

TOLL BROTHERS, INC.
Audit and Risk Committee Charter
(As Amended March 10, 2015)

Statement of Purpose

The audit and risk committee (the “Committee”) of the Board of Directors of Toll Brothers, Inc. (the “Company”) shall provide assistance to the Board of Directors in fulfilling their responsibilities relating to (1) the quality and integrity of the Company’s financial statements, (2) the Company’s compliance with legal and regulatory requirements, (3) the independent auditor’s qualifications, performance and independence, (4) the performance of the Company’s internal audit function and (5) management of the Company’s significant risks and exposures, including strategic, operational, compliance and reporting risks. In addition, the Committee shall prepare the audit committee report required by the rules of the Securities and Exchange Commission to be included in the Company’s annual proxy statement.

In effecting its purposes, the Committee shall maintain free and open communication among the directors, the independent auditor, the internal auditors and the financial management of the Company.

Committee Membership

The Committee shall be comprised of no fewer than three members, such number of members to be designated by the Board of Directors from time to time, each of whom is determined by the Board of Directors to be “independent” under the rules of the New York Stock Exchange and Rule 10A-3(b)(i) of the Securities Exchange Act of 1934. At least one member of the Committee shall be designated by the Board as an “audit committee financial expert,” as defined in Item 407(d)(5) of the Securities and Exchange Commission’s Regulation S-K, and all members of the Committee shall have a working familiarity with basic finance and accounting practices (or acquire such familiarity within a reasonable period after his or her appointment).

The members of the Committee shall be appointed by the Board on the recommendation of the nominating and corporate governance committee. The Committee members may be removed, with or without cause, by a majority vote of the Board.

The Committee shall have a chairperson who shall be appointed by the full Board of Directors.

Delegation to Subcommittees

The Committee may form and delegate authority to subcommittees when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services; provided that decisions of such subcommittee to grant pre-approvals shall be presented to the full Committee at its next scheduled meeting.

Meetings

The Committee shall meet as often as it determines, but not less frequently than quarterly, and shall report regularly to the Board of Directors. The Committee shall meet separately with each of management, the internal auditors and the independent auditor in separate executive sessions periodically. In addition, the Committee shall meet with the independent auditor and management quarterly to review the Company's financial statements. The Committee shall also meet periodically in separate executive sessions with only members of the Committee present.

The Committee may request any officer or employee of the Company or the Company's outside counsel, independent auditor or such other persons as it deems appropriate to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

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

Committee Duties and Responsibilities

In carrying out its duties and responsibilities, the Committee believes its policies and procedures should remain flexible, in order to best react to changing conditions and to ensure to the directors and shareholders that the corporate accounting and reporting practices of the Company are in accordance with all requirements and are of the highest quality. Accordingly, 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 required or appropriate in light of business, legislative, regulatory, legal or other conditions or changes.

The Committee shall consider and act upon any matters required by law to be acted upon by them and carry out any other responsibilities and duties delegated to it by the Board of Directors from time to time related to the purposes of the Committee outlined under the "Statement of Purpose" section above.

The Committee shall have the authority, to the extent it deems necessary or appropriate to carry out its duties, to retain outside legal, accounting or other advisors to advise the Committee and shall, as appropriate, obtain advice and assistance from such advisors.

The Company must provide for appropriate funding, as determined by the Committee, for payment of (1) compensation to the independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (2) compensation to any outside legal, accounting or other advisors employed by the Committee, and (3) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

In carrying out its duties and responsibilities, the Committee, to the extent it deems necessary or appropriate, will:

Documents/Reports Review

1. The Committee shall meet to review and discuss with management and the independent auditor (i) the Company's annual audited financial statements and quarterly financial statements, (ii) the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations", (iii) the results of the independent auditor's review of the quarterly financial statements, (iv) whether to approve the audited financial statements be included in the Company's Form 10-K and (iv) earnings press releases, including the use of pro-forma or adjusted non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies; provided that such discussion of earnings press releases, financial information and earnings guidance may be general in nature, and the Committee need not discuss in advance each earnings release or each instance in which the Company may provide earnings guidance.

2. Review with the Company's independent auditor any audit problems or difficulties encountered in the course of the audit work and management's response, including any restrictions on the scope of its activities or access to requested information and any significant disagreements with management, and management's response to any difficulties encountered in the course of the auditor's audit work.

3. In consultation with the independent auditor, management and internal auditors, review the integrity of the Company's financial reporting process. In that connection, the Committee must discuss with management, the Company's internal auditor and the independent auditor:

(a) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, the adequacy and effectiveness of the Company's accounting, financial, information technology and internal controls, any recommendations for the improvement of such controls or particular areas where new or more detailed controls or procedures are desirable, any special audit steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting;

(b) analyses prepared by the independent auditor and, as appropriate, management setting forth:

(i) significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of all critical accounting policies and practices to be used,

(ii) the effects of alternative GAAP methods on the financial statements, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor, and

(iii) other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences;

(c) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company; and

(d) the Company's significant risks and exposures, including major financial reporting risks and exposures, the steps management has taken to identify, measure, monitor and control such risks and exposures, and the Company's guidelines, policies and procedures with respect to risk assessment and risk management.

4. Review and discuss with management (including the director of internal audit) and the independent auditor the report of management on the Company's internal control over financial reporting and the independent auditor's attestation of the report prior to the filing of the Company's Form 10-K, in each case at such time that such report and attestation thereto are required by law.

5. Review disclosures made to the Committee by the Company's chief executive officer and chief financial officer during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal control over financial reporting or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal control over financial reporting.

Oversight of the Company's Relationship with the Independent Auditor

6. Be directly responsible for the appointment, compensation, retention, evaluation, termination and oversight of the Company's independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) that has been engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company.

7. Review and evaluate the lead partner of the independent auditor team. Consider issues relating to rotation of lead audit partner.

8. Have a clear understanding with each independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company that such firm must report directly to the Committee, and that the Committee has the ultimate authority in deciding to engage, evaluate, and if appropriate, terminate their services.

9. At least annually, obtain and review with the independent auditor, a report from the independent auditor regarding (a) the independent auditor's internal quality-control procedures, (b) any material issues raised by the most recent quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues and (c), to assess the independent auditor's independence, all relationships between the independent auditor and the Company delineating the nature and scope of all such relationships and professional services. In addition, the Committee shall review the written disclosures and the letter from the independent auditor required by the applicable requirements of the Public Company Accounting Oversight Board

regarding the independent auditor's communications with the Committee concerning independence. The Committee shall also evaluate the qualifications, performance and independence of the independent auditor, including considering whether the independent auditor's quality controls are adequate and the provision of non-audit services is compatible with maintaining the auditor's independence, and taking into account the opinions of management and the internal auditor. The Committee shall present in its conclusions to the Board and, if so determined by the Committee, recommend that the Board take appropriate action to satisfy itself of the qualifications, performance and independence of the independent auditor.

10. Pre-approve, either specifically or, where appropriate, by the establishment of a policy with regard thereto, all audit engagement fees and terms, all internal control-related services and all permitted non-audit engagements (including the terms thereof) with the independent auditor, for non-audit services described in Section 10A(i)(1)(B) of the Securities Exchange Act which are approved by the Committee prior to the completion of the audit. The Committee shall consult with management, but shall not delegate these responsibilities.

11. Set clear hiring policies for employees or former employees of the Company's independent auditor.

12. Discuss with the independent auditor: (a) matters relating to audit quality and consistency, and (b) any issues regarding which the Company's audit team consulted with the independent auditor's national office.

13. Meet with the independent auditor and financial management of the Company as necessary to review or discuss the audit scope for the current year and audit procedures to be utilized; at the conclusion of the audit, review the audit results and approaches and financial information included in the financial statements and discuss the auditor's judgments about the quality, not just the acceptability, of the Company's accounting principles as applied in its financial reporting, including the matters required to be discussed by Auditing Standard No. 16, as adopted by the Public Company Accounting Oversight Board.

14. Request assurance from the independent auditor that Section 10A of the Securities Exchange Act of 1934 has been satisfied.

Oversight of the Company's Internal Audit Department

15. Review and concur with management's appointment, termination, or replacement of the director of internal audit. Review and concur with the performance of the director of internal audit.

16. Review the significant reports to management prepared by the internal auditing department and management's responses.

17. Review the internal audit function of the Company including the independence and authority of its reporting obligations, the proposed audit plans for the coming year and the coordination of such plans with the independent auditor. Discuss with the independent auditor and management the internal audit department responsibilities, budget and staffing and any recommended changes in the planned scope of the internal audit.

18. Receive prior to each meeting, a progress report on the proposed internal audit plan, with explanations for any deviations from the original plan.

Oversight of Risk Management and Other Audit Committee Responsibilities

19. Review and discuss with management (a) the Company's significant risks and exposures, including strategic, operational, compliance and reporting risks and exposures, (b) the steps management has taken to identify, measure, monitor and control such risks and exposures, (c) the Company's guidelines, policies and procedures with respect to risk assessment and risk management and (d) the Company's enterprise-wide risk management framework. Receive reports, as and when appropriate, from management on the results of risk management reviews and assessments. Receive reports on selected risk topics as the Committee deems appropriate from time to time.

20. Investigate any matter brought to its attention within the scope of its duties, with the power to utilize inside or outside counsel, or other persons or entities having special competence as necessary, for this purpose if, in its judgment, that is appropriate.

21. Establish, maintain and periodically review procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

22. Obtain reports from management, the Company's senior internal auditing executives and the independent auditor that the Company and its subsidiaries and affiliated entities are in conformity with applicable legal requirements, the Company's Code of Business Conduct and Ethics and the Company's Code of Ethics for Senior Executive Officers. Review reports and disclosures of affiliated party transactions. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Business Conduct and Ethics and the Company's Code of Ethics for Senior Executive Officers.

23. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports, which raise material issues regarding the Company's financial statement or accounting policies.

24. Discuss with the Company's General Counsel any litigation or other legal matters that may have a material impact on the Company's financial statements or the Company's compliance policies.

Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. The fundamental responsibility of the Company's financial statements and disclosures rests with management

while the independent auditor is responsible for conducting the annual audit in accordance with the standards of the Public Company Accounting Oversight Board.

Annual Performance Evaluation

The Committee shall annually review the Committee's own performance, including by reviewing the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess the adequacy of this charter when deemed necessary or appropriate, and recommend to the Board of Directors any improvements to the charter that the Committee considers necessary or appropriate.