



Erie Insurance Seeks to Reduce Rates for Married Drivers

ERIE, Pa. --- April 22, 1999 --- Erie Insurance Group has filed with nine jurisdictions to lower rates for married drivers between the ages of 45 and 69. The proposed rate decrease will result in an overall 2.4 percent premium decrease totaling about \$25 million. This rate filing is subject to approval by each state's insurance department.

Erie Insurance policyholders will realize the reduction as their policies renew on or after October 1, 1999. The reduction only applies to vehicles that have a "rated" or assigned driver who is married and between ages 45 and 69. Married drivers ages 45-49 and 65-69 who are the rated driver will receive a 7.5 percent decrease on select coverages. Married, rated drivers ages 50 to 64 will receive a 15 percent reduction on select coverages. Individual premiums will vary according to coverages and limits selected.

To date, Erie Insurance has filed the rate reduction in the District of Columbia and eight of the 10 states in which the company operates, including: Pennsylvania, Ohio, New York, Indiana, Illinois, West Virginia, Maryland, and Tennessee.

"Through this rate reduction we will pass along savings to a select group of drivers, who have the most favorable experience," said Stephen A. Milne, President and Chief Executive Officer of Erie Insurance Group. "This reduction is in The ERIE's spirit of providing the best possible insurance at the lowest possible price. It will ensure that we remain the competition."

Known for competitive rates and superior service, Erie Insurance was established in 1925 and is headquartered in Erie, Pa. With nearly 2.5 million policyholders, Erie Insurance Group is the 17th largest property/casualty insurance group, and group member Erie Insurance Exchange is the 12th largest insurer of private passenger automobiles in the country. Erie Insurance Group includes seven companies operating in 10 states and the District of Columbia. Erie Indemnity Company (NASDAQ - ERIE) is the management company for Erie Insurance Group.