



Erie Insurance Announces Lower Rates for Ohio Drivers

Erie, Pa. --- November 1, 1999 -- Most Ohio drivers insured by Erie Insurance will see a reduction in their private passenger auto insurance premiums. Recently approved by the Ohio Department of Insurance, the overall statewide effect of the change is a decrease of 6.4 percent totaling \$5.9 million.

Current Erie Insurance policyholders are realizing the PERC reduction as their policies renew on or after October 1, 1999. Individual premium changes will vary according to coverages and limits selected.

The Pioneer Experience Rating Credit (PERC) rewards long-term customers for their safe driving records. Policyholders insured by Erie Insurance for three or more years who have the best claims records will be eligible for the PERC discount.

Many adults will see an additional reduction as well. Vehicles that have a "rated" or assigned driver who is married and between ages 45 to 49 and 65 to 69 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. Unmarried rated drivers ages 45 to 64 will see a five percent rate reduction.

"Our favorable experience in Ohio has allowed us to pass along these savings to our policyholders. This reduction is in The ERIE's spirit of providing the best possible insurance at the lowest possible cost," said Stephen A. Milne, President and Chief Executive Officer of Erie Insurance Group.

Erie Insurance is the 10th largest writer of private passenger automobile insurance in Ohio with more than 113,500 policies in force.

Known for competitive rates and superior service since 1925, Erie Insurance Group is the 16th largest property/casualty insurer in the United States based on surplus and has more than 2.6 million policyholders. Group member Erie Insurance Exchange is the 13th largest auto insurer in the

country. Erie Indemnity Company (NASDAQ - ERIE) is the management company for Erie Insurance Group, which includes seven companies operating in 10 states and the District of Columbia. The ERIE provides a complete line of auto, home, business and life insurance through more than 1,250 independent insurance agencies.