

Erie Insurance Group Property/Casualty Affiliates Retain A.M. Best's A+ (Superior) Financial Strength Rating

Erie Family Life Insurance Company also affirmed as A (Excellent)

(Erie, Pa.) June 25, 2010 - A.M. Best has affirmed that the property/casualty affiliates of Erie Insurance Group have a Best's rating of A+ (Superior). A.M. Best Co. is the leading authority on insurance companies. The affirmed rating keeps Erie Insurance Group in the highest category (Superior) for financial strength. Erie Family Life Insurance Company also had its Best's rating of A (Excellent) affirmed. The rating outlooks are stable for all companies.

"We are pleased that our continued outstanding operating and financial condition has once again been acknowledged by A.M. Best," said Terrence W. Cavanaugh, president and chief executive officer. "We're proud to offer a high level of service and financial protection people know they can count on, particularly during challenging economic times."

A.M. Best cited many positive reasons for ERIE's affirmed ratings, including the Company's superior risk-adjusted capitalization, strong long-term operating performance and well established regional market presence. A.M. Best Co. also acknowledged that ERIE's commitment to service contributed to its financial strength, stating: "The group benefits from the strength of its balance sheet, its high service reputation and agency partnering approach, which helps to strengthen agency loyalty." A.M. Best further noted that despite challenging economic conditions, the group's underwriting results remained profitable due to the Company's pricing sophistication, market segmentation and technology enhancements. A.M. Best stated that ERIE "maintains prudent risk management capabilities and continues to enhance its effective enterprise risk management process, which identifies, measures and monitors existing and emerging risks."

Erie Indemnity Company provides management services to the member companies of Erie Insurance Group, which includes Erie Insurance Exchange, Flagship City Insurance Company, Erie Insurance Company, Erie Insurance Property and Casualty Company, Erie Insurance Company of New York and Erie Family Life Insurance Company.

According to A.M. Best Company, Erie Insurance Group, based in Erie, Pennsylvania, is the 14th largest automobile insurer in the United States based on direct premiums written and the 18th largest property/casualty insurer in the United States based on total lines net premium written. The Group, rated A+ (Superior) by A.M. Best Company, has over 4.1 million policies in force and operates in 11 states and the District of Columbia. Erie Insurance Group ranks 484 on the FORTUNE 500.

Erie Insurance earned <u>J.D. Power and Associates</u>' award for "Highest in Customer Satisfaction with the Auto Insurance Shopping Experience." This recognition is based on the results of the <u>2010 Insurance Shopping Study</u>, which evaluates the experience of customers purchasing a new auto insurance policy. Erie Insurance has also been recognized on the list of Ward's 50 Group of top performing insurance companies. The Ward's 50 award analyzes the financial performance of 3,000 property and casualty companies and 800 life-health insurance companies and recognizes the top performers for achieving outstanding financial results in safety and consistency over a five-year period (2004-2008).

CONTACT:
Megan Euston
Erie Insurance
1-800-458-0811 ext. 7154 or
814/870-7154
megan.euston@erieinsurance.com