



## **Erie's 401(k) Plan Adds Employer Stock Fund**

Erie, Pa. -- Feb. 20, 1997 --- Erie Indemnity Company (Nasdaq: ERIE), the management company for Erie Insurance Group, today announced an enhancement to the company's 401(k) plan for employees, which will permit plan participants to invest a portion of the plan's contributions in shares of Erie Indemnity Class A common stock.

The addition of an employer stock fund to the Erie Insurance Group Employee Savings (401[k]) Plan was approved on February 18, 1997 by the Executive Committee of the Erie Indemnity Company Board of Directors. The Plan's Trustee will be authorized to buy Erie Indemnity Company Class A shares on behalf of 401(k) plan participants. This enhancement will be effective May 8, 1997.

Erie Indemnity Company is the principal management company for the member companies of the Erie Insurance Group, which includes the Erie Insurance Exchange, Flagship City Insurance Company, Erie Family Life Insurance Company, Erie Insurance Company, the Erie Insurance Property and Casualty Company and the Erie Insurance Company of New York.

Erie Insurance Exchange, based in Erie, Pennsylvania, is the 12th largest insurer of private passenger automobiles and the 23rd largest property and casualty insurer in the United States. Erie Insurance Group operates in nine states and the District of Columbia.