

ERIE INDEMNITY COMPANY

**CHARTER
of
EXECUTIVE COMPENSATION & DEVELOPMENT
COMMITTEE**

**Adopted, as revised,
by the Board of Directors
on February 21, 2008**

Erie Indemnity Company

Executive Compensation & Development Committee

Charter

The Executive Compensation & Development Committee (the “Committee”) shall be a committee comprised of members of the Board of Directors (the “Board”) of Erie Indemnity Company (the “Company”).

Composition; Appointment of Committee Members

The Board shall appoint annually the Committee which shall consist of not less than three (3) Directors, each of whom shall meet the standards set forth in the Company’s Bylaws. Members of the Committee shall also meet the requirements of an “independent director” as that term is defined under Rules of the NASDAQ Stock Market®. The members of the Committee shall serve at the pleasure of the Board.

Committee Chairperson; Operations

The Board shall designate one member of the Committee as the Committee’s chairperson. The Committee shall meet in person or telephonically at least three (3) times a year at a time and place determined by the Committee chairperson, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or advisable by the Committee or its chairperson.

Scope of Committee’s Responsibilities

The Committee shall have the following responsibilities, as well as any other responsibilities that may be conferred upon it from time-to-time by the Board:

1. In consultation with management, establish the Company’s general policies relating to executive compensation, and oversee the development and implementation of compensation and succession programs.
2. On a regular basis review the position description of the Company’s Chief Executive Officer (“CEO”) to ensure that it accurately reflects the position’s duties and responsibilities.
3. Review and approve the goals and objectives relevant to the compensation of the CEO, evaluate the CEO’s performance in light of those goals and objectives, and recommend the salary and amount and/or structure and objectives related to the CEO’s over-all short term and long term compensation package for Board review and approval.
4. Assess and recommend to the Board the competitiveness and appropriateness of the salaries, variable compensation, short and long term incentive plan awards, terms of employment, non-qualified retirement plans, severance benefits, and perquisites of the CEO and Executive Vice Presidents of the Company and any others as the Committee and the Board deem are needed, in addition to other

named executives as required by rules of the Securities and Exchange Commission and the Listing Standards of any securities exchange on which the Company's securities may be listed ("Executive Officers").

5. Review and recommend to the Board for its approval all contractual employment relationships with the CEO and other Executive Officers.
6. Review and make recommendations to the Board with respect to the adoption, amendment and termination of the Company's management incentive compensation plans, oversee the administration of those plans, and discharge any duties imposed on the Committee by any of those plans.
7. Review and make recommendations to the Board with respect to Board of Directors' compensation.
8. Review management's long-range planning for executive development and succession. In consultation with the CEO, develop a CEO and Executive Officer succession plan for review and approval by the Board.
9. Approve the Committee's annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations.
10. Regularly report to the Board regarding the Committee's activities.
11. Regularly undertake a self-assessment process to ensure the accomplishment of its intended purposes.

Resources and Authority

The Committee shall have the resources and authority necessary to properly and timely discharge its duties and responsibilities, including the authority to select, retain and terminate special counsel or other experts or consultants, and approve any necessary and appropriate fees and other retention terms of such special counsel or other experts or consultants, as it deems appropriate, without seeking approval of the Board or management. In fulfilling its responsibilities, the Committee may delegate such functions, as it deems appropriate, to management or advisers, so long as no actions are taken that would materially increase the costs to the Company without the Committee's prior approval.

Amendment of Charter

This Charter is subject to periodic review and amendment by the Board of Directors.