

**TOLL BROTHERS, INC.**  
**Executive Compensation Committee Charter**  
**(As Amended May 28, 2013)**

This Charter has been adopted by the Board of Directors of Toll Brothers, Inc. (the “Company”) to govern its Executive Compensation Committee (the “Committee”), which shall have the authority, responsibility and specific powers described below.

**Purpose**

The Committee’s principal purpose is to discharge the responsibilities of the Board of Directors relating to the compensation of the Company’s officers in accordance with the provisions of this Charter, including establishing the Company’s compensation philosophy and objectives, the Committee’s evaluation of, and approval of or recommendations to the Board of Directors with respect to, the plans, policies and programs relating to the compensation of the Company’s officers, subject to approval of the Company’s stockholders in those instances where stockholder approval is required by applicable laws or regulations of governmental authorities or applicable rules of the New York Stock Exchange (“NYSE”) or any other stock exchange where the Company’s securities are from time to time listed (collectively, “Applicable Requirements”).

**Committee Membership**

The Committee shall consist of the number of members fixed from time to time by the Board of Directors, but shall at all times consist of not less than three members. The Committee shall have a chairperson(s) who shall be appointed by the Board of Directors. Each member of the Committee shall be determined by the Board of Directors to be “independent” under any Applicable Requirement, including any “independence” requirements of the NYSE from time to time in effect and applicable to the Company, and be a “non-employee” director for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and satisfy the requirements of an “outside” director for purposes of Section 162(m) of the Internal Revenue Code of 1986.

The members of the Committee shall be appointed by the Board of Directors. The members of the Committee may be removed, with or without cause, by the Board of Directors.

**Delegation to Subcommittees**

Other than the reports required to be made by the Committee, each of which shall be made by the entire Committee, the Committee may delegate authority to one or more subcommittees. Each such subcommittee shall consist of one or more members of the Compensation Committee.

**Committee Meetings and Reports**

The Committee shall meet at least two times annually, or more frequently as circumstances dictate. As part of its review and establishment of the performance criteria and compensation of designated key executives, the Committee should meet separately at least on an annual basis with the CEO and any other corporate officers, as it deems appropriate. However, the Committee should meet regularly without such officers present. The Executive Chairman and the CEO may not be present during voting or deliberations with respect to determination of his respective compensation.

The Committee shall maintain minutes or other records of its meetings and activities. The Committee shall make regular reports to the Board of Directors.

### **Committee Authority and Responsibilities**

The responsibilities of the Committee set forth in this Charter should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of business, legislative, regulatory, legal or other conditions or changes. The Committee shall also carry out any other related responsibilities and duties delegated to it by the Board of Directors from time to time.

The Committee is empowered, in its sole discretion, to retain or obtain the advice of a compensation consultant, independent legal counsel or other adviser (“consultant” or “compensation consultant”). The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any such consultant. The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any such consultant retained by the Committee. Prior to retaining any consultant, the Committee shall consider the independence of such consultant and any conflicts of interest that could arise, including each of the independence factors set forth in the rules of the New York Stock Exchange. The Committee shall recommend to the Board appropriate extensions or changes in the authority or duties of the Committee. The Committee will annually review the relationship between the Company and each outside compensation consultant to ensure independence and, in connection with such annual independence evaluation, request a written certification from each outside compensation consultant that (i) details the amounts paid by the Company to such consultant in its capacity as an outside compensation consultant to the Committee, the amounts paid by the Company, if any, to such consultant and its affiliates for any other engagements, and the percentage of such consultant’s (and, if applicable, its affiliates’) gross revenues represented by such payments; (ii) includes an independence attestation affirming that such consultant has conducted its own internal assessment and, based on such assessment and its internal controls, concluded that it has performed its services for the Committee in an independent manner; and (iii) confirms such consultant reports to the Committee through the Chairperson of the Committee and all consulting activity for the Company conducted by such consultant during the past year was conducted with the knowledge and consent of the Chairperson of the Committee. The Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors and approve the fees and other terms applicable to the engagement of such advisors.

1. The Committee shall annually review and approve corporate goals and objectives relevant to the compensation of each of the Company’s Executive Chairman of the Board (the “Executive Chairman”) and Chief Executive Officer (the “CEO”), evaluate each of the Executive Chairman’s and the CEO’s performance in light of those goals and objectives, and determine and approve each of the Executive Chairman’s and the CEO’s compensation level based on these evaluations. In determining the long-term incentive component of each of the Executive Chairman’s and the CEO’s compensation, the Committee should consider the Company’s performance and relative stockholder return, the value of similar incentive awards to Executive Chairmen and CEOs at comparable companies, and the awards given to each of the Executive Chairman and the CEO in past years.

2. The Committee shall annually review and approve, for each of the Executive Chairman and the CEO and each of the other executive officers and any other officers recommended by the Board of Directors, as applicable, the following: the annual base salary level; the annual incentive opportunity level, the long-term incentive opportunity level; performance goals which may be applicable to the annual incentive opportunity or the long-term incentive opportunity; the provisions of any employment

agreement, severance arrangement or change-in-control agreement; and any special or supplemental benefits.

3. The Committee shall discuss the results of the shareholder advisory vote on “say-on-pay,” if any, with regard to the named executive officers.

4. The Committee shall make recommendations to the Board of Directors with respect to incentive-compensation plans and equity-based plans.

5. The Committee shall administer all of the Company’s stock-based compensation plans (except to the extent the Board of Directors serves as administrator under such plans), the Senior Officer Bonus Plan, and the Supplemental Executive Retirement Plan, in each case, in accordance with the terms of the plan and in accordance with Applicable Requirements. Notwithstanding the foregoing, to the extent administration of any plans has been delegated by the Board of Directors to the Management Committee for Employee Retirement and Equity Plans, the Committee shall not act as plan administrator.

6. The Committee shall review and make recommendations to the full Board of Directors, or approve, all equity-based awards, including pursuant to the Company’s equity-based plans.

7. The Committee shall review the Company’s regulatory compliance with respect to compensation matters, including, as and when required, approving performance goals and certifying that performance goals have been attained for purposes of Section 162(m) of the Internal Revenue Code.

8. The Committee shall be responsible for (i) reviewing and discussing with management the Compensation Discussion and Analysis (“CD&A”) required to be included in the Company’s proxy statement relating to its annual meeting of stockholders and recommending to the Board of Directors the inclusion of the CD&A in such proxy statement, (ii) reviewing and discussing with management the preparation of other disclosures relating to compensation of executive officers and directors required to be included in such proxy statement; and (iii) preparing the report of the Committee required to be included in such proxy statement, each in accordance with Applicable Requirements.

9. The Committee shall annually evaluate its own performance, including by reviewing the compliance of the Committee with this Charter, and report to the Board of Directors the conclusions of the Committee resulting from such review. In addition, the Committee shall review and reassess the adequacy of this Charter when deemed necessary or appropriate, and, upon the completion of each such review, recommend any proposed changes to the Board of Directors for approval.