

SALISBURY BANCORP, INC.

HUMAN RESOURCES AND COMPENSATION COMMITTEE CHARTER

Purpose

The Human Resources and Compensation Committee of the Board of Directors (the “Board”) of Salisbury Bancorp, Inc. (the “Company”) shall assist the Board in the discharge of its fiduciary responsibilities relating to the fair and competitive compensation of the executives and other key employees of the Company and Salisbury Bank and Trust Company (the “Bank”), and in connection with the pension and employee welfare plans, shall:

- Review and approve the Company’s compensation strategy;
- Review and approve the executive compensation programs, plans, and awards;
- Administer any incentive plans and other stock or stock based plans;
- If required by applicable rules and regulations, issue an annual report on executive compensation for inclusion in the Company’s proxy statement; and
- Review and approve general employee pension benefit plans of the Company and other benefit plans on an as needed basis.

Committee Membership

The Human Resources and Compensation Committee shall consist of no fewer than three (3) members of the Board. Members of the Human Resources and Compensation Committee shall be appointed and may be removed by the Board. All members of the human Resources and Compensation Committee shall meet the independence requirements of any exchange on which the Company’s shares are listed and any other legal requirements, including requirements under the federal securities laws for “non-employee directors” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and under the Internal Revenue Code for “outside directors” within the meaning of Section 162(m).

Duties and Responsibilities

1. Executive Compensation

The Committee will:

- Periodically review the Company’s strategy regarding executive compensation and consult with the CEO and/or President relative to different compensation approaches.

- Annually review market data to assess the Company's competitive position for the three components of executive compensation (base salary; annual incentives; and long-term incentives) by reviewing executive compensation of peer companies in the banking industry and by reviewing supplemental general industry compensation information.
- Evaluate the performance of executives against performance objectives established by the Committee and the Board. In discharging its responsibilities, the Committee may consider appropriate factors such as individual, team, business unit, regional and Company-wide performance and results, taking into account shareholder return, economic and business conditions, experience, tenure, remuneration given in the past, and comparative performance levels.
- Administer and make recommendations to the Board regarding the adoption, amendment or rescission of incentive compensation plans and stock-related plans (including specific provisions) in which the CEO and other senior executives and key employees of the Company and the Bank may be participants, including:
 - Approving compensation award guidelines and general size of overall compensation awards;
 - Making grants;
 - Interpreting the Plans;
 - Determining rules and regulations relating to the Plans;
 - Modifying or canceling existing compensation awards;
 - Designating employees eligible to participate in long-term incentive plans; and
 - Imposing limitations, restrictions and conditions upon any incentive compensation award as the Committee deems appropriate.
- Assure that total compensation paid to the Company's and the Bank's executive officers and other key employees is reasonable.
- Assure that any payments under incentive plans are in conformance with any restrictions placed thereon by the Board and shareholders.
- Review recommendations made by the CEO and/or President for the compensation of the Company's and the Bank's principal executives and other key employees.
- If required by applicable rules and regulations, issue a report for inclusion in the Company's proxy statement.

2. CEO Compensation

Annually, the Committee will:

- Review and approve appropriate goals and objectives for the next year, which are then discussed with the entire Board;
- Evaluate the performance of the CEO in meeting those goals and objectives with input from the full Board at year end;
- Approve the compensation level of the CEO based upon this evaluation; and

The Committee will:

- Review and approve any applicable incentive awards for the CEO; and
- Consider the performance of the Company and relative total shareholder return.

The CEO shall not be present during voting or deliberations relating to his or her compensation.

3. President Compensation

Annually, the Committee will:

- Review and approve appropriate goals and objectives for the next year, which are then discussed with the entire Board;
- Evaluate the performance of the President in meeting those goals and objectives with input from the full Board at year end;
- Approve the compensation level of the President based upon this evaluation; and

The Committee will:

- Review and approve any applicable incentive awards for the President; and
- Consider the performance of the Company and relative total shareholder return.

The President shall not be present during voting or deliberations relating to his or her compensation.

4. Review of the general employee pension and employee welfare benefit plans

The Committee will:

- Discharge the ultimate fiduciary responsibilities that reside with the Board for pension and employee welfare plans as defined by the Employee Retirement Income Security Act of 1974 (“ERISA”) sponsored by the Company and the Bank and other majority-owned subsidiaries and render appropriate reports to the Board; and
- Annually review the Plan Administrator’s fiduciary responsibility report on Welfare and Pension Plans.

5. Consultants

The Committee shall have authority to retain consultants of its selection to advise it with respect to the Company’s salary and incentive compensation and benefits programs.

Approved by the Board of Directors on February 29, 2008.