

**DIAMOND HILL FUNDS
NOMINATING AND ADMINISTRATION COMMITTEE CHARTER**

(Adopted November 7, 2002)

Nominating and Administration Committee Membership

The Nominating and Administration Committee shall be composed entirely of independent trustees.

Board Nominations and Functions

1. The Committee shall make nominations for independent trustee membership on the Board of Trustees. The Committee shall evaluate candidates' qualifications for Board membership and their independence from the Funds' manager and other principal service providers. Persons selected must be independent in terms of both the letter and the spirit of the Investment Company Act of 1940 (the "1940 Act"). The Committee shall also consider the effect of any relationships beyond those delineated in the 1940 Act that might impair independence, e.g., business, financial or family relationships with managers or service providers.
2. The Committee shall periodically review Board governance procedures and shall recommend any appropriate changes to the full Board of Trustees.
3. The Committee shall periodically review the composition of the Board of Trustees to determine whether it may be appropriate to add individuals with different backgrounds or skill sets from those already on the Board.
4. The Committee shall periodically review trustee compensation and shall recommend any appropriate changes to the independent trustees as a group.

Committee Nominations and Functions

1. The Committee shall make nominations for membership on all committees and shall review committee assignments at least annually.
2. The Committee shall review as necessary the responsibilities of any committees of the Board, whether there is a continuing need for each committee, whether there is a need for additional committees of the Board, and whether committees should be combined or reorganized. The Committee shall make recommendations for any such action to the full Board.

Other Powers and Responsibilities

1. The Committee shall monitor the performance of legal counsel employed by the Funds, and shall be responsible for the supervision of counsel for the Funds.
2. The Committee shall have the resources and authority appropriate to discharge its responsibilities, including authority to retain special counsel and other experts or consultants at the expense of the appropriate Fund(s).
3. The Committee shall review this Charter at least annually and recommend any changes to the full Board of Trustees.