
SAXON CAPITAL, INC.

CHARTER OF THE
EXECUTIVE COMMITTEE

I. COMMITTEE PURPOSE AND AUTHORITY

The Executive Committee (the “Committee”) of the Board of Directors (the “Board”) of Saxon Capital, Inc. (the “Company”) has been created by the Board to function on behalf of the Board during intervals between meetings of the Board when, in the judgment of the Committee, action should be taken on behalf of the Board and it is not feasible or impractical under the circumstances to convene a meeting of the Board, nor to resolve the matter by unanimous written consent. Whenever, in the judgment of the Committee, such conditions exist, the Committee shall have all of the authority and powers that the Board has with respect to those matters, and in all related matters that in the judgment of the Committee are necessary or appropriate to be decided in order to carry out the purposes expressed in this Charter. The Committee shall also have any other authority as may be expressly delegated to the Committee by resolution of the Board from time to time.

II. COMMITTEE MEMBERSHIP; ORGANIZATION

- a) The Committee shall be comprised of three (3) or more members of the Board of Directors, at least two (2) of whom shall be “independent directors”, as that term is defined from time to time by applicable laws and regulations and stock exchange listing requirements and rules.
- b) The Committee may from time to time, by resolution, form one or more subcommittees, and delegate matters within its authority to such subcommittees at the discretion of the Committee.
- c) The Committee shall have the authority to retain, at the Company’s expense, such outside counsel, experts, and other advisors as it deems necessary in connection with matters within the Committee’s authority.

III. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

The Committee shall:

- a) Meet as necessary to exercise the authority and powers granted in Article I of this Charter on behalf of the Board.
- b) Perform at least annually an evaluation of the Committee's performance to determine whether it is functioning effectively.
- c) Review at least annually the adequacy of this Charter and recommend any proposed changes to the Board for approval.
- d) The Committee shall report its actions to the Board and keep written minutes of its meetings that shall be recorded and filed with the books and records of the Company.

IV. MEETINGS OF THE COMMITTEE

- a) The Committee shall meet as necessary, and as a result, no minimum number of meetings is established.
- b) A majority of the members of the Committee shall constitute a quorum for all matters, and a majority vote of the members in attendance when the applicable vote is taken shall be necessary for any action of the Committee.
- c) Any meeting of the Committee may be held in person, or by telephone or other means allowing each member in attendance to hear all other attending members.
- d) Any action that could be taken by the Committee at a duly convened meeting may be taken by setting forth such action in a unanimous written consent signed by each member of the Committee.
- e) The Committee may request any other Directors, members of management, legal counsel or others to attend its meetings.