

discover

the bank that can make your journey a financial success.



Annual Report 2018



SALISBURY BANCORP, INC.

Salisbury Bancorp, Inc. is the holding company for Salisbury Bank and Trust Company



discover new possibilities

No matter how far you have come in your personal or business life there are always new opportunities to discover. Making the choice to explore and find better banking solutions should be the next step toward achieving your financial objectives.

Salisbury Bank and its Riverside Division are connecting consumers, non-profit organizations and business owners to the banking products and services that save time, reduce burden and strengthen financial awareness. There are new possibilities for those willing to transition to a higher-level banking experience; one filled with modern conveniences and personal attention whenever needed.

it's time to explore what's possible

Our bank has a rich history that dates back to 1848, helping our customers save for their future and get the loans they need to grow. We have remained strong for our communities by staying true to our core vision:

We will treat every customer as if they are our only customer.

Community banking at Salisbury Bank means you'll be heard and supported by experienced professionals that listen. You'll find needed guidance and answers that are based on trust and a deeper understanding of your commitment to succeed. There's no limit to the possibilities our technology and people can offer, if you're willing to discover the pathway to greater success with Salisbury Bank.



our corporation

Salisbury Bancorp, Inc. is an independent, publicly-owned banking and financial services company that became the bank holding company for Salisbury Bank and Trust Company on August 24, 1998. The Company's sole subsidiary is Salisbury Bank and Trust Company ("Salisbury Bank"), which is chartered as a state bank and trust company by the state of Connecticut. Salisbury Bank was formed in 1925 by the merger of the Salisbury Savings Society, founded in 1848, and the Robbins Burrall Trust Company, founded in 1874. Salisbury Bank is a commercial bank offering a broad range of services including an extensive array of deposit services, multiple mortgage products, and various other types of loans designed to meet the financial needs of its customers.



Salisbury Bank has a full-service Trust and Wealth Advisory Division which offers financial planning, trust and estate administration, and investment management services.

In December of 2014, Salisbury Bank acquired Riverside Bank which now operates as a Division of Salisbury Bank and Trust Company.

Salisbury Bank operates fourteen full-service banking offices located in Lakeville, Salisbury, Sharon, and Canaan, Connecticut; Great Barrington, South Egremont, and Sheffield, Massachusetts; Dover Plains, Fishkill, Millerton, New Paltz, Newburgh, Poughkeepsie, and Red Oaks Mill, New York; serving customers primarily from Litchfield County in Connecticut; Dutchess, Columbia, Orange, and Ulster Counties in New York; and Berkshire County in Massachusetts.

ANNUAL SHAREHOLDERS MEETING

Wednesday

May 15, 2019

at 4:00 PM

The Hotchkiss School
11 Interlaken Road
Lakeville, CT 06039

Griswold Science Building
located off Route 41



our core vision

We will treat every customer as if they are our only customer.



our core values

Service to the customer above all else.

Always do the right thing.

Be positive, enthusiastic, and have fun.

Never be satisfied.

Call it right.



2018 shareholder letter

"We are well-capitalized pursuant to all regulatory standards, with sustainable earnings to enable us to continue to support our anticipated organic growth."



Dear Shareholders,

170 Years of Service and a Bright Future Ahead

There are two significant milestones among your Company's successes in 2018. The Company marked its 170th year of service. In addition, the Company surpassed the billion-dollar size in total assets. Such milestones are a source of pride, but more importantly, they offer insight as to the reasons for our past achievements and keys to our future success. Salisbury Bank and Trust Company was founded in 1848. Such longevity is an achievement in its own right. More than two-thirds of the 18,000 banks that existed just 30 years ago are no longer in existence. However, longevity is most meaningful when it reflects a sustained commitment to excellence. We strive for such excellence and build upon the trust earned through 170 years of valuing our customer relationships and serving the evolving banking needs of individuals and their families, businesses and communities. Throughout its history, Salisbury's reputation for providing trusted community banking and wealth management services has been a key to our success. With it, we have grown our assets, profits and geographic footprint to serve an expanding customer base. Customers know they can trust Salisbury Bank and Trust Company and rely upon our commitment to serving their needs. Over time, banking products have evolved and the delivery channels for such products and services have diversified, but our fundamental commitment to relationship banking has been unwavering. Salisbury's commitment to excellence, trustworthiness, service and relationship banking will continue to be key components to our future success.

Expanding Our Riverside Division

During 2018, we expanded and improved our customer service branch network in our New York based "Riverside Division". In March we raised the flag at our office in the Town of Newburgh, conveniently located at 801 Auto

Park Place. This new and improved location offers a full-service banking center allowing us to better serve our existing clients as well as an opportunity to acquire new relationships.

In April we acquired the former Orange Bank & Trust Company branch located at 701 Route 9, Fishkill, NY. We further leveraged the benefits of this expansion by relocating our existing Fishkill office from Main Street Plaza into this new location in May.

These enhanced branch locations underscore our commitment to serving existing and future customers through efficient, convenient locations that enable our employees to be even more proficient and helpful.

A Direction and Plan for Improvement and Growth

We are pleased to have exceeded the one billion dollars in assets milestone in 2018, and our continued prudent and profitable growth enhances our financial strength and builds franchise value.

As the marketplace continues to shift around us, consumer expectations are increasing. Banks face demands from a changing demographic customer base and tech-savvy consumers seeking increased convenience and privacy protections.

To respond to such challenges and better position Salisbury for the future, we implemented a management reorganization in December 2018, which should improve operating efficiency and effectiveness. This restructuring initiative primarily impacts our retail and operational areas. We believe it will benefit the Bank in many ways such as improving internal processes, enhancing communication, deepening our bench strength, enriching customer experience and supporting our succession efforts in key areas. Continued investments in our technology products, use of data, strong leadership,

employee development, and overall customer experience are all part of our strategic plan for continued growth.

Discovering the Possibilities

Our strategies and improvements are customer-centered, and we consistently draw upon and replenish the strong reservoir of trust we have built with our customers and the communities we serve. We are encouraged by the opportunities that exist within our own customer base. It is evident that when our customers are introduced to our digital and relationship banking solutions and given the opportunity to experience them, they discover a better banking experience which further enhances their loyalty to us.

Financial Results

Loan and Deposit Growth

Net loans receivable increased \$108 million or 13% for the year while deposits increased \$111 million or 14% for the year. The increase in net loans was primarily organically driven and reflected broad-based growth within both our commercial and residential portfolios. Deposit balances increased across all product categories and included \$20 million in brokered deposits, which helped fund our loan growth.

Trust and Wealth Advisory Division

Wealth assets under administration increased by \$38 million or 6% for the year, with the majority of that growth, \$34 million, coming in the non-discretionary or custody services category which tends to be lower yielding than those assets managed with discretion on the part of our team. Wealth management is a core strength of our franchise and continues to differentiate us from our competitors and offers a greater diversification of our income stream. The growth of our Trust and Wealth Advisory Division is fueled by our commitment to trust and relationship banking.

Capital

Our capital levels are strong and we are “well-capitalized” pursuant to all regulatory standards, with sustainable earnings to enable us to continue to support the anticipated organic growth rates of the Bank. Book value and tangible book value grew 5% and 7%, respectively, and reflected the strong earnings for the year.

Earnings

Full year 2018 net income of \$8.8 million increased \$2.5 million from 2017. Approximately \$1.2 million of this increase reflected a lower tax rate as a result of the Tax Cuts and Jobs Act enacted in December 2017. Our core earnings for 2018 were strong. Net interest income increased \$1.9 million from 2017 and reflected our strong loan and deposit growth. Non-interest income increased \$0.7 million from last year and partly reflected the growth in assets under administration. These increases were partly offset by a higher provision for loan losses, which reflected our robust loan growth, and higher non-interest expenses. Overall, earnings per share for 2018 were \$3.15 compared with \$2.25 in 2017.

Our Employees Are Our Strength

Recognizing our dedicated and loyal employees, we were pleased to present several awards at our annual employee celebration event on March 2, 2019. These achievements exemplify how dedication, teamwork, and commitment to our success and to the success of the customers and communities we serve, can provide personal and professional advancement. We could not be prouder of our employees.

Employee of the Year Award: Darrel Long

Rookie of the Year Award: Aidan Gilligan

Volunteer of the Year Award: Doug Cahill

President’s Award: Shelly Humeston

Personnel Recognitions and Leadership Growth

Nicole Chase joined the Bank as Assistant Vice President, Branch Manager of the Lakeville and Salisbury branches. Nicole brings 18 years of banking experience to her position, which will enable her to lead our teams and ensure our customers continue to receive the level of personalized service they have come to know and expect.

Amanda Goewey was promoted to Vice President, Berkshire Regional Manager and was chosen as one of the select few as New Leaders in Banking. The Connecticut Bankers Association along with the Connecticut Banking magazine asked bankers throughout Connecticut to nominate their peers for the leadership award. Amanda has 15 years of banking experience having held various roles in our retail, compliance, and loan areas. She is dedicated to the communities she serves and supports various local initiatives. She is a positive role model to her staff and others within our organization.

Michael Jordan was promoted to Vice President, IT Security and Service Solutions Manager. As Vice President, he will continue in his role to manage the overall responsibilities of all IT Security functions and strategies within the Bank, as well as oversee the Service Solutions function. Michael has been with the Bank for 12 years and has served as Assistant Vice President, IT Security, and Service Solutions Manager for the past 6 years. Michael has embraced the Bank’s vision and core values, and strives to incorporate them in his daily work.

We are truly honored to have both Amanda and Michael as employees and leaders on our team.

In February, Charlene Fitzgerald was hired as Vice President, Customer Support and Electronic Services Manager. Charlene has 40 years of experience in banking. She brings to her position significant industry knowledge and management experience which are

valuable assets to further enhance our Customer Support Department.

As part of our management reorganization, Betsy Summerville was named Executive Vice President, Chief Retail and Loan Operations Officer, and Amy Raymond was named Executive Vice President, Chief Retail Banking Officer. These title changes are more reflective of their new responsibilities.

Working to Meet the Economic and Civic Needs of Our Communities

As a community bank, we take great pride in knowing that we play a critical role in satisfying the financial, social, and civic needs of the people who live in the cities, towns, and neighborhoods we serve.

This past year we held 11 Community Days. Each day included a free shred day and the donation of items to local food pantries in the communities we serve. We shredded and recycled 54,400 pounds of paper and collected 880 food items.

Salisbury Bank YOUiversity program is our free financial education initiative. We held 7 free seminars open to all community members with 192 participants. Topics included: Internet Security, Creating Business Plans, and Navigating Changes in Medicare.

This year marked the tenth year of our "Time to Shine" Annual Scholarship Program. We awarded ten students with scholarships in the amount of \$2,500 each to assist them in achieving their college degree objectives in a variety of programs. I want to thank our Scholarship Committee for their excellent work in selecting students of academic achievement, who possess a variety of interests and leadership experience, show consistent community involvement, and have the desire to make the world a better place.

We are especially proud of the employees who support our Bank's mission to give back to the communities that they call home. Each year our employees volunteer thousands of

hours of their time to support many causes and nonprofit organizations. This year our employees volunteered over 6,000 hours to a wide variety of organizations in our local communities.

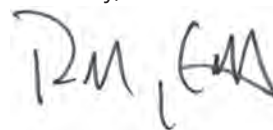
Thank you to all of our customers and employees that contributed to the more than 1,650 items collected during our eleventh annual "Fill-the-Basket" food drive, which helped local food pantries feed those in need.

We kicked-off the thirty-first year of our "We Believe" program, bringing holiday magic to special children. With the support of the community, we were able to put a smile on the faces of area children who may not otherwise get to experience the joy of the holiday season.

By all accounts 2018 was a successful year as we made great progress with both our financial and non-financial goals. Strong growth in our loan and deposit portfolios as well as in our assets under administration in our Wealth Management area, combined with a more rigorous approach to expense management, produced record earnings for your Company. While we are proud of our accomplishments, we are keenly aware that we cannot be satisfied with past results but must continue to find ways to increase profitability and keep up with the incredible pace of change in our industry.

I am appreciative of the support from you, our shareholders, our board of directors and advisory board, our customers, and our staff. Collectively this team is our competitive advantage and I am confident that your board of directors and leadership team will continue to guide our Company consistent with our Core Values and assure you that we will earnestly work to earn your confidence and trust.

Sincerely,

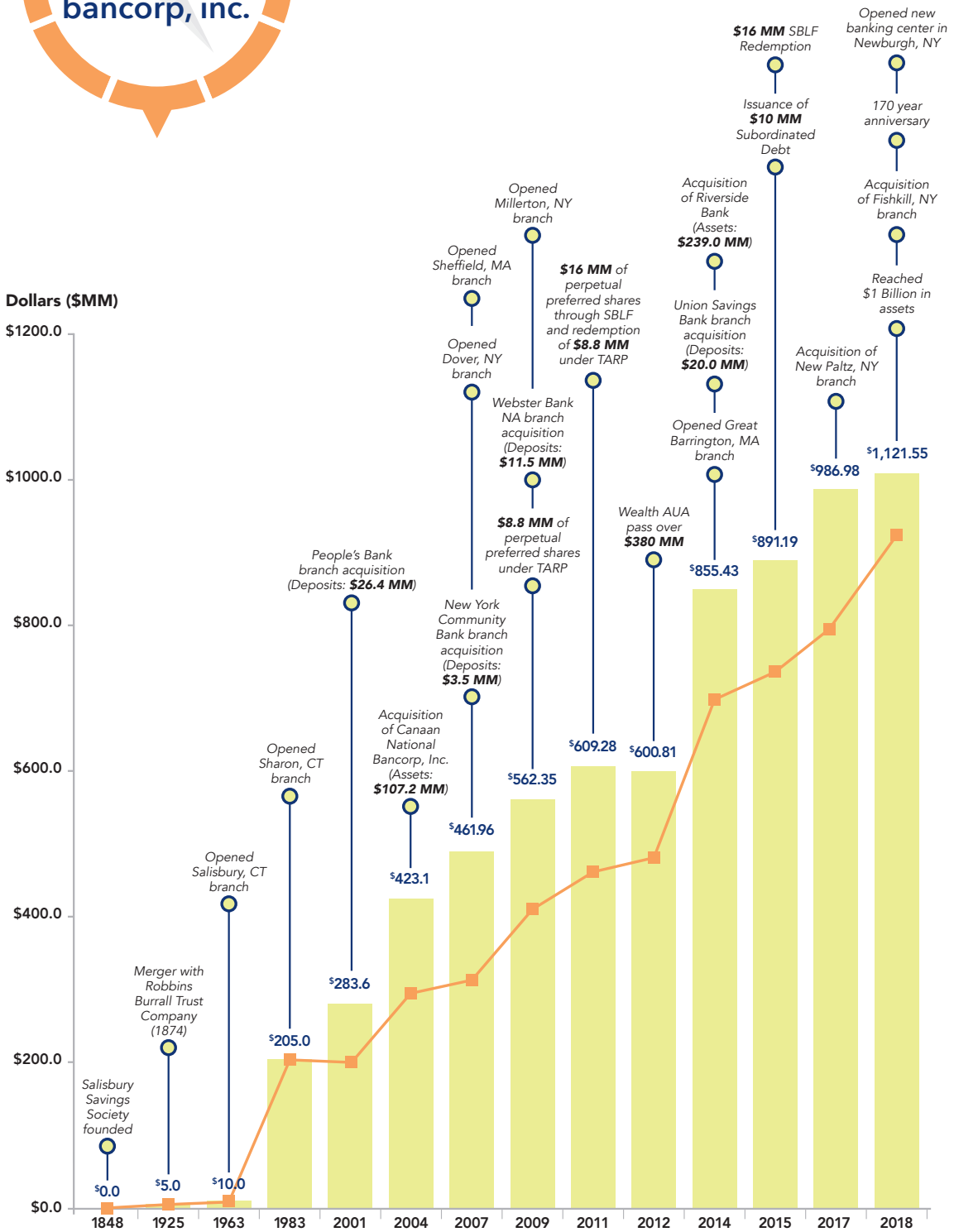


Richard J. Cantele, Jr.

*President and
Chief Executive Officer*



Total Assets ■ **Total Deposits** ■



selected consolidated financial data

(in thousands except ratios and per share amounts) (unaudited)

	2018	2017
Total assets	\$1,121,554	\$986,984
Loans receivable, net	909,279	801,703
Deposits	926,739	815,495
FHLBB advances	67,154	54,422
Shareholders' equity	103,459	97,514
Wealth assets under administration	648,027	610,218
Non-performing assets	8,324	7,354
Net interest and dividend income	33,151	31,283
Net interest and dividend income, tax equivalent	33,620	32,201
Provision for loan losses	1,728	1,020
Income before income taxes	10,533	9,170
Income tax provision	1,709	2,914
Net income	8,824	6,256

Per share data

Basic earnings per common share	\$3.15	\$2.25
Diluted earnings per common share	3.13	2.24
Dividends per common share	1.12	1.12
Book value per common share	36.86	35.01
Tangible book value per common share - Non-GAAP	31.45	29.39

Common shares outstanding at end of period

	2,807	2,785
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Weighted average common shares outstanding, to calculate basic earnings per share

	2,763	2,755
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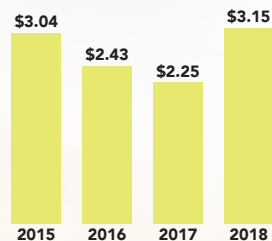
Weighted average common shares outstanding, to calculate diluted earnings per share

	2,780	2,774
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Profitability ratios

Net interest margin (tax equivalent)	3.35%	3.58%
Efficiency ratio (tax equivalent)	69.13%	66.79%
Effective income tax rate	16.23%	31.78%
Return on average assets	0.83%	0.63%
Return on average common shareholders' equity	8.84%	6.42%

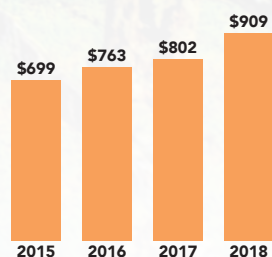
earnings per common share



deposits (in millions)

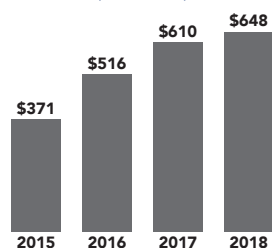


loans receivable, net (in millions)



wealth assets under administration

(in millions)



discover

new possibilities

Supporting the
communities we work
and live in.

2018

206

Number of jobs
we provided in our
community.



\$26,500

Scholarship funding to 13
graduates from local area
high schools.



\$202,832,830

Dollar amount of business loans
we made in our market area to 296
businesses (for the year 2018).



2,500

Non-perishable food
items donated to 14
community pantries
in Connecticut,
Massachusetts, and
New York.



7 + 192

Number of educational seminars
we had through Salisbury Bank
YOUiversity and the number of
community members who attended.





54,400

Number of pounds of personal documents shredded at our 11 FREE Community "Shred" Days.



208

Number of community organizations that we provided monetary support to.



6,044

Number of hours our employees volunteered in our community.



\$241,530

Total paid in municipal property taxes (for the year 2018).



\$83,135,155

Dollar amount of home mortgage loans lent to 283 community members.



SALISBURY BANK

Annual Employee Award Winners

employee of the year

Darrel Long *Vice President, Operations*

Our “Employee of the Year” Award recognized Darrel Long for his commitment to our core values, his leadership, dedication, and service to the community. Darrel joined the Bank in 2004 as Vice President, Operations when Salisbury merged with Canaan National Bank with whom he began his employment in 1999. He is rarely, if ever, seen without a smile on his face and his warm and welcoming personality endears him to all. Darrel consistently challenges the staff while actively supporting and encouraging their development. He is ready and willing to step up and help out whether it is at work or with one of the community organizations he volunteers for, including the Canaan Fire Company, Canaan Foundation, and The Open Door. We are very fortunate to have Darrel on our team. The knowledge and experience he has gained over the past 20 years provides valuable insight and skills to the Bank.



volunteer of the year

Doug Cahill *Vice President, Director of Human Resources*

During 2018, Doug volunteered for six bank-sponsored events. As a community bank, we pledge to support, sponsor and volunteer in the communities we serve. Doug has consistently volunteered for bank sponsored events each year in addition to the volunteer work he does with the Sharon Board of Education and Sharon Day Care. Doug joined Salisbury Bank as Director of Human Resources in August of 2005. He was promoted to Vice President, Director of Human Resources in May of 2014. We sincerely appreciate the volunteer work that Doug does for both the Bank and for the community at large.



president's award

Shelly Humeston *Senior Vice President, Secretary*

On any successfully functioning team, there is always "that" person. There is the person who works tirelessly behind the scenes to make things run right. It takes an individual with many talents and the willingness to do whatever it takes in order for the team to succeed. The person that makes everyone around them look better. The person that rarely gets enough recognition for all they do and at times may even get taken for granted. Shelly Humeston is "that" person in our Company.

Trustworthy, selfless, humble, detail oriented, compassionate, generous, accurate, proud, personally accountable, reliable and thorough are several adjectives that come to mind when describing Shelly.

Shelly is indispensable to our team and is the go-to person whenever anyone on the team needs to know how to do something, why we did something, or where to find something. She ensures that everyone else is getting the things they are supposed to be doing done and done on time. We are lucky to have her on our team.



rookie of the year

Aidan Gilligan *Commercial Credit Department*

Aidan has clearly made an impression in his first year with the Bank as he received multiple nominations for this award. He joined the Commercial Credit Department in February 2018 without any prior banking experience. In a short period of time, his desire and willingness to learn has been evident to not only his supervisors, but to his colleagues to whom he has offered much support. He has a strong sense of "teamwork", likely developed over many years of playing and coaching hockey. We are extremely grateful that Aidan chose to join our team and we look forward to his continued success.



our *customers* say it best...

"Our company's growth requires a bank that understands business. We chose Riverside Bank because they can move swiftly and help us strategically with our ever changing needs."

Dan Teutul

*President & CEO
of Orange County
Ironworks, LLC*



Orange County Ironworks, LLC (OCI), located in Montgomery, New York is one of the nation's leading structural steel fabricators and erectors. Their steel beams are the foundation to some of the tallest, most modern buildings in the New York Metropolitan area. Their ornamental steel creations which include captivating staircases become permanent works-of-art. OCI employs both union and non-union workers and is a Hudson Valley treasure.



HISTORIC
HUGUENOT STREET

"It's their outstanding service and community-focus that sets them apart. I would recommend that other non-profit organizations consider doing their banking with Riverside Bank."


"Unlike big corporate banks that you might come across, Riverside Bank is unique in that they really provide the time and attention to support organizations such as ours with unparalleled care."

Liselle LaFrance

*Executive Director
at Historic
Huguenot Street*

Caitlin Cummings

*Business Manager
at Historic
Huguenot Street*



Historic Huguenot Street is located in New Paltz, NY. As an organization founded in 1894, the site is one of the earliest preservation organizations of its kind in the United States. Today, the 10-acre National Historic Landmark District includes a Visitor Center, seven historic stone houses, a reconstructed 1717 Huguenot church, a replica Munsee wigwam, exhibit and program spaces, archaeological sites, and a burial ground that dates to the very first settlers. Huguenot Street also maintains an extensive archive that preserves early local history collections and family papers, along with a research library.

a pathway to *Success*



COMMUNITY HEALTH PROGRAMS

healthy people • families • communities

"I'd like to tell you about the people at Salisbury Bank. They are an awesome group. It's not only that they are friendly but they work with you, to guide you through the solutions to whatever questions you have. They're competent and readily accessible and seen as a partner. It's comforting to know that they are here for us."

Joseph Law

*Vice President,
Commercial
Loan Officer
at Salisbury Bank*

Amelia (Lia) J. Spiliotes

*Chief
Executive
Officer at CHP*

Community Health Programs, Inc., located in Great Barrington, Massachusetts, offers outstanding medical and dental care for clients of all ages across the Berkshire County region. CHP's "whole person" approach to care for all clients—from infants to elders—also includes behavioral health, nutrition counseling and an array of services to support families and children. CHP has over 33,000 clients and more than 220 employees.

relationships in local banking

"After speaking with several institutions, we realized Salisbury Bank had the services and expertise we needed. Also, we believe in staying local with people we know and trust. We would tell anyone who wants to do business with Salisbury Bank that they listen. They have a breadth of services that satisfy your needs, large and small, and do so in a friendly, welcoming way."



**Henry &
Pam Todd**

*Salisbury Bank
Customers*

Stacey Curtis

*Assistant Vice
President,
Canaan Branch
Manager at
Salisbury Bank*



Bianca Martin
*Assistant Vice
President, Millerton
Branch Manager
at Salisbury Bank*

Mobile Banking

- View balances and transaction history.
- Make transfers between accounts and make loan payments.
- Make bill payments when enrolled in e-Pay.
- Make check deposits on the go.
- Send money directly to friends, family members, or others.
- View and manage personal alerts.
- View your cash flow and track your expenses.
- Find Salisbury Bank ATM and branch locations.
- Temporarily deactivate or activate your Debit Card at any time.

Mobile Wallet

- Carry your debit or credit card information in an app on your smartphone or tablet.
- Use your Salisbury Bank debit card with Apple Pay®, Google Pay®, Masterpass™, and Samsung Pay®.
- Pay for purchases online and at any retailer that accepts mobile payments.
- Fast and convenient.
- Safe and secure.

Debit MasterCard®

- More convenient than cash - use the card for everyday expenses.
- Shop anywhere MasterCard® is accepted.
- Faster and easier than writing a check.
- View all transactions online or on your monthly account statement.
- Get cash from your checking or savings account at any Salisbury Bank ATM and thousands of ATMs worldwide.*
- Get your card instantly when you visit our branch!**

e-Banking & e-Pay

- Transfer funds between your Salisbury Bank accounts or pay your Salisbury Bank loan.
- Set up and manage e-Banking alerts to be notified of account activity.
- Initiate and view stop payments on checks.
- Securely access up to 12 months of account activity 24/7.
- Manage your Overdraft Options.
- Deactivate/Reactivate your Debit Card and/or request a replacement Debit Card.
- Add travel notification requests.
- Add and manage Authorized Users and set up time restrictions.
- View your cash flow and track your expenses.

e-Deposit

- Make deposits directly from the convenience of your office, 24/7 or on the go using your mobile device.
- Save your business time, money, and enhance cash flow.
- Manage your receivables more efficiently.
- Reduce risk of check loss.
- Safe and secure.
- We provide the scanner and assist with your initial set up. No need to purchase, install or maintain software. You may also use this service on your mobile device.

Merchant Services

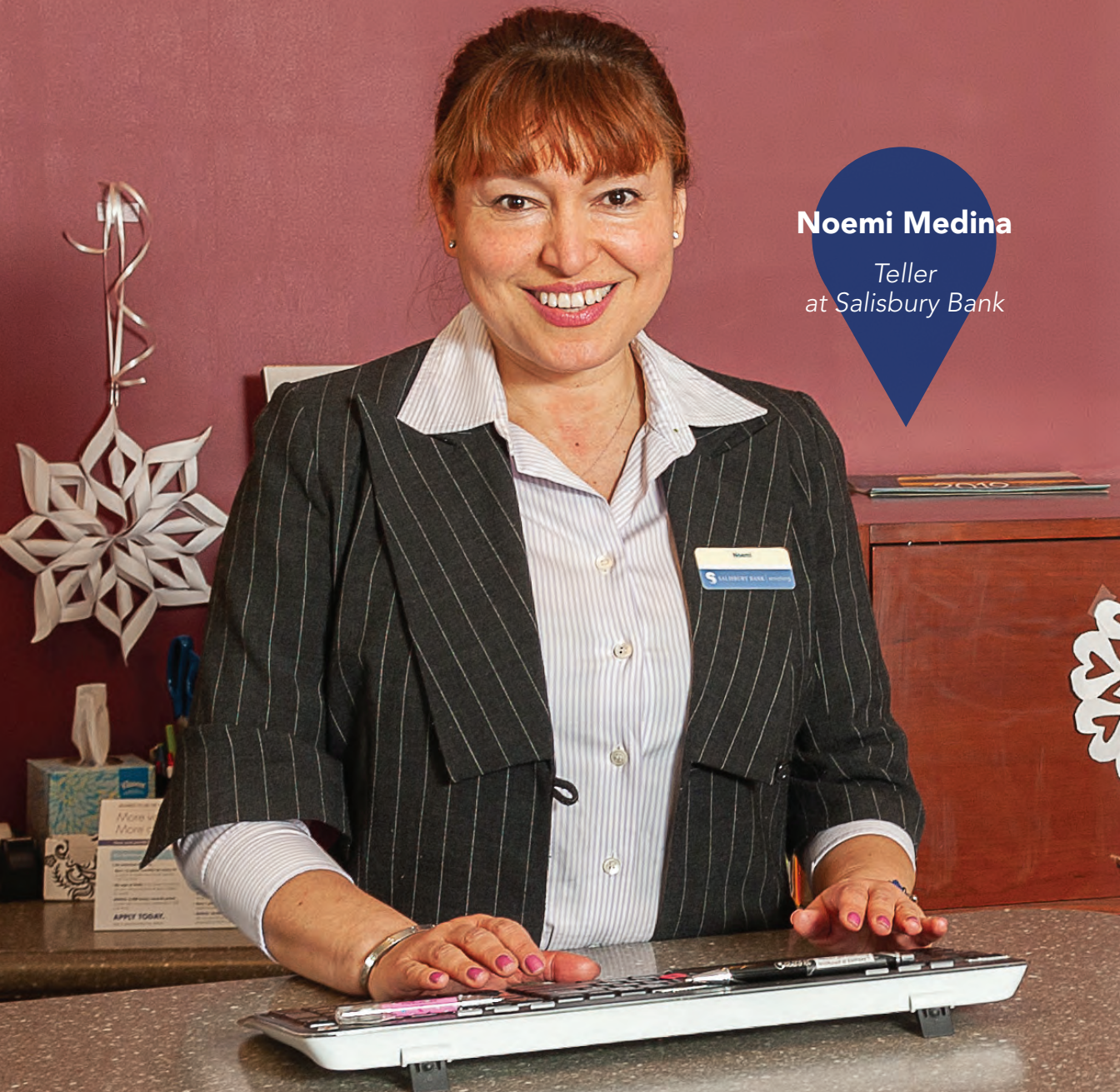
- Accept credit card payments.
- Point of sale systems.
- Mobile processing.
- E-Commerce solutions.
- Payroll solutions.

* Please see our Fee Schedule for fees associated with use of other bank's ATMs and ATM/Debit Card use for International transactions. ** Instant card issuance available at all locations, with the exception of Egremont, Massachusetts; Salisbury, Connecticut; and Red Oaks Mill, New York.

SALISBURY

Noemi Medina

*Teller
at Salisbury Bank*



you'll always

**find a warm
greeting and
helpful advice
at every branch**

Our customers appreciate the relationships they have with our employees and management staff. They know that we're here for them and they are our top priority. There's a trust that's built based on the valued advice and digital banking technology that save you time and money.

We're providing a higher level of customer service, we're engaged and committed to providing every customer with the best banking experience.

discover more...

Stop in to any of our 14 branches located in Connecticut, Massachusetts, and New York.

business banking

regional strength, personal service

Regardless of the type of financing your business requires you'll know we're here to provide you with prompt, personal attention.


It's important that you work with a commercial banking team that listens and knows how to structure the right loan for your needs.

We understand business. We're flexible and experienced, which means each loan is custom tailored to position you for success.

"Let us put you in touch with one of our knowledgeable business banking professionals."

Maria J. Marrero

Loan Administrator
and Analyst at
Riverside Bank, a
Division of Salisbury
Bank and Trust
Company



Salisbury Bancorp, Inc. and Salisbury Bank and Trust Company Board of Directors

Louis E. Allyn II

President, Allyndale Corporation

Charles M. Andola

Owner and President, United Management Consulting, Inc.

George E. Banta

Owner and President, Beekman Arms Properties, Banta Motels and Restaurants

Arthur J. Bassin

Town Supervisor, Ancram, NY

Richard J. Cantele, Jr.

President and Chief Executive Officer, Salisbury Bancorp, Inc. and Salisbury Bank and Trust Company

David B. Farrell

CEO, NAPPI International, Founder of Farrell & Company, LLC

Michael D. Gordon

President, Zimmer Brothers Jewelers

Polly Diane Hoe

Owner and President, Mardi-Bob Management, Inc.

Nancy F. Humphreys

Former Citigroup New York, Citibank, Managing Director and Treasurer of Global Corporate Investment Bank North America (retired)

Holly J. Nelson

Marketing Project Strategist, Omega Institute For Holistic Studies, Rhinebeck, NY, Member and Tour Operator, Iceland Adventure, LLC, Sales and Marketing Director for Iceland Tours and Travel

John F. Perotti

Former Chairman and Chief Executive Officer, Salisbury Bancorp, Inc. and Salisbury Bank and Trust Company (retired 2009)

Michael A. Varet

Chairman, Salisbury Bancorp, Inc. and Salisbury Bank and Trust Company Attorney, Senior Counsel, DLA Piper LLP (US)

Riverside Division Advisory Board

Thomas C. DeBenedictus

Independent Consultant

Ira Effron

Co-Chairman, Efco Products

Austin "Brud" Hodgkins

Senior Partner, The Hodgkins Agency, Insurance Benefits and Estate Planning, CEO & Founder, Indoor Organic Gardens of Poughkeepsie, LLC

Paul S. Hoffner

President, John Herbert Company

Stephen P. Lumb (Chair)

Retired

David S. MacFarland

Former President and Chief Executive Officer, Riverside Bank (retired 2011)

John P. O'Shea

Chairman, Marshall & Sterling Enterprises, Inc.

David E. Petrovits

Founder, Blacktop Maintenance Corp.

Steven R. Turk

President, Rocking Horse Ranch Resort, Splash Down Beach Water Park

Carl S. Wolfson

Attorney



Officers of Salisbury Bancorp, Inc.

Richard J. Cantele, Jr.

President and Chief Executive Officer

Peter Albero

Executive Vice President and Chief Financial Officer

Shelly L. Humeston

Senior Vice President and Secretary

E-Consent

Shareholders may receive annual reports and proxy materials over the internet. To take advantage of the opportunity to receive materials electronically, rather than by mail, individuals who hold stock in their name may enroll for electronic delivery at investor.broadridge.com.

If you have already created a login ID at the above site, just log in and follow the prompts for E-Consent to enroll for electronic delivery of account documents.

If you have not created a login ID and password on the above site, choose "Create Profile". You will need the account number and social security number or tax ID number associated with your Salisbury stock account to create the login. After you have created your login, follow the prompts for E-Consent to enroll for electronic delivery of account documents.

Please note:

- Your consent to electronic delivery is entirely revocable
- You can always vote your proxy by telephone or on the internet whether or not you elect to receive your materials electronically

Shareholders who hold their Salisbury stock through a bank, broker, or other holder of record should refer to the information provided by that entity for instructions on how to elect to view future annual reports and proxy statements over the internet.

Employee Stock Ownership Plan ("ESOP")

ESOP participants who have a company email address and online access will automatically be enrolled to receive the Annual Report, Proxy Statement, and ESOP Vote Authorization Form over the internet unless they choose to opt out by emailing the Secretary at shumeston@salisburybank.com.



Officers of Salisbury Bank and Trust Company

Richard J. Cantele, Jr.
President and
Chief Executive Officer

John M. Davies
President of NY Region,
Chief Lending Officer

Peter Albero
Executive Vice President,
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Stock Symbol: SAL

Salisbury Bancorp, Inc. common stock is traded under the symbol SAL on NASDAQ

For more information:

Visit our website at salisburybank.com and click on "Shareholder Relations", or contact:

Shelly L. Humeston

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Transfer Agent

For shareholder inquiries concerning dividend checks, transferring ownership, address changes, or lost or stolen stock certificates, please contact our transfer agent:

Broadridge Corporate Issuer Solutions, Inc.

P.O. Box 1342
Brentwood, NY 11717-0718
888.520.5817

Dividend Reinvestment and Stock Purchase Plan

For more information and enrollment forms, visit salisburybank.com and click on "Shareholder Relations", or contact:

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SALISBURY BANK

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*Riverside Division Locations

3 states | 14 branches | tri-state service



SALISBURY BANCORP, INC.

Salisbury Bancorp, Inc. is the holding company for Salisbury Bank and Trust Company



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