

## **D.R. Horton, Inc.**

### **Charter of the Nominating and Governance Committee of the Board of Directors** (Amended and Restated December 1, 2004)

#### **I. Purpose**

The Nominating and Governance Committee (the "Committee") of the Board of Directors of D.R. Horton, Inc. (the "Company" or "D.R. Horton") shall provide assistance to the Board of Directors (the "Board") in fulfilling its responsibility to the stockholders by:

- Identifying individuals qualified to become directors, consistent with criteria approved by the Board and recommending to the Board for selection the candidates for directorships to be filled by the Board or by the stockholders;
- Developing and recommending to the Board a set of corporate governance principles applicable to the Company; and
- Overseeing the evaluation of the Board and management.

#### **II. Structure and Operations**

##### *Composition and Qualifications*

The Committee shall be comprised of two or more members of the Board, each of whom has been determined by the Board to be "independent" in accordance with the rules of the New York Stock Exchange and any other applicable legal or regulatory requirement.

##### *Appointment and Removal*

The Board shall elect the members of the Committee at the Board meeting ("Annual Board Meeting") that is held immediately after the annual meeting of the stockholders of the Company, and each Committee member shall serve until the date of the next Annual Board Meeting, unless he or she resigns, is removed or replaced or otherwise ceases to be a director or a member of the Committee prior to such date, in which event the Board may appoint another director of the Company to fill the resulting vacancy for his or her unexpired term. Furthermore, if for any reason the Board does not elect the members to the Committee at an Annual Board Meeting, the directors who then comprise the Committee will continue to serve as members of the Committee until the Board takes action to elect new members of the Committee. The Board may remove or replace a member of the Committee at any time.

The Board shall elect one member of the Committee to act as chairperson of the Committee (the "Chairperson"). Such member shall act as Chairperson until the next Annual Board Meeting unless he or she resigns, is removed or replaced or otherwise ceases to be a director of the Company or a member of the Committee prior to such Annual Board Meeting, in which event the Board shall appoint another member of the Committee to serve as Chairperson for his or her unexpired term. The Chairperson shall preside over all meetings of the Committee. In addition, the Chairperson shall periodically report the Committee's findings and conclusions to the Board. The Board may remove or replace the Chairperson at any time.

### *Delegation to Subcommittees*

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee and, to the extent not expressly reserved to the Committee by the Board or by applicable law, rule or regulation, to any other committee of directors of the Company appointed by it, which may or may not be composed of members of the Committee.

### **III. Meetings**

The Committee shall ordinarily meet at least two times annually, or more frequently as circumstances dictate. Any member of the Committee may call meetings of the Committee.

A majority of the members of the Committee shall constitute a quorum, unless only two members comprise the Committee, in which case both members will be needed to constitute a quorum. The act of a majority of the members of the Committee in attendance in person or by conference call at a meeting at which a quorum is present shall constitute the act of the Committee.

Any director of the Company who is not a member of the Committee may attend meetings of the Committee; provided, however, that any director who is not a member of the Committee may not vote on any matter coming before the Committee for a vote. The Committee also may invite to its meetings any member of management of the Company and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may meet in executive session, as the Committee deems necessary or appropriate.

### **IV. Responsibilities and Duties**

The following functions shall be the common recurring activities of the Committee in carrying out its purpose set forth in Section I of this Charter. These functions 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 changing business, legislative, regulatory, legal or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purpose of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern within the purpose of the Committee that the Committee deems appropriate or necessary and shall have the sole authority to retain and terminate outside counsel or other experts for this purpose, including the authority to approve the fees payable to such counsel or experts and any other terms of retention.

### *Board Composition and Evaluation*

To fulfill its responsibilities and duties, the Committee shall:

- (1) Recommend to the Board criteria for the selection of new directors to serve on the Board.
- (2) Identify individuals believed to be qualified as candidates to serve on the Board, including qualified individuals nominated by stockholders, based on criteria adopted by the Board and recommend the qualified candidates for directorships to the Board to be filled by the Board or by the stockholders at an annual or special

meeting. In addition, the Committee will review and may make recommendations to the Board whether members of the Board should stand for re-election. It may also consider matters relating to the retirement of Board members.

(3) If the Committee determines it to be necessary, the Committee shall have sole authority to retain and to terminate any search firm to be used to assist it in identifying candidates to serve as directors of the Company, including sole authority to approve the fees payable to such search firm and any other terms of retention.

(4) At least annually, and as circumstances otherwise dictate, oversee evaluation of the Board of Directors.

#### *Corporate Governance*

(5) Periodically review the charter and composition of each committee of the Board and make recommendations to the Board for the adoption of or revisions to the committee charters, the creation of additional committees or the elimination of Board committees.

(6) Develop and recommend to the Board a set of corporate governance principles and guidelines and keep abreast of developments with regard to corporate governance to enable the Committee to make recommendations to the Board in light of such developments as may be appropriate.

#### *Reports*

(7) Report regularly to the Board (i) following meetings of the Committee, (ii) with respect to such other matters as are relevant to the Committee's discharge of its responsibilities, and (iii) with respect to such recommendations as the Committee may deem appropriate. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make such report.

(8) Maintain minutes and other records of meetings and activities of the Committee, as appropriate under Delaware law.

### **V. Stockholder Nominations or Recommendations for Nomination of Candidates for Director**

Any stockholder may submit a nomination for director by following the procedures outlined in Article II, Section 3 of the Bylaws. In addition, stockholders may also recommend, without a formal nomination, candidates for director for consideration by the Committee. The Committee will consider all candidates nominated or recommended by stockholders on the same basis as candidates identified through other means. Stockholders wishing to recommend candidates must give notice to the Committee no more than 150 days and no less than 120 days prior to the anniversary date of the Proxy Statement for the last annual meeting of stockholders. All director candidates shall, at a minimum, possess the qualifications for director set forth in the Corporate Governance Principles and other criteria approved by the Board. Each notice must set forth (1) the name and mailing address of such stockholder, (2) number of shares beneficially owned by such stockholder, (3) the name, age, business address and residence address of each candidate, (4) the number of shares of Common Stock, if any, beneficially owned by each candidate and (5) all other information relating to such person that is required to be disclosed in the solicitations for proxies for election of directors under the applicable rules and regulations of the Securities and Exchange Commission and the New York Stock Exchange. The Committee may request additional information to assist in the evaluation of the candidacy of such person.

## **VI. Annual Performance Evaluation of the Committee**

The Board shall conduct an annual performance evaluation of the Committee. This evaluation will be conducted by the Board in one or more separate sessions at which members of the Committee shall not be in attendance. After completing its annual performance evaluation of the Committee, the Board or a representative thereof shall review such evaluation or a summary thereof with members of the Committee.

## **VII. Review and Reassessment of the Charter**

The Committee shall review and reassess at least annually the adequacy of this Charter and shall recommend any changes it deems appropriate to the Board.