



Erie Insurance Policyholders in Virginia May See Savings

Erie, Pa. -- June 19, 1998 -- Virginia residents insured with Erie Insurance Group may be paying less for personal auto insurance coverage as a result of rate changes that are scheduled to go into effect on July 1, 1998.

The reduced rate comes as a result of a statewide premium decrease of 4.1 percent and an increase in the Company's "Multi-Policy Discount," from 5 percent to 10 percent on both preferred and standard automobile insurance policies Erie Insurance writes in Virginia. The multi-policy discount means that when policyholders insure both a car and a home with Erie Insurance they will qualify for a 10 percent discount on their auto insurance. These policyholders also receive a 5 percent discount on their homeowners insurance.

According to Stephen A. Milne, President and Chief Executive Officer of the Erie, Pennsylvania-based insurer, "these changes are in The ERIE's spirit of providing the best possible insurance for the lowest possible price." Current ERIE policyholders will realize the discounts at their next policy renewal.

Erie Insurance is the 12th largest insurer of private passenger automobiles and the 24th largest property/casualty insurer in the United States. In Virginia, where the

Company has branch offices in Richmond and Roanoke, Erie Insurance is the 7th largest insurer of private passenger automobiles and the 11th largest writer of homeowners insurance.

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, Erie Insurance Property and Casualty Company and the Erie Insurance Company of New York.