

PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION



QUARTERLY STATEMENT  
AS OF JUNE 30, 2022  
OF THE CONDITION AND AFFAIRS OF THE  
ERIE INSURANCE EXCHANGE

NAIC Group Code 213 213 NAIC Company Code 26271 Employer's ID Number 25-6038677  
(Current Period) (Prior Period)  
Organized under the Laws of the State of PENNSYLVANIA State of Domicile or Port of Entry PENNSYLVANIA  
Country of Domicile U.S. Incorporated \_\_\_\_\_ Commenced Business April 20, 1925  
Statutory Home Office 100 Erie Insurance Place Erie, PA 16530  
(Street and Number) (City or Town, State and Zip Code)  
Main Administrative Office 100 Erie Insurance Place Erie, PA 16530 814-870-2000  
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)  
Mail Address 100 Erie Insurance Place Erie, PA 16530  
(Street and Number) (City or Town, State and Zip Code)  
Primary Location of Books and Records 100 Erie Insurance Place Erie, PA 16530 814-870-2000  
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)  
Internet Website Address www.erieinsurance.com  
Statutory Statement Contact Jorie Lee Novacek 814-870-2000 x4248  
(Name) (Area Code) (Telephone Number) (Extension)  
Jorie.Novacek@erieinsurance.com 814-870-4040  
(E-Mail Address) (Area Code) (Fax Number)

DIRECTORS+

John Ralph Bormann, Jr.	Eugene Charles Connell	Salvatore Correnti	LuAnn Datesh
Jonathan Hirt Hagen, Vice Chair	Thomas Bailey Hagen, Chairman	Charles Scott Hartz	Brian Arden Hudson, Sr.
George Raymond Lucore	Thomas Warren Palmer	Elizabeth Ann Vorsheck	

+The individuals listed are directors of Erie Indemnity Company, a Pennsylvania business corporation which acts as attorney-in-fact for the Subscribers of Erie Insurance Exchange.

EXECUTIVE OFFICERS\*

President & Chief Executive Officer:	Timothy Gerard NeCastro	Executive Vice President & Chief Financial Officer:	Gregory John Guting
Executive Vice President, Secretary & General Counsel:	Brian William Bolash#	Executive Vice President:	Lorianne Feltz
Executive Vice President & Chief Information Officer:	Parthasarathy Srinivasa#	Executive Vice President:	Douglas Edward Smith

.....  
Senior Vice President & Chief Actuary: Robert John Zehr  
Senior Vice President & Controller: Jorie Lee Novacek#  
Senior Vice President & Chief Investment Officer: Ronald Steven Habursky  
Vice President & Corporate Treasurer: Robert Wayne McNutt

\*The individuals listed are officers of Erie Indemnity Company, a Pennsylvania business corporation which acts as attorney-in-fact for the Subscribers of Erie Insurance Exchange.

State of Pennsylvania / SS  
County of Erie

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions* and *Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Timothy Gerard NeCastro President & CEO	Brian William Bolash Executive Vice President, Secretary & General Counsel	Gregory John Guting Executive Vice President & CFO

Subscribed and sworn to before me this 5<sup>th</sup> day of August, 2022.

Commonwealth of Pennsylvania - Notary Seal  
Julie Elizabeth Oborski, Notary Public  
Erie County  
My commission expires August 31, 2025  
Commission number 1407081

(a) Is this an original filing? Yes (X) No ()  
(b) If no: (i) State the amendment number:  
(ii) Date filed:  
(iii) Number of pages attached:

STATEMENT AS OF JUNE 30, 2022 OF THE ERIE INSURANCE EXCHANGE

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	10,803,295,998		10,803,295,998	11,053,488,710
2. Stocks:				
2.1 Preferred stocks .....	35,925,379		35,925,379	58,326,219
2.2 Common stocks .....	4,530,794,457		4,530,794,457	5,501,935,079
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens.....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances) .....	29,291,554		29,291,554	29,183,420
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....	6,378,708	6,378,708		
4.3 Properties held for sale (less \$ ..... encumbrances) .....				
5. Cash (\$ .....( 159,345,557) ), cash equivalents (\$ .....685,893,668 ) and short-term investments (\$ .....7,287,490 ) .....	533,835,601		533,835,601	757,308,513
6. Contract loans (including \$ ..... premium notes) .....				
7. Derivatives .....	7,593,000		7,593,000	13,261,000
8. Other invested assets .....	2,150,416,656	22,888,360	2,127,528,296	1,915,642,969
9. Receivables for securities .....	64,644,315		64,644,315	36,556,837
10. Securities lending reinvested collateral assets .....	909,314,263		909,314,263	1,062,245,683
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	19,071,489,931	29,267,068	19,042,222,863	20,427,948,430
13. Title plants less \$ ..... charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	94,660,026	177,718	94,482,308	91,068,509
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	233,760,234	20,684,555	213,075,679	156,817,895
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	1,955,565,634		1,955,565,634	1,769,996,895
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	2,557,236		2,557,236	1,895,861
16.2 Funds held by or deposited with reinsured companies .....	4,225,029		4,225,029	4,140,029
16.3 Other amounts receivable under reinsurance contracts .....				63,357
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....	147,957,530		147,957,530	47,412,439
18.2 Net deferred tax asset .....				
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....	7,955,521	5,900,701	2,054,820	2,863,512
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	2,604,512	2,604,512		
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....	640,927		640,927	4,586,724
24. Health care (\$ ..... ) and other amounts receivable .....				
25. Aggregate write-ins for other than invested assets .....	12,449,984	9,535,949	2,914,035	1,945,644
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	21,533,866,564	68,170,503	21,465,696,061	22,508,739,293
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. Total (Lines 26 and 27)	21,533,866,564	68,170,503	21,465,696,061	22,508,739,293
DETAILS OF WRITE-INS				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)				
2501. Premium Tax Credits and Other .....	1,882,995		1,882,995	875,369
2502. Equities & Deposits in Pools and Associations .....	1,031,040		1,031,040	1,070,275
2503. Prepaid Disbursements .....	9,535,949	9,535,949		
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	12,449,984	9,535,949	2,914,035	1,945,644

STATEMENT AS OF JUNE 30, 2022 OF THE ERIE INSURANCE EXCHANGE

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ .....1,404,318,015 ) .....	4,730,036,500	4,354,014,856
2. Reinsurance payable on paid losses and loss adjustment expenses .....		
3. Loss adjustment expenses .....	783,584,862	737,600,424
4. Commissions payable, contingent commissions and other similar charges .....	339,394	
5. Other expenses (excluding taxes, licenses and fees) .....	9,308,763	12,102,684
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	7,057,943	42,167,561
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)) .....		
7.2 Net deferred tax liability .....	132,947,989	368,329,315
8. Borrowed money \$ .....1,527,481 and interest thereon \$ ..... .....	1,527,481	251,546,648
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ .....218,313,117 and including warranty reserves of \$ ..... and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act) .....	3,438,573,200	3,171,099,442
10. Advance premium .....	87,576,086	61,520,808
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....	7,497,302	8,121,688
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	120,798,057	110,373,801
13. Funds held by company under reinsurance treaties .....	232,377	227,702
14. Amounts withheld or retained by company for account of others .....	47,701,494	59,617,561
15. Remittances and items not allocated .....	513,524	751,124
16. Provision for reinsurance (including \$ ..... certified) .....	2,176,000	2,176,000
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		
18. Drafts outstanding .....		
19. Payable to parent, subsidiaries and affiliates .....	2,481,289	1,886,652
20. Derivatives .....		
21. Payable for securities .....	98,156,419	63,800,363
22. Payable for securities lending .....	909,303,287	1,062,245,683
23. Liability for amounts held under uninsured plans .....		
24. Capital notes \$ ..... and interest thereon \$ ..... .....		
25. Aggregate write-ins for liabilities .....	517,512,241	456,081,276
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	10,897,324,208	10,763,663,590
27. Protected cell liabilities .....		
28. Total liabilities (Lines 26 and 27) .....	10,897,324,208	10,763,663,590
29. Aggregate write-ins for special surplus funds .....		
30. Common capital stock .....		
31. Preferred capital stock .....		
32. Aggregate write-ins for other than special surplus funds .....		
33. Surplus notes .....		
34. Gross paid in and contributed surplus .....		
35. Unassigned funds (surplus) .....	10,568,371,853	11,745,075,703
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ ..... ) .....		
36.2 ..... shares preferred (value included in Line 31 \$ ..... ) .....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) .....	10,568,371,853	11,745,075,703
38. Totals (Page 2, Line 28, Col. 3) .....	21,465,696,061	22,508,739,293
DETAILS OF WRITE-INS		
2501. Compensation Due Attorney-In-Fact .....	517,512,241	456,081,276
2502. ....		
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) .....	517,512,241	456,081,276
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....		
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above) .....		
3201. ....		
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page .....		
3299. Totals (Lines 3201 through 3203 plus 3298)(Line 32 above) .....		

STATEMENT AS OF JUNE 30, 2022 OF THE ERIE INSURANCE EXCHANGE

STATEMENT OF INCOME

	1	2	3
	Current Year to Date	Prior Year to Date	Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ .....2,583,794,142 )	2,523,314,496	2,527,486,825	5,018,736,748
1.2 Assumed (written \$ .....1,833,588,542 )	1,612,628,816	1,386,829,804	2,873,906,229
1.3 Ceded (written \$ .....271,309,943 )	257,344,330	244,272,066	493,690,626
1.4 Net (written \$ .....4,146,072,741 )	3,878,598,982	3,670,044,562	7,398,952,351
<b>DEDUCTIONS:</b>			
2. Losses incurred (current accident year \$ .....2,838,541,498 ):			
2.1 Direct	1,852,627,464	1,344,254,285	3,222,413,642
2.2 Assumed	1,265,831,146	847,354,418	2,011,801,458
2.3 Ceded	174,947,027	123,052,131	292,214,167
2.4 Net	2,943,511,583	2,068,556,572	4,942,000,934
3. Loss adjustment expenses incurred	408,602,920	328,910,932	720,065,810
4. Other underwriting expenses incurred	1,125,013,600	1,044,021,388	2,056,636,451
5. Aggregate write-ins for underwriting deductions	1,364,461	1,266,992	1,471,405
6. Total underwriting deductions (Lines 2 through 5)	4,478,492,564	3,442,755,883	7,720,174,599
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	(599,893,582)	227,288,679	(321,222,248)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	320,025,479	275,794,533	662,922,761
10. Net realized capital gains (losses) less capital gains tax of \$	(24,091,959)	471,305,440	635,688,713
11. Net investment gain (loss) (Lines 9 + 10)	295,933,520	747,099,973	1,298,611,474
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ .....7,557,182 amount charged off \$ .....33,045,999 )	(25,488,817)	(8,852,719)	(16,397,194)
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income	44,886	572,612	607,785
15. Total other income (Lines 12 through 14)	(25,443,931)	(8,280,107)	(15,789,409)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(329,403,993)	966,108,545	961,599,817
17. Dividends to policyholders	3,099,966	4,746,629	9,881,290
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(332,503,957)	961,361,916	951,718,527
19. Federal and foreign income taxes incurred	(73,730,720)	104,649,429	73,777,646
20. Net income (Line 18 minus Line 19)(to Line 22)	(258,773,237)	856,712,488	877,940,881
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	11,745,075,703	10,743,918,530	10,743,918,530
22. Net income (from Line 20)	(258,773,237)	856,712,488	877,940,881
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....(229,679,266)	(841,738,806)	127,680,711	211,585,712
25. Change in net unrealized foreign exchange capital gain (loss)	(73,446,153)	(48,966,440)	(81,709,538)
26. Change in net deferred income tax	5,702,060	2,324,210	6,606,590
27. Change in nonadmitted assets	(8,447,714)	(6,473,740)	(11,164,472)
28. Change in provision for reinsurance			(2,102,000)
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	(1,176,703,850)	931,277,229	1,001,157,173
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	10,568,371,853	11,675,195,759	11,745,075,703
<b>DETAILS OF WRITE-INS</b>			
0501. LAD Program Expense	1,364,461	1,266,992	1,471,405
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. Totals (Lines 0501 through 0503 plus 0598)(Line 5 above)	1,364,461	1,266,992	1,471,405
1401. Miscellaneous Income – Reinsurance	49,019	334,751	398,022
1402. Miscellaneous Income	1,883	199	13,402
1403. Unidentified Claims Reimbursements		71,729	124,753
1498. Summary of remaining write-ins for Line 14 from overflow page	(6,016)	165,933	71,608
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	44,886	572,612	607,785
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. Totals (Lines 3701 through 3703 plus 3798)(Line 37 above)			

STATEMENT AS OF JUNE 30, 2022 OF THE ERIE INSURANCE EXCHANGE

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance .....	3,934,572,786	3,778,468,007	7,577,704,120
2. Net investment income .....	340,301,836	318,010,802	703,889,806
3. Miscellaneous income .....	(15,827,102)	(12,703,786)	(26,435,827)
4. Total (Lines 1 to 3) .....	4,259,047,521	4,083,775,024	8,255,158,100
5. Benefit and loss related payments .....	2,568,151,315	1,967,394,590	4,392,178,576
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7. Commissions, expenses paid and aggregate write-ins for deductions .....	1,465,129,723	1,405,836,257	2,768,990,048
8. Dividends paid to policyholders .....	3,724,352	5,249,660	10,515,637
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	26,814,372	131,117,420	292,063,582
10. Total (Lines 5 through 9) .....	4,063,819,761	3,509,597,927	7,463,747,843
11. Net cash from operations (Line 4 minus Line 10) .....	195,227,760	574,177,096	791,410,257
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	2,352,460,608	2,323,961,087	4,049,118,357
12.2 Stocks .....	1,094,773,771	1,761,409,962	2,687,964,244
12.3 Mortgage loans .....			
12.4 Real estate .....			96,514,977
12.5 Other invested assets .....	126,430,435	119,448,025	284,245,563
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	(45,289)	(369,062)	(431,979)
12.7 Miscellaneous proceeds .....	250,208,733	177,459,359	98,713,900
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	3,823,828,257	4,381,909,371	7,216,125,062
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	2,379,241,047	2,663,031,862	5,039,966,749
13.2 Stocks .....	1,103,364,583	1,346,842,787	2,095,403,360
13.3 Mortgage loans .....			
13.4 Real estate .....	535,819	3,351,380	4,905,673
13.5 Other invested assets .....	312,012,911	266,904,056	637,579,856
13.6 Miscellaneous applications .....	28,460,771	122,602,983	31,424,142
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	3,823,615,131	4,402,733,068	7,809,279,780
14. Net increase (or decrease) in contract loans and premium notes .....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	213,126	(20,823,697)	(593,154,719)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....			
16.2 Capital and paid in surplus, less treasury stock .....			
16.3 Borrowed funds .....	(250,019,167)	(18,536)	(37,386)
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....			
16.5 Dividends to stockholders .....			
16.6 Other cash provided (applied) .....	(168,894,631)	100,565,429	(88,102,386)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	(418,913,798)	100,546,893	(88,139,772)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) ..	(223,472,912)	653,900,292	110,115,766
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	757,308,513	647,192,747	647,192,747
19.2 End of period (Line 18 plus Line 19.1) .....	533,835,601	1,301,093,039	757,308,513

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001. Transfer of investments from other invested assets to bonds .....	2,131,954		
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