

ERIE INDEMNITY COMPANY

EXECUTIVE COMPENSATION AND 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 AND APPOINTMENT OF THE EXECUTIVE COMPENSATION & DEVELOPMENT COMMITTEE

The Committee shall consist of not less than three Directors who are not officers or employees of the Company or of any entity controlling, controlled by, or under common control with the Company and who are not beneficial owners of a controlling interest in the voting securities of the Company. 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 be appointed by the Board. Members shall serve at the pleasure of the Board.

COMMITTEE STRUCTURE AND OPERATIONS

The Board shall designate one member of the Committee as its chairperson. The Committee shall meet in person or telephonically at least three 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 desirable by the Committee or its chairperson.

SCOPE OF THE EXECUTIVE COMPENSATION & DEVELOPMENT COMMITTEE'S RESPONSIBILITIES

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. Review and approve the objectives relevant to the Chief Executive Officer's ("CEO") compensation, evaluate the CEO's performance in light of those goals and objectives, establish and recommend the CEO's compensation level for Board review;
3. 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 such other named executives as required by rules of the Security and Exchange Commission or the listing Standards of the NASDAQ Stock Market®;
4. 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 and discharge any duties imposed on the Committee by any of those plans;
 5. Review and make recommendations to the Board with respect to Board of Directors' compensation;
 6. 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 recommendation to the Board;
 7. Approve the Committee's annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations;
 8. Regularly report to the Board regarding the Committee's activities;
 9. Regularly undertake a self-assessment process to ensure the accomplishment of its intended purposes; and
 10. The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve any necessary and appropriate fees and other retention terms of special counsel or other experts or consultants, as it deems appropriate, without seeking approval of the Board or management.

RESOURCE AND AUTHORITY

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

December 3, 2004