

ERIE INDEMNITY COMPANY
POLICY WITH RESPECT TO
RELATED PERSON TRANSACTIONS

The Board of Directors of Erie Indemnity Company (the "Company") acting upon the recommendation of its Nominating and Governance Committee (the "Committee") has adopted the following policy and procedures with respect to the review and approval of all transactions involving the Company and a related person (the "Policy").

Definitions

A "**related person**" means:

- An executive officer of the Company who is required to report transactions in the Company's securities under Section 16 of the Securities Exchange Act of 1934 (the "Exchange Act");
- A director of the Company or a nominee for election as a director of the Company;
- A holder known to the Company of 5% or more of the Company's Class A common stock or Class B common stock;
- An immediate family member of any person listed above;
- Any entity, other than the Company and its subsidiaries, that is owned or controlled by a person listed above or in which any such person has a substantial ownership interest; and

A "**related person transaction**" is a transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which (i) the Company or any of its subsidiaries was, is or will be a participant, (ii) the amount involved exceeds \$120,000 and (iii) the related person had, has or will have a direct or indirect material interest. A related person transaction shall not include:

- Transactions available generally to all employees or stockholders of the Company;
- Any compensatory transaction that is consistent with the plans, policies and decisions approved by the Company's Board of Directors; or

- Any transaction not required to be disclosed in the Company's filings with the Securities and Exchange Commission (the "SEC") pursuant to Item 404 of Regulation S-K.

An "**immediate family member**" means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law of the person and any person, other than a tenant or employee, sharing the same household as that person.

Policy Statement and Procedures

The Committee recognizes that related person transactions present a heightened risk of conflicts of interest or create the appearance of conflicts of interest, and therefore has adopted this Policy in connection with all related person transactions involving the Company or any related person.

- Within the first 60 days after the commencement of each fiscal year, the Committee shall conduct a meeting. At such meeting, a reasonably detailed report of each proposed related person transaction during such fiscal year and the terms on which such transaction is proposed to be conducted. After review of the material terms of any such transactions, the Committee shall approve or disapprove each such transaction for the current fiscal year.
- In the event there arises thereafter during such fiscal year any other related person transaction or any change to a previously approved related person transaction, such transaction or change to a previously approved transaction shall be presented to the Committee for approval or disapproval.

Information To Be Provided Regarding a Related Person Transaction

Management shall provide to the Committee the following information to the extent known to management regarding a related person transaction presented to the Committee for approval or disapproval:

- The related person's relationship to the Company or any subsidiary and the nature of such related person's interest in the transaction; and
- The material facts regarding the transaction, including the proposed or actual aggregate value of the transaction and, to the extent known, the amount of such related person's interest.

Disclosure of Related Person Transactions and This Policy

The Company shall disclose, as required by the Securities Act of 1933 or the Exchange Act and related rules and regulations, all related person transactions that are required to be disclosed.

The material features of this Policy shall be disclosed in the Company's Form 10-K, Annual Report or in the Company's Proxy Statement for its Annual Meeting of Stockholders, as required by applicable laws, rules and regulations.

This Policy adopted at a meeting of the
Board of Directors of Erie Indemnity Company
held on February 22, 2007

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