

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

**FORM 8-K  
CURRENT REPORT**

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

Date of Report (Date of earliest event reported): March 7, 2003

**Union Financial Bancshares, Inc.**

(Exact name of registrant as specified in its charter)

Delaware ----- (State or other Jurisdiction of incorporation or organization)	1-5735 ----- (Commission File Number)	57-1001177 ----- (IRS Employer Identification No.)
203 West Main Street, Union, South Carolina ----- (Address of principal executive offices)		29379-0886 ----- (Zip Code)
	(864) 427-9000 ----- (Registrant's telephone number, including area code)	
	Not Applicable ----- (Former name or former address, if changed since last report.)	

**ITEM 5. OTHER EVENTS.**

On March 7, 2003, Union Financial Bancshares, Inc. (the "Company") issued a press release announcing that it has submitted an application to the Office of the Comptroller of the Currency to convert the charter of its banking subsidiary, Provident Community Bank, from a federal savings bank to a national bank.

A press release announcing the Company's submission of the conversion application to the Office of the Comptroller of

the Currency is attached as Exhibit 99.1

**ITEM 7. FINANCIAL STATEMENTS AND OTHER EXHIBITS.**

Exhibit 99.1 Press release issued on March 7, 2003

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**UNION FINANCIAL BANCSHARES, INC.**

*Dated: March 7, 2003*

*By: /s/Dwight V. Neese*

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*Dwight V. Neese*

*President and Chief Executive Officer*

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**FOR IMMEDIATE RELEASE**

Contact: Dwight V. Neese President 203 West Main Street Union, SC 29379-0866 (864) 429-1863

**UNION FINANCIAL BANCSHARES, INC.  
ANNOUNCES PLAN TO CONVERT PROVIDENT COMMUNITY BANK  
TO NATIONAL BANK CHARTER**

UNION, SOUTH CAROLINA - March 7, 2003; Union Financial Bancshares, Inc. (Nasdaq: UFBS) announced today that it has submitted an application to the Office of the Comptroller of the Currency to convert the charter of its banking subsidiary, Provident Community Bank, from a federal savings bank to a national bank. Union Financial Bancshares, Inc. will subsequently be submitting an application to the Federal Reserve Board to become a bank holding company. The charter change will not have any significant financial or regulatory impact or affect Provident Community Bank's current activities. Subject to receiving the necessary regulatory approvals, the charter conversion is expected to be completed in mid 2003.

Dwight V. Neese, President and Chief Executive Officer of Provident Community Bank and Union Financial

Bancshares, Inc., commented: "We have had considerable success as a federal savings bank and have enjoyed an excellent relationship with the Office of Thrift Supervision as our regulator. We have determined, however, that converting to a national bank best positions Provident Community Bank to compete in the 21st century marketplace. Over the last few years we have been expanding our product offering to include a broader range of consumer and commercial loan products. We believe the national bank charter will be a better fit as we transform our balance sheet and product mix to more effectively pursue a community banking strategy. "

As previously announced on January 29, 2003, the Board of Directors of Union Financial Bancshares, Inc. approved the repurchase of up to 98,000 shares, or approximately 5% of the Corporation's outstanding common stock. Repurchases, which will be conducted through open market purchases or privately negotiated transactions, will be made from time to time depending on market conditions and other factors. Repurchased shares will be held in treasury.

### **About Union Financial Bancshares, Inc.:**

At December 31, 2002, Union Financial Bancshares, Inc. had \$331.6 million in total assets and total stockholders' equity of \$27.8 million. Union Financial Bancshares, Inc. owns Provident Community Bank, which operates six banking locations in the upstate of South Carolina. For additional information, visit the bank's web site at [www.provcombank.com](http://www.provcombank.com).

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**End of Filing**

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