

**DIAMOND HILL FUNDS
POLICY REGARDING SHAREHOLDER SUBMISSION
OF TRUSTEE CANDIDATES**



Diamond Hill Funds (the “Trust”) is owned by the Trust’s shareholders and is operated under the direction and oversight of the Trust’s Board of Trustees for the benefit of these shareholders.

The Nominating and Governance Committee of the Trust’s Board of Trustees and the Board of Trustees: (i) consider whether it is necessary and appropriate, in light of current regulatory, contractual, or business requirements, to add additional or substitute Trustees to the Trust’s Board of Trustees; and (ii) base any nominations for Trustee on criteria set forth in a Statement of Policy attached hereto as Exhibit A.

Shareholders of the Trust wishing to present one or more candidates for Trustee of the Trust for consideration by the Nominating and Governance Committee of the Trust’s Board of Trustees may do so by submitting a signed written request to the Trust’s Secretary, as follows:

Secretary
Diamond Hill Funds
325 John H. McConnell Blvd., Suite 200
Columbus, Ohio 43215

Each signed written request shall contain the following information:

- (a) Name and address of the shareholder (or if a group of shareholders, the names and addresses of each member of the group of shareholders) submitting the candidate(s);
- (b) The number of shares owned by the shareholder (or group of shareholders) submitting the candidate(s);
- (c) The Fund or Funds of the Trust which are the issuer(s) of these shares;
- (d) If the shares are owned indirectly through a broker or other record owner, the name(s) of such broker or other record owner;
- (e) Whether the shareholder (or if a group of shareholders, each member of the group) and the candidate or candidates that the shareholder is proposing consent to being identified in any proxy statement utilized in connection with the election of Trustees;
- (f) The name or names of the candidate(s) for Trustee that the shareholder is proposing, together with comprehensive and

appropriate background information about the candidate(s) to permit an evaluation against the criteria set forth in the Statement of Policy attached hereto as Exhibit A; and

- (g) A representation that the candidate or candidates are willing to provide additional information about themselves, including assurances as to their independence, that the Nominating and Governance Committee of the Board of Trustees may request.

EXHIBIT A

STATEMENT OF POLICY ON CRITERIA FOR SELECTING TRUSTEES

The Nominating and Governance Committee of the Board of Trustees of the Trust has adopted this Statement of Policy to memorialize its views as to the appropriate criteria for selecting Trustees of the Trust. This Statement of Policy has been prepared in connection with filling Trustee vacancies that may arise in the future.

The Committee expects that candidates for Trustee will have the following characteristics:

- All candidates for Trustee shall have unquestioned personal integrity.
- An Independent Trustee candidate may not be an “interested person” of the Trust within the meaning of the Investment Company Act of 1940, as amended. Among other things, beneficial ownership of any securities issued by any of the Trust’s investment adviser (or its affiliates), or any sub-investment advisers (or their affiliates), by the candidate (or any spouse or dependent of the candidate) disqualifies a person from being considered as an Independent Trustee candidate.
- An Independent Trustee candidate (and any spouse or dependent of such candidate) should have no material relationship that could create an appearance of lack of independence in respect of the Trust, the Trust’s affiliates, or the Trust’s principal service providers. Material relationships can include (among others) commercial, industrial, banking, consulting, legal, accounting, charitable, and familial relationships.
- All candidates for Trustee (and any spouse or dependent of such candidate) should have no affiliation, including board service, with competing financial service organizations or their related mutual fund complexes.
- All candidates for Trustee need the disposition to act independently in fact in respect of the Trust’s investment adviser(s) and other affiliates. It is expected that Trustees will play an active and, if necessary, an adversarial role in pursuing the best interests of the Trust and its shareholders.
- All candidates for Trustee need to have demonstrated sound business judgment gained through broad experience in significant positions where the candidate has dealt with management, technical, financial, and/or regulatory issues.

- All candidates for Trustee should have sufficient financial or accounting knowledge to understand the complex financial environment of the Trust.
- All candidates for Trustee need the capacity for the hard work and attention to detail that is required to be an effective Trustee in light of the Trust's complex regulatory, operational, and marketing setting.
- All candidates for Trustee should be prepared to devote a substantial amount of time preparing for and participating in Board and Board committee meetings and participating in continuing education and training sessions for Trustees.

The Committee may determine that a candidate for Trustee who does not have the type of previous experience or knowledge referred to above nevertheless shall be considered as a Trustee nominee if the Committee finds that the candidate has additional qualifications such that the candidate's qualifications, taken as a whole, demonstrate the same level of fitness to serve as other current or proposed Trustees.

The following characteristics are *desirable* for a Trustee candidate, but are not mandatory:

- The candidate should have the ability to serve 15 years. Currently, the Trust has a mandatory 15-year term limit.
- The candidate should have diversity of interests, as evidenced by participation in community, charitable, educational, or other similar activities.
- The candidate should have experience in the financial services industry.
- The candidate should have recent experience on corporate or other institutional oversight bodies, or regulatory experience in connection with such corporate or institutional oversight bodies. This experience helps assure that the candidate has other exposure to current governance issues and business practices. An Independent Trustee candidate, however, should not have board memberships or other relationships that could result in business, management, regulatory, or other conflicts with the Trust.

The following are *desirable* characteristics of the Trustees as a group:

- The Trustees will be drawn generally from the ranks of respected and accomplished senior business, professional, non-profit, or community leaders.
- The Trustees will strive to achieve diversity.

- The Trustees as a whole should reflect a diversity of business experience. It is preferable that at least one Independent Trustee qualifies as an “audit committee financial expert,” as such term is defined by forms or rules under the Investment Company Act of 1940, as amended. The Committee will strive to achieve a balance of experience of Trustees with respect to management roles and other experience.
- For each candidate, the Committee will evaluate specific experience in light of the makeup of the current Board.