

WALTER INDUSTRIES, INC.
BOARD OF DIRECTORS
EXECUTIVE COMMITTEE CHARTER
Adopted September 13, 2000

Organization

The Executive Committee shall consist of not less than three members, one of whom shall be the Chief Executive Officer of the Company. The Executive Committee shall meet as needed.

Principal Functions

The principal function of the Executive Committee is to exercise the interim powers delegated to the Committee at any time when any matter requires expeditious action by the Board or when it would not be practical for the full Board to meet to review or act upon any matter. In addition, if the Board of Directors expressly provides by resolution, the Executive Committee can declare dividends payable on the securities of the Company during months when the Board is not regularly scheduled to meet or does not meet.

Powers and Duties

The Executive Committee shall have and exercise, during the intervals between meetings of the Board, all the powers and authority vested in the Board of Directors except the following:

- (1) the power or authority to amend the Company's Certificate of Incorporation;
- (2) the power or authority to amend the Company's By-Laws;
- (3) the power or authority to adopt an agreement of merger;
- (4) the power or authority to exchange, consolidate, sell, lease, pledge or exchange all or substantially all of the Company's assets;
- (5) the power or authority to adopt or revoke a plan of dissolution;
- (6) the power or authority delegated to any other committee of the Board of Directors; and

- (7) such other powers or authority as are restricted in the Business Corporation Laws or the By-Laws.

Records and Reports

The Executive Committee shall keep regular minutes of all business transacted at its meetings, and all action of the Committee shall be reported to the Board at its next ensuing meeting. Such action shall be subject to review by the Board, provided that no rights of third parties shall be affected by such review. Minutes of the meetings of the Executive Committee shall be circulated to all members of the Board.