

## **TOLL BROTHERS, INC.**

### **Executive Compensation Committee Charter**

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 include the Company’s Compensation and Stock Based Compensation Committee for Key Executives and Non-Employee Directors and its Administrative Subcommittee for the Company’s Stock Based Compensation Plans, which Committee shall have the authority, responsibility and specific powers described below.

#### **Purposes**

The Committee’s principal purposes are (i) 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 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”), and (ii) to produce an annual report on executive compensation for inclusion in the Company’s proxy statement in accordance with 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 two members. The Committee shall have a chairperson(s) who shall be appointed by the Board of Directors. Each member of the Committee shall be a member of the Board of Directors who satisfies any Applicable Requirements, including any “independence” requirements of the NYSE from time to time in effect and applicable to the Company.

The members of the Committee shall be appointed by the Board of Directors. The members of the Committee may be removed by the Board of Directors.

#### **Committee Authority and Responsibilities**

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

The Committee shall annually review and approve, for the CEO and each of the other executive officers, the Vice Chairman 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; the provisions of any employment agreement, severance arrangement or change-in-control agreement; and any special or supplemental benefits.

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

The Committee shall have the sole authority to retain and terminate any compensation consultant retained to assist in the evaluation of the compensation of the Company's directors and officers, including the CEO, and shall have sole authority to approve the fees and other terms applicable to the engagement of each such consultant so retained. The Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

The Committee shall administer the Company's stock option and stock incentive plans (except to the extent the Board of Directors serves as administrator under such plans), the Cash Bonus Plan and the Executive Officer Cash Bonus Plan, in each case, in accordance with the terms of the plan and in accordance with Applicable Requirements.

The Committee shall be responsible for producing an annual report on executive compensation for inclusion in the Company's proxy statement relating to its annual meeting of stockholders in accordance with Applicable Requirements.

The Committee shall make regular reports to the Board of Directors.

The Committee shall review and reassess the adequacy of this Charter annually and, upon the completion of each such review, recommend any proposed changes to the Board of Directors for approval.

The Committee shall annually evaluate its own performance and report to the Board of Directors the conclusions of the Committee resulting from such review.

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

Adopted by the Board of Directors: December 12, 2002

As amended: December 11, 2003