federal Deposit Insurance Corporation enters into an agreement to provide assistance to or on behalf of the COMPANY under the

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authority continued in Section 13(c) of the FDIA or (ii) by the Superintendent, or his or her designee, at any time the Superintendent approves a supervisory merger to resolve problems related to the operation of the COMPANY or when the COMPANY is determined by the Superintendent to be in an unsafe or unsound condition; provided, however that no vested rights of the EXECUTIVE shall not be affected by any such termination.

8. Consolidation, Merger or Sale of Assets. Nothing in this AGREEMENT shall preclude the COMPANY or the HOLDING COMPANY from consolidating with, merging into, or transferring all, or substantially all, of their assets to another corporation that assumes all their obligations and undertakings hereunder. Upon such a consolidation, merger or transfer of assets, the term "COMPANY" as used herein, shall mean such other corporation or entity, and this AGREEMENT shall continue in full force and effect.

9. Confidential Information. The EXECUTIVE acknowledges that during his employment he will learn and have access to confidential information regarding the COMPANY and its customers and businesses. The EXECUTIVE agrees not to disclose or use for his own benefit, or the benefit of any other person or entity, any confidential information, unless or until the COMPANY consents to such disclosure or use of such information is otherwise legally in the public domain. The EXECUTIVE shall not knowingly disclose or reveal to any unauthorized person any confidential information relating to the HOLDING COMPANY, its subsidiaries, or affiliates, or any of the businesses operated by them, and the EXECUTIVE confirms that such information constitutes the exclusive property of the COMPANY. The provisions of this Section 9 shall survive the termination or expiration of this Agreement.

10. Non-assignability. Neither this AGREEMENT nor any right or interest hereunder shall be assignable by the EXECUTIVE, by the EXECUTIVE, his beneficiaries or legal representatives without the COMPANY'S prior written consent; provided, however, that nothing in this Section 10 shall preclude the EXECUTIVE from designating a beneficiary to receive any benefits payable hereunder upon his death or the executors, administrators or legal representatives of the EXECUTIVE or his estate from assigning any rights

hereunder to the person or persons entitled thereto.

11. No Attachment. Except as required by law, no right to receive payment under this AGREEMENT shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge or hypothecation or to execution, attachment, levy, or similar process of assignment by operation of law, and any attempt, voluntary or involuntary, to effect any such action shall be null, void and of no effect.

12. Binding Agreement. This AGREEMENT shall be binding upon, and inure to the benefit of, the EXECUTIVE and the COMPANY and its successors and assigns.

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13. Amendment of AGREEMENT. This AGREEMENT may not be modified or amended, except by an instrument in writing signed by the parties hereto.

14. Waiver. No term or condition of this AGREEMENT shall deemed to have been waived, nor shall there be an estoppel against the enforcement of any provision of this AGREEMENT, except by written instrument of the party charged with such waiver or estoppel. No such written waiver shall be deemed a continuing waiver, unless specifically stated therein, and each waiver shall operate only as to the specific term or condition waived and shall not constitute a waiver of such term or condition for the future or as to any act other than the act specifically waived.

15. Severability. If, for any reason, any provision of this AGREEMENT is held invalid, such invalidity shall not affect the other provisions of this AGREEMENT not held so invalid, and each such other provision shall, to the full extent consistent with applicable law, continue in full force and effect. If this AGREEMENT is held invalid or cannot be enforced, then any prior AGREEMENT between the COMPANY (or any predecessor thereof) and the EXECUTIVE shall be deemed reinstated to the full extent permitted by law, as this AGREEMENT had not been executed.

16. Headings. The headings of the paragraphs herein are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this AGREEMENT.

17. Governing Law. This AGREEMENT has been executed and delivered in the State of Ohio and its validity, interpretation, performance, and enforcement shall be governed by the laws of the State of Ohio, except to the extent that federal law is governing.

18. Effect of Prior Agreements. This AGREEMENT contains the entire understanding between the parties hereto and supersedes any prior employment agreement between the COMPANY or any predecessor of the COMPANY and the EXECUTIVE.

19. Arbitration. Any dispute concerning the interpretation or application of

this AGREEMENT that cannot be resolved by mutual agreement of the COMPANY and EXECUTIVE must be submitted for determination by an impartial arbitrator selected in accordance with the American Arbitration Association's Employment Dispute Resolution Rules.

20. Notices. Any notice or other communication required or permitted pursuant to this AGREEMENT shall be deemed delivered if such notice or communication is in writing and is delivered personally or by facsimile transmission or is deposited in the United States mail, postage prepaid, addressed as follows:

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If to the COMPANY:

Chairman and CEO
The Home Savings and Loan Company
Of Youngstown, Ohio
275 Federal Plaza West
Youngstown, Ohio 44503

If to the EXECUTIVE:

Patrick A. Kelly
45 Timber Run Court
Canfield, Ohio 44406

IN WITNESS WHEREOF, the COMPANY has caused this AGREEMENT to be executed by its duly authorized officer, and the EXECUTIVE has signed this AGREEMENT, each as of the day and year first above written.

THE HOME SAVINGS AND LOAN COMPANY
OF YOUNGSTOWN, OHIO

By: _____
Chairman and Chief Executive Officer

Patrick A. Kelly

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EXHIBIT 10.6

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (hereinafter referred to as this "AGREEMENT"), is entered into this 31st day of December, 2004 ("Effective Date") by and between The Home Savings and Loan Company of Youngstown, Ohio, a savings and loan association incorporated under Ohio Law (hereinafter referred to as the "COMPANY"), and David G. Lodge, an individual (hereinafter referred to as the "EXECUTIVE");

WITNESSETH:

WHEREAS, the EXECUTIVE is currently employed as the President and Chief Operating Officer of the COMPANY;

WHEREAS, as a result of the skill, knowledge and experience of the EXECUTIVE, the Board of Directors of the COMPANY desires to continue to retain the services of the EXECUTIVE as the President and Chief Operating Officer of the COMPANY;

WHEREAS, the EXECUTIVE desires to serve as the President and Chief Operating Officer of the COMPANY; and

WHEREAS, the EXECUTIVE and the COMPANY desire to enter into this AGREEMENT to set forth the terms and conditions of the employment relationship between the COMPANY and the EXECUTIVE;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the COMPANY and the EXECUTIVE, each party intending to be legally bound, hereby agree as follows:

1. Employment and Term.

(a) Term. Upon the terms and subject to the conditions of this AGREEMENT, the COMPANY hereby employs the EXECUTIVE, and the EXECUTIVE hereby accepts employment, as the President and Chief Operating Officer of the COMPANY. The term of this AGREEMENT shall commence on December 31, 2004, and shall end on December 31, 2007, unless extended by the COMPANY, with the consent of the EXECUTIVE, as provided in subsection (b) of this Section 1 (hereinafter referred to, together with such extensions, as the "TERM").

(b) Extension. Additionally, on , or before, each annual anniversary date of the Effective Date, the Term of Agreement shall be extended for up to an additional one-year period beyond the then effective Term upon a determination and resolution of the Board of Directors that the performance of the Executive has met the requirements and standards of the Board, and that the Term of such Agreement shall be extended for such additional period. References herein to the

Term of this Agreement shall refer both

to the initial term and successive terms. Any such extension shall be subject to the consent of the EXECUTIVE.

2. Duties of the EXECUTIVE.

(a) General Duties and Responsibilities. The EXECUTIVE shall serve as the President and Chief Operating Officer of the COMPANY. Subject to the direction of the Board of Directors of the COMPANY and such EXECUTIVE'S manager, the EXECUTIVE shall perform all duties and shall have all powers which are commonly incident to the office of President and Chief Operating Officer or which, consistent therewith, are delegated to him by the Board of Directors.

(b) Devotion of Entire Time to the Business of the COMPANY. The EXECUTIVE shall devote his entire productive time, ability and attention during normal business hours throughout the TERM to the faithful performance of his duties under this AGREEMENT. The EXECUTIVE shall not directly or indirectly render any services of a business, commercial or professional nature to any person or organization other than the COMPANY, United Community Financial Corp. (hereinafter referred to as the "HOLDING COMPANY"), or its subsidiaries without the prior written consent of the Board of Directors of the COMPANY; provided, however, that the EXECUTIVE shall not be precluded from (i) vacations and other leave time in accordance with Section 3 (d) below, (ii) reasonable participation in community, civic, charitable or similar organizations, (iii) reasonable participation in industry-related activities, including, but not limited to, attending state and national trade association meetings and serving as an officer, director or trustee of a state or national trade association or Federal Home Loan Bank, (iv) serving as an officer or director of the HOLDING COMPANY or its subsidiaries and receiving a salary, director's fees or other compensation or benefits, as appropriate, or (v) pursuing personal investments which do not interfere or conflict with the performance of the EXECUTIVE'S duties to the COMPANY.

(c) Standards. During the Term of this Agreement, the Executive shall perform his duties in accordance with such reasonable standards expected of executives with comparable positions in comparable organizations and as may be established from time to time by the Board of Directors.

3. Remuneration.

(a) Compensation. The EXECUTIVE shall receive during the TERM compensation established by the applicable Compensation Committee of the Boards of Directors. It is the intent of the COMPANY that the EXECUTIVE'S compensation shall include the following components: (1) a base salary, payable in installments not less often than monthly; (2) cash incentive compensation, payable not less often than annually; and (3) long term incentive compensation.

(b) Annual Review. On or before December 31st of each year, commencing

EXECUTIVE shall be reviewed by the Board of Directors of the COMPANY and shall be set at an amount not less than \$240,946.00, based upon the EXECUTIVE'S individual performance and such other factors as the Board of Directors may deem appropriate (hereinafter referred to as the "ANNUAL REVIEW").

(c) Executive Benefit Programs. During the TERM, the EXECUTIVE shall be entitled to participate in all formally established benefit, bonus, insurance, profit sharing plans, stock benefit plans and similar programs (hereinafter collectively referred to as "BENEFIT PLANS"), in accordance with the terms and conditions of such BENEFIT PLANS that are maintained by the COMPANY or the HOLDING COMPANY from time to time and all EXECUTIVE benefit plans or programs hereafter adopted in writing by the Board of Directors of the COMPANY or the HOLDING COMPANY for which senior management personnel of the COMPANY are eligible. Notwithstanding any statement to the contrary contained elsewhere in this AGREEMENT, the COMPANY may at any time discontinue or terminate any BENEFIT PLAN now existing or hereafter adopted, to the extent permitted by the terms of such BENEFIT PLAN, and shall not be required to compensate the EXECUTIVE for such discontinuance or termination to the extent such discontinuance or termination pertains to all employees of the COMPANY who are eligible participants at the time.

(d) Vacation and Sick Leave. The EXECUTIVE shall be entitled, without loss of pay, to be absent voluntarily from the performance of his duties under this AGREEMENT, in accordance with the policies periodically established by the Board of Directors of the COMPANY for senior management officials of the COMPANY. The EXECUTIVE shall be entitled to annual sick leave as established by the Board of Directors of the COMPANY for senior management officials of the COMPANY.

(e) Expenses. The COMPANY shall pay or reimburse the EXECUTIVE for reasonable travel, entertainment and miscellaneous expenses incurred in connection with the performance of his duties under this AGREEMENT, including participation in industry-related activities upon furnishing timely documentation to the COMPANY of such expenses incurred.

4. Termination of Employment.

(a) General. The employment of the EXECUTIVE shall terminate at any time during the TERM: (i) at the option of the COMPANY, upon the delivery by the COMPANY of written notice of termination to the EXECUTIVE with or without "Cause" (as defined hereinafter), or (ii) at the option of the EXECUTIVE, upon delivery by the EXECUTIVE of written notice of termination to the COMPANY if the present capacity or circumstances in which the EXECUTIVE is employed are materially adversely changed (including, but not limited to, a material reduction in responsibilities or authority or the assignment of duties or responsibilities substantially inconsistent with those normally associated with the EXECUTIVE'S position described in Section 2 (a) of this AGREEMENT, change of

title or removal as a director of the COMPANY or the HOLDING COMPANY, the requirement that the EXECUTIVE regularly perform his

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principal executive functions more than thirty-five (35) miles from his primary office as it existed of the date of this AGREEMENT or the EXECUTIVE'S benefits provided under this AGREEMENT are reduced, unless the benefit reductions are part of a Company-wide reduction. The following subsections (b), (c), (d) and (e) of this Section 4 shall govern the obligations of the COMPANY to the EXECUTIVE upon the occurrence of the events described in such subparagraphs. If the EXECUTIVE terminates this AGREEMENT without the written consent of the COMPANY, other than pursuant to Section 4(a)(ii) of this AGREEMENT, the EXECUTIVE shall not receive and shall have no right to receive, any compensation or benefits for any period after such termination and the EXECUTIVE shall not engage in the financial institutions business as a director, officer, EXECUTIVE or consultant for any business or enterprise which competes with the principal business of the COMPANY or the HOLDING COMPANY or any of their subsidiaries within Mahoning, Trumbull and Columbiana counties or any other geographic area in which the COMPANY or the HOLDING COMPANY is doing business for the unexpired TERM of this AGREEMENT. This non-compete provision shall not apply in the event the EXECUTIVE terminates employment pursuant to Section 4(a)(ii) of this AGREEMENT. The provisions of this subparagraph 4(a) shall survive the termination of this AGREEMENT.

(b) Termination for Cause. In the event that the COMPANY terminates the employment of the EXECUTIVE during the TERM because of the EXECUTIVE'S personal dishonesty, incompetence, willful misconduct, breach of fiduciary duty involving personal profit, intentional failure or refusal to perform the duties and responsibilities assigned in this AGREEMENT, willful violation of any law, rule or regulation (other than traffic violations or other minor offenses), or final cease-and desist order or material breach of any provision of this AGREEMENT (hereinafter collectively referred to as "Cause"), the EXECUTIVE shall not receive, and shall have no right to receive, any compensation or other benefits for any period after such termination.

(c) Termination in Connection with CHANGE OF CONTROL. In the event that the employment of the EXECUTIVE is terminated by COMPANY within one (1) year before or after a CHANGE OF CONTROL (hereinafter defined) for any reason other than Cause, death, or disability, or within one (1) year before or after a CHANGE OF CONTROL the Executive's employment is terminated at the EXECUTIVE'S option as provided in Section 4 (a) (ii) above, then the following shall occur:

(i) The COMPANY shall promptly pay to the EXECUTIVE or to his beneficiaries, dependents or estate an amount equal to the product of three (3) multiplied by the EXECUTIVE'S "base amount" as defined in Section 280G(b)(3) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder LESS one dollar (\$1.00) (hereinafter collectively referred to as "SECTION 280G").

(ii) The EXECUTIVE, his dependents, beneficiaries and estate shall: continue to be covered at the COMPANY'S expense under all health and welfare benefit plans of the COMPANY in which the EXECUTIVE was a participant prior to the effective date of the termination of his employment as if the EXECUTIVE were still

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employed under this AGREEMENT until the earlier of the expiration of the TERM or the date on which the EXECUTIVE is included in another employer's benefit plans as a full-time EXECUTIVE; be eligible for benefit distribution from any of the COMPANY'S stock benefit plans in accordance with the terms and conditions of any such plans; but the EXECUTIVE shall not accrue any further benefit, vesting, or service credits under any qualified retirement plans maintained by the COMPANY after the effective date of the EXECUTIVE'S termination of employment.

(iii) The EXECUTIVE shall not be required to mitigate the amount of any payment provided for in this AGREEMENT by seeking other employment or otherwise, nor shall any amounts received from other employment or otherwise by the EXECUTIVE offset in any manner the obligations of the COMPANY hereunder, except as specifically stated in subparagraph (ii) above.

(iv) For purposes of this Agreement, a "CHANGE OF CONTROL" shall mean any one of the following events:

(A) the acquisition of ownership or power to vote more than 20% of the voting stock of the COMPANY or the HOLDING COMPANY, provided that acquisition of ownership or power to vote by a qualified employee stock ownership plan sponsored by the Company shall not be considered a CHANGE OF CONTROL;

(B) the acquisition of the ability to control the election of a majority of the directors of COMPANY or the HOLDING COMPANY

(C) during any period of three or less consecutive years individuals who at the beginning of such period constitute the Board of Directors of the COMPANY or the HOLDING COMPANY cease for any reason to constitute at least a majority thereof; provided, however, that any individual whose election or nomination for election as a member of the Board of Directors of the COMPANY or the HOLDING COMPANY was approved by a vote of at least two-thirds of the directors then in office shall be considered to have continued to be a member of the Board of Directors of the COMPANY or the HOLDING COMPANY;

(D) the acquisition by any person or entity of "conclusive control" of the COMPANY within the meaning of 12 C.F.R. Section 303.81(c); or

(E) an event that would be required to be reported in response to Item 1 (a) of Form 8-K or Item 6 (e) of Schedule 14A pursuant to the Securities Exchange Act of 1934, as amended (hereinafter referred to as the "EXCHANGE

ACT"), or any successor thereto, whether or not any class of securities of the Corporation is registered under the EXCHANGE ACT.

For purposes of this paragraph, the term "person" refers to an individual or corporation, partnership, trust, association or other organization, but does not include the

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EXECUTIVE and any person or persons with whom the EXECUTIVE is "acting in concert" within the meaning of 12 C.F.R. Section 303.81(b).

(v) "Golden Parachute" Provision. In the event that any payments pursuant to this Section 4(c) would result in or contribute to the imposition of a penalty tax pursuant to SECTION 280G and Internal Revenue Code Section 4999, such payments shall be reduced to the maximum amount which may be paid under SECTION 280G without exceeding such limits. Any payments made to the EXECUTIVE pursuant to this AGREEMENT are subject to and conditioned upon their compliance with 12 U.S.C. Section 1828(k) and any regulations promulgated thereunder.

(vi) In the event the EXECUTIVE'S employment terminates pursuant to this Section 4 (c), the EXECUTIVE shall not engage in the financial institutions business as a director, officer, EXECUTIVE or consultant for any business or enterprise which competes with the principal business of the COMPANY or the HOLDING COMPANY or any of their subsidiaries within Mahoning, Trumbull and Columbiana counties or any other geographic area in which the COMPANY or HOLDING COMPANY is doing business for a period of eight (8) months from the EXECUTIVE'S date of employment termination. In exchange for EXECUTIVE'S agreement concerning non-competition, the COMPANY agrees to pay EXECUTIVE eight (8) months of base salary.

(d) Death of the EXECUTIVE. The TERM shall automatically expire upon the death of the EXECUTIVE. In such event, the EXECUTIVE'S estate shall be entitled to receive the EXECUTIVE'S monthly base salary continuation for ninety (90) days following the day death occurred, except as otherwise specified herein.

(e) Disability of the EXECUTIVE. If the EXECUTIVE is unable to perform the essential functions of the position assigned by reason of illness or incapacity for a period up to one hundred and fifty (150) consecutive days, then, despite the COMPANY'S efforts to reasonably accommodate such illness or incapacity, the COMPANY may terminate this Agreement upon written notice to EXECUTIVE. Upon termination, the EXECUTIVE may be eligible for long term disability benefits under the COMPANY'S disability plan, subject to the terms and conditions of that plan. In the event that the EXECUTIVE is (and continues to be) eligible for long term disability benefits under the COMPANY'S disability plan, then the EXECUTIVE shall be entitled to be covered under the health and life insurance welfare benefits plans in which the EXECUTIVE was a participant prior to the effective date of the termination of his employment as if the EXECUTIVE were still employed under this AGREEMENT for a period of two (2) years after the effective date of the EXECUTIVE'S termination of employment; be eligible for benefit

distribution from any of the COMPANY'S stock benefit plans in accordance with the terms and conditions of any such plans; but the EXECUTIVE shall not accrue any further benefit, vesting, or service credits under any qualified retirement plans maintained by the COMPANY after the effective date of the EXECUTIVE'S termination of employment.

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(f) Other Termination. In the event that the employment of the EXECUTIVE is terminated before expiration of the TERM for any reason other than death, termination for Cause or termination in connection with a CHANGE OF CONTROL, or disability, then the following shall occur:

(i) The COMPANY shall be obligated to continue to pay on at least a monthly basis, until the expiration of the TERM, to the EXECUTIVE, his designated beneficiaries or his estate, the total compensation in effect at the time of termination pursuant to Section 3 above, plus a cash bonus equal to the cash bonus, if any, paid to the EXECUTIVE in the twelve month period prior to the termination of employment.

(ii) The EXECUTIVE shall continue to be covered at the EXECUTIVE'S expense under all health and welfare benefits plans, in which the EXECUTIVE was a participant prior to the effective date of the termination of his employment as if the EXECUTIVE were still employed under this AGREEMENT until the earlier of the expiration of the TERM or the date on which the EXECUTIVE is included in another employer's benefit plans as a full-time EXECUTIVE; be eligible for benefit distribution from any of the COMPANY'S stock benefit plans in accordance with the terms and conditions of any such plans; but the EXECUTIVE shall not accrue any further benefit, vesting, or service credits under any qualified retirement plans maintained by the COMPANY after the effective date of the EXECUTIVE'S termination of employment.

(iii) The EXECUTIVE shall not be required to mitigate the amount of any payment provided for in this AGREEMENT by seeking other employment or otherwise, nor shall any amounts received from other employment or otherwise by the EXECUTIVE offset in any manner the obligations of the COMPANY hereunder, except as specifically stated in subparagraph (ii) above.

5. Withholding. All payments required to be made by the COMPANY hereunder to the Executive shall be subject to the withholding of such amounts, if any, relating to Federal, State and local tax and other payroll deductions as the COMPANY may reasonably determine should be withheld pursuant to any applicable law or regulation.

6. Indemnification; Insurance.

(a) Indemnification. The COMPANY agrees to indemnify the Executive and his heirs, executors, and administrators to the fullest extent permitted under applicable law and regulations, including, without limitation 12 U.S.C. Section 1828(k), against any and all expenses

and liabilities reasonably incurred by the Executive in connection with or arising out of any action, suit or proceeding in which the Executive may be involved by reason of having been a director or officer of the Bank or any of its subsidiaries, whether or not the Executive is a director or officer at the

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time of incurring any such expenses or liabilities. Such expenses and liabilities shall include, but shall not be limited to, judgments, court costs and attorney's fees and the cost of reasonable settlements. The Executive shall be entitled to indemnification in respect of a settlement only if the Board of Directors of the Company has approved such settlement.

Notwithstanding anything herein to the contrary, (i) indemnification for expenses shall not extend to matters for which the Executive has been terminated for, and (ii) the obligations of this Section shall survive the termination of this Agreement. Nothing contained herein shall be deemed to provide indemnification prohibited by applicable law or regulation.

(b) Insurance. During the Term of the Agreement, the COMPANY shall provide the Executive (and his heirs, executors, and administrators) with coverage under a directors' and officers' liability policy at the COMPANY's expense, at least equivalent to such coverage otherwise provided to the other directors and senior officers of the COMPANY.

7. Special Regulatory Events. Notwithstanding the provisions of Section 4 of this AGREEMENT, the obligations of the COMPANY to the EXECUTIVE shall be as follows in the event of the following circumstances:

(a) If the EXECUTIVE is suspended and/or temporarily prohibited from participating in the conduct of the COMPANY'S affairs by a notice served under section 8(e) (3) or 8(g) (1) of the Federal Deposit Insurance Act (hereinafter referred to as the "FDIA"), the COMPANY'S obligations under this AGREEMENT shall be suspended as of the date of service of such notice, unless stayed by appropriate proceedings. If the charges in the notice are dismissed, the COMPANY may pay the EXECUTIVE all or part of the compensation withheld while the obligations in this AGREEMENT were suspended and reinstate, in whole or in part, any of the obligations that were suspended;

(b) If the EXECUTIVE is removed and/or permanently prohibited from participating in the conduct of the COMPANY'S affairs by an order issued under Section 8(e) (4) or 8(g) (1) of the FDIA, all obligations of the COMPANY under this AGREEMENT shall terminate as of the effective date of such order; provided, however, that vested rights of the EXECUTIVE shall not be affected by such termination;

(c) If the COMPANY is in default, as defined in section 3(x) (1) of

the FDIA, all obligations under this AGREEMENT shall terminate as of the date of default; provided, however, that vested rights of the EXECUTIVE shall not be affected;

(d) All obligations under this AGREEMENT shall be terminated, except to the extent of a determination that the continuation of this AGREEMENT is necessary for the continued operation of the COMPANY, (i) by the Superintendent of Savings Banks, Department of Commerce (hereinafter referred to as "Superintendent"), or his or her designee, at the time that the Federal Deposit Insurance Corporation enters into an agreement to provide assistance to or on behalf of the COMPANY under the

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authority continued in Section 13(c) of the FDIA or (ii) by the Superintendent, or his or her designee, at any time the Superintendent approves a supervisory merger to resolve problems related to the operation of the COMPANY or when the COMPANY is determined by the Superintendent to be in an unsafe or unsound condition; provided, however that no vested rights of the EXECUTIVE shall not be affected by any such termination; and

8. Consolidation, Merger or Sale of Assets. Nothing in this AGREEMENT shall preclude the COMPANY or the HOLDING COMPANY from consolidating with, merging into, or transferring all, or substantially all, of their assets to another corporation that assumes all their obligations and undertakings hereunder. Upon such a consolidation, merger or transfer of assets, the term "COMPANY" as used herein, shall mean such other corporation or entity, and this AGREEMENT shall continue in full force and effect.

9. Confidential Information. The EXECUTIVE acknowledges that during his employment he will learn and have access to confidential information regarding the COMPANY and its customers and businesses. The EXECUTIVE agrees not to disclose or use for his own benefit, or the benefit of any other person or entity, any confidential information, unless or until the COMPANY consents to such disclosure or use of such information is otherwise legally in the public domain. The EXECUTIVE shall not knowingly disclose or reveal to any unauthorized person any confidential information relating to the HOLDING COMPANY, its subsidiaries, or affiliates, or any of the businesses operated by them, and the EXECUTIVE confirms that such information constitutes the exclusive property of the COMPANY. The provisions of this Section 9 shall survive the termination or expiration of this Agreement.

10. Non-assignability. Neither this AGREEMENT nor any right or interest hereunder shall be assignable by the EXECUTIVE, his beneficiaries or legal representatives without the COMPANY'S prior written consent; provided, however, that nothing in this Section 10 shall preclude the EXECUTIVE from designating a beneficiary to receive any benefits payable hereunder upon his death or the executors, administrators or legal representatives of the EXECUTIVE or his estate from assigning any rights hereunder to the person or persons entitled thereto.

11. No Attachment Except as required by law, no right to receive payment under this AGREEMENT shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge or hypothecation or to execution, attachment, levy, or similar process of assignment by operation of law, and any attempt, voluntary or involuntary, to effect any such action shall be null, void and of no effect.

12. Binding Agreement. This AGREEMENT shall be binding upon, and inure to the benefit of, the EXECUTIVE and the COMPANY and its successors and assigns.

13. Amendment of AGREEMENT. This AGREEMENT may not be modified or amended, except by an instrument in writing signed by the parties hereto.

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14. Waiver. No term or condition of this AGREEMENT shall deemed to have been waived, nor shall there be an estoppel against the enforcement of any provision of this AGREEMENT, except by written instrument of the party charged with such waiver or estoppel. No such written waiver shall be deemed a continuing waiver, unless specifically stated therein, and each waiver shall operate only as to the specific term or condition waived and shall not constitute a waiver of such term or condition for the future or as to any act other than the act specifically waived.

15. Severability. If, for any reason, any provision of this AGREEMENT is held invalid, such invalidity shall not affect the other provisions of this AGREEMENT not held so invalid, and each such other provision shall, to the full extent consistent with applicable law, continue in full force and effect. If this AGREEMENT is held invalid or cannot be enforced, then any prior AGREEMENT between the COMPANY (or any predecessor thereof) and the EXECUTIVE shall be deemed reinstated to the full extent permitted by law, as this AGREEMENT had not been executed.

16. Headings. The headings of the paragraphs herein are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this AGREEMENT.

17. Governing Law. This AGREEMENT has been executed and delivered in the State of Ohio and its validity, interpretation, performance, and enforcement shall be governed by the laws of the State of Ohio, except to the extent that federal law is governing.

18. Effect of Prior Agreements. This AGREEMENT contains the entire understanding between the parties hereto and supersedes any prior employment agreement between the COMPANY or any predecessor of the COMPANY and the EXECUTIVE.

19. Arbitration. Any dispute concerning the interpretation or application of this AGREEMENT that cannot be resolved by mutual agreement of the COMPANY and EXECUTIVE must be submitted for determination by an impartial arbitrator

selected in accordance with the American Arbitration Association's Employment Dispute Resolution Rules.

20. Notices. Any notice or other communication required or permitted pursuant to this AGREEMENT shall be deemed delivered if such notice or communication is in writing and is delivered personally or by facsimile transmission or is deposited in the United States mail, postage prepaid, addressed as follows:

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If to the COMPANY:

Chairman and CEO
The Home Savings and Loan Company
Of Youngstown, Ohio
275 Federal Plaza West
Youngstown, Ohio 44503

If to the EXECUTIVE:

David G. Lodge
9560 Windy Lakes Circle
Chagrin Falls Ohio 44023

IN WITNESS WHEREOF, the COMPANY has caused this AGREEMENT to be executed by its duly authorized officer, and the EXECUTIVE has signed this AGREEMENT, each as of the day and year first above written.

THE HOME SAVINGS AND LOAN
COMPANY OF YOUNGSTOWN, OHIO

By: _____
Chairman and Chief Executive Officer

David G. Lodge

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EXHIBIT 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to incorporation by reference in the Registration Statements (No. 333-38028, No. 333-86015, and 333-100081) on Form S-8 of United Community Financial Corp. of our report dated April 22, 2005, with respect to United Community Financial Corp. management's assessment of the effectiveness of internal control over financial reporting and the effectiveness of internal control over financial reporting, which report appears in this amended annual report on Form 10-K of United Community Financial Corp. for the year ended December 31, 2004.

/s/Crowe Chizek and Company LLC
Crowe Chizek and Company LLC

Columbus, Ohio
May 2, 2005

EXHIBIT 31.1

RULE 13a-14(a)/15d-14(a) CERTIFICATION

I, Douglas M. McKay, certify that:

1) I have reviewed this annual report on Form 10-K, as amended by Amendment No. 1 thereto, of United Community Financial Corp.

Based on my knowledge, this annual report does not contain any untrue statement of material fact or omit to state a material fact necessary
2) to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period by this annual report;

Based on my knowledge, the financial statements and other financial information included in this annual report, fairly present in all
3) material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in the annual report;

The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as
4) defined in Exchange Act Rules 13a-14 and 15d-14) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this annual report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal controls over financial
5) reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Douglas M. McKay

Douglas M. McKay
Chief Executive Officer
May 2, 2005

EXHIBIT 31.2

RULE 13a-14(a)/15d-14(a) CERTIFICATION

I, Patrick A. Kelly, certify that:

- 1) I have reviewed this annual report on Form 10-K, as amended by Amendment No. 1 thereto, of United Community Financial Corp.

Based on my knowledge, this annual report does not contain any untrue statement of material fact or omit to state a material fact necessary
2) to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period by this annual report;

Based on my knowledge, the financial statements and other financial information included in this annual report, fairly present in all
3) material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in the annual report;

The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as
4) defined in Exchange Act Rules 13a-14 and 15d-14) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this annual report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal controls over financial
5) reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Patrick A. Kelly

Patrick A. Kelly
Chief Financial Officer
May 2, 2005

EXHIBIT 32

UNITED COMMUNITY FINANCIAL CORP.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of United Community Financial Corp. (the "Company") on Form 10-K, as amended by Amendment No. 1 thereto, for the year ended December 31, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Douglas M. McKay

Douglas M. McKay
Chief Executive Officer
May 2, 2005

/s/ Patrick A. Kelly

Patrick A. Kelly
Chief Financial Officer
May 2, 2005

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.