

# **Erie Insurance Group Employee Savings Plan Summary Plan Description**

## **Introduction**

Set up in accordance with Section 401(a), 401(k) and 402A of the Internal Revenue Code, the Erie Insurance Group Employee Savings Plan (the “Plan” or “Employee Savings Plan”) offers you the opportunity to save for retirement on a before-tax basis or an after-tax basis. In addition, Erie Indemnity Company (“ERIE” or the “Company”) will help you prepare for a secure retirement by making an employer matching contribution for Plan participants who contribute to the Plan. Participation in the Plan is voluntary.

This Summary Plan Description (SPD) for the Plan does not supersede or otherwise alter the actual Plan provisions, which in all cases are the final authority. If any provision of this SPD conflicts with the actual terms or provisions of the Plan, as applicable, the terms and provisions of the Plan shall control. The Plan, programs, practices, policies, and processes may be amended, changed or terminated by the employer at any time without prior notice to, or consent by, participants. This SPD does not constitute a contract of employment between the employer and any individual, or an obligation by the employer to maintain any particular benefit program, practice, policy or process.

Here are some highlights of the Plan:

- As a covered Employee of ERIE or an affiliate of ERIE that has adopted the Plan, you can contribute up to 100 percent of your base pay, each pay date (up to the IRS maximum allowable 401(k) contribution for the year).
- You can choose to have your contribution be either before-tax (tax-deferred contribution) or after-tax (Roth elective deferral).
- ERIE contributes \$1.00 for every \$1.00 you contribute each pay date, up to three percent of your base pay, plus \$.50 for every \$1.00 you contribute each pay date up to the next two percent of your base pay.
- You have full and immediate vesting, which means that the money in your account, including ERIE’s employer matching contributions and investment earnings (or losses), belong to you from the time you first participate in the Plan.
- You can invest in any combination of the Plan’s funds, including all of them at the same time. The funds include core funds, ready-mixed asset allocation funds and a self-directed brokerage option.
- You can choose completely different investment elections for your Employee contributions and ERIE’s contributions.

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- If you meet the criteria for immediate and heavy financial need, you can borrow from your account with a participant loan or request a hardship withdrawal for certain uses.
- Information about your account is available virtually 24 hours a day by calling the Erie Insurance Group Retirement Service Center at 1.877.208.0969 or online through NetBenefits at <http://netbenefits.fidelity.com>. You can use these resources to check your account balances and investment elections, to make changes to your account and to get general information about the Plan, including the latest rates of return for the Plan's funds.
- In addition to being able to check updated values for your account balances every business day, you will receive quarterly statements of your account.
- Fidelity Investments®, which provides full trustee, investment and record keeping services for the Plan, also provides educational information through enrollment materials, Fidelity Viewpoints® Articles, NetBenefits, other publications and occasional workshops.

Your future financial security and that of your family are important to you. Looking ahead and saving now can provide financial security during your retirement years. At ERIE, we think your future security is important too. That's why we sponsor the Employee Savings Plan. By offering you certain tax advantages, the Employee Savings Plan helps you build your long-term savings.

This is a summary plan description of the Employee Savings Plan. It is only a summary of the Plan. You may obtain a copy of the Plan document (including amendments) from the Plan Administrator. If there is a conflict between this summary plan description and the Plan document (including amendments), the Plan document and any amendments will govern.

### **Eligibility**

A full-time Employee of ERIE, or of an affiliate of ERIE that has adopted the Plan, is eligible to participate in the Plan on the first day of any future pay period provided by enrolling through NetBenefits. Regular part-time Employees of ERIE or an adopting affiliate of ERIE are eligible to participate on the same basis. These Employees will be emailed enrollment materials that have complete participation information from Fidelity Investments within a few weeks following their dates of hire. Unless the Employee otherwise elects, he or she will automatically be enrolled in the Plan, as further summarized in the Contributions section below. Part-time Employees, who are not regular part-time Employees, will become eligible to participate in the Plan on January 1<sup>st</sup> or July 1<sup>st</sup> following one year of service (1,000 hours of service) with ERIE or affiliates and the attainment of age 21 or on January 1<sup>st</sup> following three (two, effective January 1, 2025) consecutive eligibility computation periods (500 hours of service each year) and the attainment of age 21. These part-time Employees will receive enrollment materials following their completion of these requirements. Employees whose employment is governed by the terms of a collective bargaining agreement and persons who are determined by ERIE to be leased employees, contract workers or persons working under similar classifications (even if such individuals

are later determined to be common law employees), are not eligible to participate in the Plan. Affiliates of ERIE that have adopted the Plan are listed at the end of this summary plan description.

## **Beneficiary Information**

You must designate one or more beneficiaries when you enroll in the Plan. Only beneficiary designations made through Fidelity NetBenefits system will be deemed valid. Federal law and the Plan provide that if you are married, your spouse is automatically deemed to be your primary beneficiary. If you would like someone other than your spouse, or in addition to your spouse, as your primary beneficiary, your spouse must sign the Beneficiary Designation Form to consent to your designation. Your spouse's signature must be witnessed by a notary public in accordance with applicable IRS guidance. Note that for purposes of this rule, if you are in a same-sex marriage, the Plan will recognize your same-sex marriage and treat your spouse as your primary beneficiary if federal law, applicable for purposes of this Plan, would treat your same-sex spouse as a spouse. You can change your beneficiary at any time online through NetBenefits at <http://netbenefits.fidelity.com>.

## **Contributions**

There are two sources of contributions to the Plan: Employee contributions and employer safe harbor matching contributions. For any given pay period you may choose to make your Employee contributions as tax-deferred contributions or as Roth elective deferrals. However, you cannot choose to make both kinds of contributions during the same pay period.

**Tax-Deferred Contributions:** Employee tax-deferred contributions are contributions deducted from your base pay before any federal income taxes are withheld. (Contributions will still be subject to applicable federal FICA taxes and may be subject to state and local income taxes.) Your contributions and their earnings will remain tax-deferred until you withdraw them.

**Roth Elective Deferrals:** Roth elective deferrals are Employee contributions deducted from your pay after federal income taxes are withheld. (These contributions will also be subject to applicable federal FICA taxes and may be subject to state and local income taxes.) The earnings on your Roth elective deferrals will remain tax-deferred until you withdraw them and may entirely escape federal income tax if paid as a qualified Roth distribution.

Both Employee tax-deferred contributions and Roth elective deferrals to the Plan will be made through convenient payroll deductions. The amount you have chosen to contribute to the Plan will be deposited in your account in the Employee Savings Plan's trust fund. Contributions will be invested in the investment funds you have selected.

Each pay date, you can contribute any whole percentage up to 100 percent of your base pay, less applicable tax withholding, to the Employee Savings Plan as a tax-deferred contribution or a Roth elective deferral. Regardless of the percentage you elect, your Employee contributions will automatically stop if you reach the

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maximum Employee 401(k) contribution amount allowed by the IRS for the year. Both tax-deferred contributions and Roth elective deferrals count toward this maximum contribution amount.

Your contributions up to five percent of your base pay are eligible for ERIE's employer safe harbor matching contribution described later. For purposes of the Plan, your base pay does not include overtime, bonuses, commissions, severance pay, or any form of special or extraordinary compensation but it does include Form W-2 income paid as a lump sum in lieu of merit increase and pre-tax contributions you elect to make to this Plan and ERIE's Pre-Tax Payment Plan.

The money you save on current income taxes by making tax-deferred contributions to the Plan can actually leave you with more take-home pay than if you had put the same amount into a taxable savings account, as shown in the following example.

**Saving on your own:** If you made \$60,000 and paid federal income taxes of 22 percent (\$13,200) and then saved 5% of your base pay per month (\$3,000) you would take home \$43,800.

**Saving through the plan (tax-deferred contributions):** If you made \$60,000 and put 5% of your base pay into your Plan account (\$3,000) your taxable income would be \$57,000 22 percent in federal income tax would now be \$12,540 and you would take home \$44,460. **Increase in take-home pay - \$ 660.**

This hypothetical example is for illustration purposes only. Federal taxes, and in most cases state taxes, on your tax-deferred contributions will be based on the tax rates in effect at the time you withdraw them from your Plan account. In some cases, state and local taxes on tax-deferred contributions are applied in the year in which you make these contributions.

If you chose to save by making after-tax Roth elective deferrals to the Plan, your take-home pay in the example would be similar to saving on your own. However, the earnings on your Roth elective deferrals would remain tax-deferred until you withdraw them and might entirely escape federal income tax if paid out as a qualified Roth distribution.

Your total contributions cannot exceed an amount specified by federal law in any calendar year (\$23,500 in 2025), not counting any catch-up contributions you may be eligible to make (see "Catch-Up Contributions"). This amount will be adjusted from time to time as permitted by law.

ERIE has adopted an automatic enrollment feature for the Plan. This feature applies to any eligible Employee who is hired as a full-time Employee or as a regular part-time Employee after February 28, 2013. If you are subject to the auto-enrollment feature, here is how it works: You will be provided with a notice (in writing or electronically) of your eligibility to enroll in the Plan. If, within 30 days of your receipt of the notice, you do not make an affirmative election to enroll in the Plan, you will be automatically enrolled in the Plan at a tax-deferred contribution level equal to 5% of your base pay. This automatic enrollment takes effect beginning with the pay

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period following the end of this 30-day period. If you wish to avoid auto-enrollment in the Plan, you must affirmatively enroll in the Plan within the 30-day period you receive the notice. If you affirmatively enroll, you may choose a different whole percentage of contributions or no contributions at all. You may also choose to have your contributions be Roth elective deferrals rather than tax-deferred contributions. If you are auto enrolled in the Plan, you may change your level of contributions in the future in accordance with the rules below (see “Changing Your Contribution Percentage”). You may also change your contributions from tax-deferred contributions to Roth elective deferrals (see “Contributions” above).

Any tax-deferred contributions made on your behalf through automatic enrollment will be invested in an age-appropriate, ready-mixed asset allocation fund managed by Fidelity Management & Research Company: The Fidelity Freedom Index Fund – Commingled Pool Class T, a target date fund based on the assumption that your target retirement date is your 65th birthday. You may change the investment of these contributions, and of your accumulated Plan account, at any time. Further information regarding Plan investment options and your ability to manage the investment of your retirement savings appears later in this Summary Plan Description and is also available through the toll-free Erie Insurance Group Retirement Service Center at 1.877.208.0969 or online through NetBenefits at <http://netbenefits.fidelity.com>.

ERIE has adopted an automatic contribution increase feature for the Plan. This feature applies to an eligible Employee who is hired as a full-time Employee or as a regular part-time Employee after January 1, 2018.

Here is how this feature works effective January 1, 2023: If you are an eligible Employee who is hired as a full-time Employee or as a regular part-time Employee after January 1, 2023 and you are making tax-deferred contributions or Roth elective deferrals of at least 1% but less than 15% of your base pay, the percentage at which you make tax-deferred contributions or Roth elective deferrals will be increased automatically by an additional 1% of your base pay, beginning with the March 1st that next follows your date of hire by at least six months. Each March 1st thereafter your rate of tax-deferred contributions or Roth elective deferrals will be increased by an additional 1% of your base pay until your rate of contributions/deferrals is equal to 15% of your base pay. If as of December 31, 2022, your contribution percentage was increasing under previous feature terms, which capped increases at 10%, your contribution percentage will continue to increase up to the new 15% maximum contribution rate.

As with the automatic enrollment feature above, you always have the opportunity to affirmatively elect how you want your tax-deferred contributions or Roth elective deferrals to be made. For example, you may elect to have your contributions automatically increased at a rate different than 1%, to have the automatic increase feature applied at such time or times as you may choose, or to not apply the automatic increase feature at all to your tax-deferred contributions or Roth elective deferrals.

Any Employee participating in the Plan may choose to have their tax-deferred contributions or Roth elective deferrals automatically increased at such time or times the Employee may elect.

You may change how the automatic contribution increase applies to your savings or first elect an automatic contribution increase in accordance with the rules below (see “Changing Your Contribution Percentage”).

### **Catch-Up Contributions**

If you attain age 50 or older by the end of a plan year (January 1 to December 31), you may elect to make “catch-up contributions” for that plan year. The maximum catch-up contribution in 2025 is \$7,500. This provision allows you to make contributions above the IRS maximum Employee 401(k) contribution amount for the calendar year (\$23,500 in 2025). For example, if you have attained age 50 by the end of the 2025 plan year and have contributed the maximum amount of Employee 401(k) contributions of \$23,500, you will also be able to contribute up to an additional \$7,500 as a catch-up contribution.

Further, effective April 14, 2025, you may make higher “catch-up” contributions during the year in which you reach age 60, 61, 62, or 63 up to the greater of \$10,000 or 150% of the standard “catch-up” limit described above. This increases the 2025 “catch-up” contribution limit from \$7,500 to \$11,250 for those eligible. Catch-up contributions can be made as a tax-deferred contribution or as a Roth elective deferral.

### **Changing Your Contribution Percentage**

You may stop or change the amount of your tax-deferred contribution or Roth elective deferral as of the first day of any pay period, provided you give proper notice before the start of the pay period. If you stop your contributions, you can begin them again as of the first day of any pay period by giving proper notice before the beginning of the pay period. Once you have enrolled, you can stop, re-start or otherwise change your contribution percentage by calling the Erie Insurance Group Retirement Service Center toll-free at 1.877.208.0969 or through NetBenefits at <http://netbenefits.fidelity.com>. The deadline for making these changes is 4 p.m. Eastern time on the Monday before the beginning of the pay period when the change will be effective, unless that Monday is a holiday, in which the deadline is the previous Friday by 4 p.m. Eastern time.

### **Vacation Conversion Program**

An eligible full-time or part-time Employee with excess vacation time may participate in ERIE’s vacation conversion program. The vacation conversion program permits eligible Employees to convert a given number of hours of accrued vacation into cash, a tax-deferred contribution, a Roth elective deferral, paying down student loan debt or a combination of cash and Plan contribution/deferral or student loan debt repayment provided the Employee elects to participate in the program and uses a given number of hours of vacation in that same calendar year.

Additional information regarding ERIE’s vacation conversion program, including how to participate, is included in the Employee Benefits section of ERIEweb and in your employee handbook.

## **Employer-Matching Contributions**

The Company pays you to save. Each pay date, ERIE will contribute \$1 to your account for every \$1 you contribute as a tax-deferred contribution or a Roth elective deferral up to the first three percent (3%) of base pay, plus 50 cents for every \$1 you contribute up to the next two percent (2%) of your base pay. Meaning that if you contribute at least five percent (5%) of your base pay you will receive a matching contribution equal to four percent (4%) of your base pay. This is called a “safe harbor” matching contribution formula under the Internal Revenue Code’s rules. Employer matching contributions are not subject to tax at the time they are made, and their earnings accumulate on a tax-deferred basis. All employer-matching contributions will be deposited in your account each pay period and will be invested in the funds you have chosen. The Plan may be amended during the year to suspend or reduce the safe harbor matching contribution. However, a suspension or reduction would not take effect until at least 30 days after a supplemental notice of such action is provided to affected Employees.

If you participated in the Employee Savings Plan before January 1, 2001, you will see two types of matching contribution accounts under the Plan:

1. Matching contributions made before January 1, 2001, were allocated to your Employer Account. (Identified on Fidelity NetBenefits as Source 2)
2. Matching contributions made after January 1, 2001, are allocated to your Safe Harbor Employer Account. (Identified on Fidelity NetBenefits as Source 4)

## **Rollover Contributions**

If you were covered by another qualified retirement plan before joining ERIE, you can elect a direct rollover to this Plan of all or a portion of the payment from your previous employer’s plan that is an “eligible rollover distribution.” However, if your “eligible rollover distribution” contains any after-tax contributions, other than Roth elective deferrals, the Plan will not accept those after-tax contributions. The plan administrator of your previous retirement plan should tell you what portion of your payment is an eligible rollover distribution. The Plan Administrator of this Plan can tell you what portion of your eligible rollover distribution will be accepted as a rollover contribution. In a direct rollover, your eligible rollover distribution is paid directly from the other retirement plan to the Employee Savings Plan. If you choose a direct rollover, you are not taxed on the payment from the other plan.

In some situations, employees directly roll over money from a prior employer’s qualified plan to a separate IRA known as a “conduit IRA.” If you have a conduit IRA from prior employment, and certain requirements are satisfied, money in your conduit IRA may be rolled into the Employee Savings Plan.

You may also be able to roll over to the Employee Savings Plan a payment that was made directly to you from another qualified retirement plan. This payment must have been an eligible rollover distribution, and it must be deposited in the Employee Savings Plan within 60 days of the date on the check you received. The Employee

Savings Plan can only accept eligible rollover distributions of cash. Distributions in kind (such as shares of company stock or mutual fund units) cannot be rolled over into the Employee Savings Plan.

Contact the Erie Insurance Group Retirement Service Center toll-free at 1.877.208.0969 or access your account through NetBenefits at <http://netbenefits.fidelity.com> for more details regarding the plan's rollover contribution rules.

## **Roth In-Plan Conversion**

You may choose to convert all or a portion of your Plan accounts that are attributable to pre-tax contribution sources into a Roth (post-tax) account. This process, known as a Roth In-Plan Conversion, can provide you additional tax flexibility at the time you receive Plan payments. This is because amounts involved in a Roth In-Plan Conversion will be included in your gross income for the year of the conversion and, if the appropriate requirements are satisfied at the time of payment, not included in your gross income in the year of payment.

The portion of your accumulated Plan account that is eligible for a Roth In-Plan Conversion are those Plan accounts attributable to your tax-deferred contributions (including tax-deferred catch-up contributions), ERIE's safe harbor matching contributions, any rollover contributions you have made to the Plan and, if you have attained the age of 59-1/2 years, ERIE's matching contributions made before January 1, 2001 (identified on Fidelity NetBenefits as Source 2). However, no portion of any of these accounts that are part of an outstanding Plan loan are eligible for a Roth In-Plan Conversion. Any amounts converted in a Roth In-Plan Conversion will continue to be subject to any investment, withdrawal, or distribution restrictions that had applied to the monies before the conversion.

For further information about the Roth In-Plan Conversion, call the Erie Insurance Group Retirement Service Center toll-free at 1.877.208.0969 or access your account through NetBenefits at <http://netbenefits.fidelity.com>.

## **Investment Options**

The Employee Savings Plan offers a menu of different investment options, including a self-directed brokerage account. You can invest in any combination of the options, including all of them, at the same time. The investment options include core funds, ready-mixed asset allocation funds (the Fidelity Freedom Index Funds<sup>SM</sup>), the Erie Indemnity Stock Fund and a self-directed brokerage option called Fidelity BrokerageLink<sup>®</sup>.

To obtain information about the Plan's investment options, call the Erie Insurance Group Retirement Service Center toll-free at 1.877.208.0969 or access your account through NetBenefits at <http://netbenefits.fidelity.com>.



## **Self-Directed Brokerage Option**

You can also choose the Fidelity BrokerageLink® option. BrokerageLink allows you to invest a portion of your Employee Savings Plan assets in investment options other than the core funds and asset allocation funds.

By choosing to open a BrokerageLink account, you take on more responsibility for actively managing the investments in your Employee Savings Plan portfolio. BrokerageLink is not for everyone. You should consider this option only if you are comfortable investing a portion of your retirement savings in other securities, such as stocks, bonds and mutual funds, and you are willing to pay additional fees to actively manage a portion of your Plan account in a brokerage environment.

## **Company Stock**

Investments in the Erie Indemnity Stock Fund (“Company Stock”) are confidential. Information on the purchase, sale and holdings of Company Stock is maintained by Fidelity Investments and disclosed to Company representatives only if they are responsible for the administration of the Plan. This information is kept strictly confidential. In addition, information about your individual directions on the voting, tender or exchange of Company Stock in your account is known only to an independent transfer agent and will never be disclosed to Company employees. The fiduciary responsible for developing and monitoring these procedures is the Employee Benefits Administration Committee.

Please note that transactions involving Company Stock are subject to ERIE’s Code of Conduct and applicable laws prohibiting trading in Company Stock while in possession of inside information (material, non-public information) about the Company or its affiliates. In addition, if you are an employee whom the Company has determined may have regular access to material, non-public information about the Company, you are restricted from trading in Company Stock during specified quarterly periods each year under the Company’s Insider Trading Policy.

Investors in Company Stock will not be given any information that the Company does not provide to the general public, even though there may be times when the Company (or its officers, executives, or the members of the Plan Committees) may possess non-public information that could influence your decision to buy or sell Company Stock. If you are not comfortable with this, then you should not invest in Company Stock.

## **Choosing Your Investment Options**

You can make investment elections for your future Employee tax-deferred contributions or Roth elective deferral and employer matching contributions in one percent increments. You can make completely different investment elections for your Employee contributions, catch-up contributions, and employer contributions. You must indicate your initial investment choices when you enroll in the plan.

The availability of these funds permits you to pursue your individual investment objectives. To help achieve long-term retirement security, you should give careful consideration to the benefits of a well-balanced and

diversified investment portfolio. Spreading your assets among different types of investments can help you achieve a favorable rate of return while minimizing your overall risk of losing money. This is because market or other economic conditions that may cause one category or asset, or one particular security, to perform well often cause another asset category, or another particular security, to perform poorly. If you invest more than 20% of your retirement savings in any one company or industry, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to manage investment risk.

You will receive a Statement of Account four to six weeks after each calendar quarter that shows your balance in the Employee Savings Plan, the investment performance of the funds, and the investment expenses changes to your account.

The Plan is intended to constitute a plan described in section 404(c) of ERISA and Title 29 of the Code of Federal Regulations Section 2550.404c-1. As a result, the fiduciaries of the Plan may be relieved of liability for any losses which are the result of investment instructions given by you or your beneficiary.

## **Changing Your Investment Selection**

**Current Fund Balances:** To move money among the Plan's investment options, call the toll-free Erie Insurance Group Retirement Service Center at 1.877.208.0969 or access your account through NetBenefits at <http://netbenefits.fidelity.com>. You can transfer balances from one fund to another in a dollar amount or in increments of one percent. But, either way, the minimum amount you can transfer is \$250. The only exception is if less than \$250 remains in a particular fund. Different limitations may apply to the amounts held in a BrokerageLink account.

If confirmed before 4 p.m. Eastern time, your request for a transfer between funds will receive that day's closing price. If the transfer is initiated after 4 p.m. Eastern time or on weekends or holidays, the transfer will receive the next available closing price (on the next business trading day).

It is important to remember that you can't transfer money into the Erie Indemnity Stock Fund from another fund. But balances can be transferred out of the fund.

**Future Contributions:** You can change the investment elections for your future contributions and ERIE's employer matching contributions by calling the Erie Insurance Group Retirement Service Center at 1.877.208.0969 or by accessing your account through NetBenefits at <http://netbenefits.Fidelity.com>.

You can make investment elections for your future contributions in one percent increments. You can choose completely different investment elections for your Employee contributions, catch-up contributions and employer contributions. However, only funds from ERIE's matching contribution can be invested in the Erie Indemnity Stock Fund.

You can invest in any combination of the funds, including all of them at the same time. The funds include core funds, ready-mixed asset allocations funds (the Freedom Funds) and the self-directed brokerage option.

Your requests for changes in investment elections for future contributions will be applied to the next contribution Fidelity receives for you.

### **Administrative Restrictions on Changes**

The Plan Administrator periodically reviews the operation of the Plan and may make changes in Plan administration that it considers appropriate. These changes may include a change in the investment options offered under the Plan and changes to outside vendors providing services to the Plan.

To give effect to changes in Plan operations, the Plan Administrator may temporarily suspend certain procedures under the Plan, such as your ability to make new investment elections or transfers between funds, make changes in tax-deferred contributions or Roth elective deferrals, or elect Plan distributions or loans.

If such a temporary suspension is necessary, the Plan Administrator will provide advance notice to affected Plan participants.

### **Vesting: Your Right to the Money in Your Account**

You are immediately 100 percent vested in your contributions to the Plan and the earnings on these contributions. You are also immediately 100 percent vested in ERIE's matching contributions and their earnings. This means that if you leave ERIE for any reason, you take with you the value of your contributions, the value of employer matching contributions and any earnings (or losses, if applicable).

### **Benefits and Distributions**

**Payment Options:** The Plan's normal retirement date is the first day of the month following your 65th birthday. When you retire or otherwise leave ERIE, you are entitled to a distribution of your total account balance. If your account balance is more than \$7,000, you can select one of the following options:

- You can elect a direct rollover of your lump sum distribution to another eligible retirement plan or to an individual retirement account (IRA). Generally, the rollover amount will not be taxed until it is withdrawn from the IRA or other retirement plan unless the rollover is made to a Roth IRA.
- You can have a lump sum paid directly to you. In general, your payment will be subject to income taxes and possible penalty taxes unless you roll it over within 60 days.
- You can have your account balance paid to you in periodic installment payments directly deposited or mailed to you as a check. Any one of the following periodic payment methods can be selected:
  1. A fixed dollar amount paid from your account on a periodic basis until the account balance is zero.

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2. Substantially equal installments paid over a fixed period of time that is not in excess of the lesser of 15 years or your life expectancy. At the end of the payment period, your account balance will be zero.
3. A fixed percentage from your account paid overtime until the account balance is zero.
4. Installments paid over your life expectancy (according to IRS tables) that will vary in amount from year to year.

You cannot change your elected form of payment after your periodic payments begin. However, you can elect to have the remaining balance of your account paid in a lump sum or to change the frequency of the installments after you've started receiving periodic installment payments. Your installment payments will automatically stop if you return to work for ERIE or an affiliate of ERIE.

You can choose to leave your money invested in the Plan for payment at a later date. However, your account balance must begin to be paid from the Plan by the end of the year in which you reach age 73.

If you do not make a choice from among these options, the Plan Administrator will leave your account invested in the Plan for payment at a later date.

**Payment of Small Accounts:** If your account balance is not greater than \$7,000, the Plan Administrator will pay you the lump sum. You will have the option to elect to receive the lump sum as payment to you or as a direct rollover to an IRA or another plan or program eligible to receive rollovers. However, if you fail to make this choice within 60 days following the date you receive the election forms and notices, your account balance will be rolled over to a Fidelity IRA (if your lump sum is between \$1,000 and \$7,000) or Fidelity will pay the amount to you in cash (if your lump sum is \$1,000 or less). Following the lump sum payment (made to you or as a rollover), there will be no further payment from the Employee Savings Plan to you or any beneficiary. Please contact the Plan Administrator for more information about rollover options.

**Payments from Erie Indemnity Stock Fund:** If you elect a lump sum distribution, you can take payment of any balance you have in the Erie Indemnity Stock Fund in one of the following methods: in whole shares of Erie Indemnity Company stock, or in cash.

If you would like to roll over shares, you need to check whether the receiving retirement plan or IRA will accept shares of this stock.

**Death:** In the event of your death, the full value of your account is payable to your beneficiary or beneficiaries. In general, the beneficiary may roll over the payment to an IRA.

**Initiating a Distribution:** As a terminated Employee, you can request a distribution from the Plan after you've received your final paycheck from ERIE and any affiliate of ERIE. Contact the Erie Insurance Group Retirement Service Center at 1.877.208.0969 or through NetBenefits at <http://netbenefits.fidelity.com>. Fidelity will send

you the appropriate distribution material and a withdrawal application. Your completed application should be returned to Fidelity Investments for review. Your completed application must be received by the Plan Administrator before the end of its 90-day effective period. Upon the Plan Administrator's approval, the Plan's trustee will issue your distribution to you (or, in the case of periodic payments, directly deposit the payment if you so elected.)

**Leaving your money in the Plan:** If you chose to defer payment, your account will remain invested in the Plan and will continue to be managed on the same basis as those accounts of active Employees in the Plan. As a result, you may continue to access your account by calling the toll-free Erie Insurance Group Retirement Service Center at 1.877.208.0969 or through NetBenefits at <http://netbenefits.fidelity.com> and make investment elections in the manner you are accustomed to. You will continue to receive a Statement of Account four to six weeks after each calendar quarter that shows your balance in the Employee Savings Plan and the investment performance of the funds.

## **Withdrawals While You Are Employed**

It is important to remember that the Employee Savings Plan is designed to help you build long-term savings for retirement. Under certain circumstances, however, you may withdraw all or a portion of your savings before you retire or otherwise leave ERIE.

The first two provisions below allow you to make a withdrawal from your total account balance for reasons other than immediate and heavy financial needs while you are still employed with ERIE or an affiliate of ERIE. The third and fourth provisions allow you to withdraw a portion of your total account balance to meet certain immediate and heavy financial needs while you're still employed.

## **Withdrawals After Age 59½**

After you have attained age 59½ years, you can withdraw all or a portion of your total account balance without retiring or otherwise leaving ERIE and affiliates.

The minimum withdrawal amount under this provision is the lesser of \$500 or the remaining balance of your total account under the Employee Savings Plan. The Plan Administrator has established rules for making withdrawals from the accounts maintained on your behalf under the Plan and from the investment options in which your total account balance is invested. An administrative fee will apply to each withdrawal.

You can get further information and request an Age 59½ withdrawal by calling the Erie Insurance Group Retirement Service Center at 1.877.208.0969 or by accessing your account through NetBenefits at <http://netbenefits.Fidelity.com>.

Any after age 59½ withdrawal will generally be subject to income tax unless it is rolled over to another eligible retirement plan or to an IRA. Exceptions may apply if your withdrawal includes Roth elective deferrals.

## **Withdrawals from Rollover Account**

You can withdraw all or a portion of your Plan account that is attributable to a rollover contribution you have made to the Employee Savings Plan ("rollover account"). You can make a withdrawal from a rollover account without retiring or otherwise leaving ERIE and affiliates.

The minimum withdrawal amount under this provision is the lesser of \$500 or the remaining balance of your rollover account under the Employee Savings Plan. The Plan Administrator has established rules for making withdrawals from the investment options in which your rollover account is invested. An administrative fee will apply to each withdrawal.

You can get further information and request a withdrawal from your rollover account by calling the Erie Insurance Group Retirement Service Center at 1.877.208.0969 or by accessing your account through NetBenefits at <http://netbenefits.Fidelity.com>. A withdrawal from your rollover account will generally be subject to income tax unless it is rolled over to another eligible retirement plan or to an IRA. Exceptions may apply if your withdrawal includes Roth elective deferrals that you rolled over to the Employee Savings Plan. If you receive the withdrawal before age 59½, you may also have to pay an additional 10 percent tax.

## **Participant Loans**

A participant loan can give you access to a portion of your total account balance without the income tax consequences, penalties and potential negative long-term effects of a hardship or other withdrawal. However, a loan can potentially reduce your retirement savings. This can occur if your interest payments are less than the investment earnings that could have been produced had your funds never been borrowed from the Plan.

All requests for loans must be made on forms provided by the Plan Administrator. Contact the Erie Insurance Group Retirement Service Center at 1.877.208.0969 and talk with a Fidelity representative to request a Participant Loan Agreement and Truth in Lending Disclosure. The form must be completed in its entirety and submitted to the Plan Administrator with all necessary documentation within its 30-day effective period before it can be considered for approval. The Plan Administrator will approve or deny participant loan applications in a uniform, nondiscriminatory manner. Loans can be taken only for the following reasons:

- Purchase or construction of your principal residence;
- Substantial capital improvements to your principal residence;
- Payment of tuition, related education fees, and room and board expenses for the next 12 months of post-secondary education for you, your spouse or your dependents;
- Payment of unreimbursed medical expenses incurred by you, your spouse or your dependents;
- Payment of unreimbursed expenses related to the upcoming adoption of a child who will be your dependent.

- Payment of burial or funeral expenses for a parent, spouse, child or dependent (as defined by IRS rules).

You can have only one outstanding loan at any time, and only one new loan per calendar year. You normally can borrow up to one-half of the value of your total account. But a loan cannot be for more than \$50,000, less your highest outstanding loan balance during the one-year period immediately preceding the date of the new loan. The minimum participant loan amount is \$1,000.

The Plan Administrator sets the loan's interest rate in accordance with current commercial lending rates for similar types of loans. Any loan granted under the Plan will generally require you to pledge 50 percent of your total account balance as collateral for the loan. Your principal and interest payments will be deducted from your regular paycheck and credited back to your own account in the Plan. Loan repayment deductions will begin as soon as administratively possible after your loan is established. All loans must be repaid within five years. An outstanding balance may be paid in full at any time, but partial prepayments cannot be accepted by the Plan.

If you do not receive your regular paycheck due to a leave of absence because of qualifying military duty, you may extend the length of the loan by the length of your absence, even if it exceeds the normal five-year repayment limit.

If you do not receive your regular paycheck due to other circumstances, you must continue to make your regular loan payment by money order or cashier's check. Personal checks cannot be accepted. Failure to do so could result in loan default and subject you to certain taxes and penalties.

You are responsible for any outstanding loan obligation at the time of your termination of employment. Failure to repay the loan before final withdrawal normally means you will owe income tax and, if you are under age 59½, a 10 percent penalty tax on the remaining loan balance. If your account balance is over \$7,000 and you elect to defer distribution of your funds, you may arrange to continue loan payments after your termination of employment.

## **Hardship Withdrawals**

After you have borrowed all amounts available through the participant loan provision and accessed any Plan funds available through the other withdrawal options, you may apply for a hardship withdrawal of any eligible funds remaining in your account to apply toward an extreme financial hardship that cannot be met through any other source. You may apply for a hardship withdrawal that is less than \$1,000, without meeting the participant loan provision. Internal Revenue Service rules determine what may be considered an extreme financial hardship. Your request must be approved by the Plan Administrator based on the Internal Revenue Service rules.

For a distribution to qualify as a hardship withdrawal, it must satisfy the following two fundamental requirements:

1. Your financial need qualifies as an immediate and heavy financial need if it is due to one of the following expenses:
  - Unreimbursed medical expenses which you, your spouse or dependents incur;
  - Purchase of a principal residence for you (excluding mortgage payments);
  - Payment of tuition, related education fees, and room and board expenses for the next 12 months of post-secondary education for you or your dependents;
  - Payment of burial or funeral expenses for a parent, spouse, child or dependent (as defined by IRS rules);
  - Payment of certain expenses relating to the repair of damage to your principal residence that would qualify as a casualty deduction under IRS rules; or
  - Prevention of the eviction from, or foreclosure on, your home.
2. Your hardship withdrawal will be considered necessary to satisfy your financial need if you meet each of the following requirements:
  - Certify that the amount to be withdrawn is not in excess of the financial need plus the anticipated amount necessary to satisfy income taxes due on the hardship withdrawal; and
  - Obtain all funds available by distribution, withdrawal, or participant loan from the plan or similar plan.

If you meet the requirements for a hardship withdrawal, you can withdraw up to the amount necessary to meet your hardship, together with any anticipated taxes on your withdrawal. The withdrawal, however, cannot exceed the total of your employer account (attributable to ERIE's matching contributions before January 1, 2001, including earnings) and your Employee contributions (including tax-deferred contributions, Roth elective deferrals and catch-up contributions) without earnings. Amounts in your employer safe harbor account are not available for hardship withdrawal.

Contact the Erie Insurance Group Retirement Service Center at 1.877.208.0969 and talk with a Fidelity representative to request a Hardship Withdrawal Application. The application must be completed in its entirety and submitted with all necessary documentation to the Plan Administrator within its 30-day effective period before it can be considered for approval. Your hardship withdrawal will generally be subject to income tax. If you receive the hardship withdrawal before age 59½, you may also have to pay an additional 10 percent tax.

## **Taxes**

While the Employee Savings Plan offers you some important tax advantages, it does not allow you to avoid taxes forever. Because tax laws are complex and change from time to time, we cannot cover all tax questions. As a participant or beneficiary under the Plan, you are responsible for determining the tax effect of Plan



withdrawals and distributions. However, we can give you some idea of what to expect when tax time finally arrives.

For federal income tax purposes, the amount of your tax-deferred contributions and ERIE's matching contributions are not included in your taxable pay when the contributions are made. The same is true for rollover contributions and for catch-up contributions that you elect to treat as tax-deferred contributions. Except where you do a Roth In-Plan Conversion, all of these contributions (plus all earnings) accumulate free of federal income taxes while they remain in the Plan. Taxes are not due until the money is paid out to you or to your beneficiary.

The amount of any Roth elective deferrals you make is included in your taxable pay for federal income tax purposes when these deferrals are made. (This would also have been the case regarding any Roth elective deferrals you made to a prior employer plan, and you rolled over to this Plan.) The same is true of any catch-up contributions that you make to the Plan and elect to treat as Roth elective deferrals. The earnings on all of these contributions accumulate free of federal income taxes while they remain in the plan. A portion of any distribution from the Plan that includes a return of these previously-taxed contributions will be free from federal income tax at the time of payment. For payments that meet the requirements of a "qualified Roth distribution", the entire payment is free from federal income tax. In general, a qualified Roth distribution is a payment that occurs after you have participated in the Roth elective deferral feature of the Plan for at least five years and is made after you have attained the age of 59½, died, or become disabled.

Payments from the Plan may be "eligible rollover distributions." This means that they can be rolled over to an IRA or to another employer plan that accepts rollovers. The following types of payments cannot be rolled over:

**Payments Spread Over Long Periods**—You cannot roll over a payment if it is part of a series of equal (or almost equal) payments that are made at least once a year and that will last for:

- your lifetime (or your life expectancy), or
- your lifetime and your beneficiary's lifetime (or life expectancies), or
- a period of 10 years or more.

**Required Minimum Payments**—Beginning in the year in which you reach age 73 or retire, whichever is later, a certain portion of your payment cannot be rolled over because it is a "minimum required distribution" (MRD) that must be paid to you. If you die prior to attaining age 73 and your total balance is left to your surviving spouse as beneficiary, your spouse beneficiary may wait to begin required minimum payments until the date you would have attained age 73.

**Hardship Distributions**—A hardship distribution from the Plan is not eligible for rollover.

The Plan Administrator will be able to tell you if some portion of your payment is not an eligible rollover distribution.

A payment from the Plan that is eligible for rollover can be taken in two ways. You can have all or any portion of your payment either (1) paid in a “direct rollover” or (2) paid to you. A rollover is a payment of your Plan benefits to your individual retirement arrangement (IRA) or to another employer plan. This choice will affect the tax you owe.

If you choose a **Direct Rollover**:

- Your payment will not be taxed in the current year, and no income tax will be withheld.
- Your payment will be made directly to your IRA or, if you choose, to another employer plan that accepts your rollover.
- Your payment will be subject to tax later when you take it out of the IRA or the employer plan except to the extent that the payment is a qualifying Roth distribution.

If you choose to have your Plan benefits **paid to you**:

- You will receive only 80 percent of the payment that is otherwise included in taxable income because the Plan’s Trustee is required to withhold 20 percent of that payment and send it to the IRS as income tax withholding to be credited against your taxes.
- That portion of your payment that is otherwise included in taxable income will be subject to income tax in the year of payment unless you roll it over. You may be able to use special tax rules that could reduce the tax you owe.
- That portion of your payment that is a qualified Roth distribution will not be subject to income tax in the year of payment.
- You can roll over the payment by paying it to your IRA or, for otherwise taxable amounts, to another employer plan that accepts your rollover within 60 days of receiving the payment. The amount rolled over will not be subject to tax until you take it out of the IRA or employer plan.
- If your payment is fully included in taxable income and you want to roll over 100 percent of the payment to an IRA or an employer plan, you must find other money to replace the 20 percent withholding. If you roll over only the 80 percent that you received, you will be taxed on the 20 percent withholding that is not rolled over.

If any portion of your payment is included in taxable income but cannot be rolled over as described above, the mandatory withholding rules described above do not apply. In this case, you may elect not to have withholding apply to that portion.

If you receive a payment that is included in taxable income before you reach age 59½ and you do not roll it over, then, in addition to the regular income tax, you may have to pay an extra tax equal to 10 percent of the taxable portion of the payment. The additional 10 percent tax does not generally apply to: (1) payments that are paid after you separate from service with your employer during or after the year you reach age 55; (2) payments that are paid because you retire due to disability; and (3) payments made because of death.

There is a special rule for a lump sum payment from the Plan that includes shares of Erie Indemnity Company common stock and meets certain IRS rules. Under this rule, you may have the option of not paying tax on the “net unrealized appreciation” of the stock until you sell the stock. Net unrealized appreciation generally is the excess of the value of Erie Indemnity Company stock on the date of distribution over its cost to the Plan. For example, if Erie Indemnity Company stock was worth \$1,000 when it was allocated to your account and the stock is worth \$1,200 when your distribution is processed, you would not have to pay tax on the \$200 increase in value until you sell the stock.

You may instead elect not to have the special rule apply to the net unrealized appreciation. In this case, your net unrealized appreciation will be taxed in the year you receive the stock, unless you roll over the stock. The stock (including any net unrealized appreciation) can be rolled over to an IRA or another employer plan in either a direct rollover or a rollover that you make yourself. Not all IRAs or employer plans will accept a rollover of common stock. As a result, you must be certain that your receiving IRA or employer plan will accept shares of Erie Indemnity Company stock as a rollover. Alternatively, you can sell your distributed Erie Indemnity Company stock and roll over the proceeds.

You'll receive more information about these matters when you're eligible for a distribution from the Plan. Because the tax laws are so complex and change often, you should consult your own tax advisor before you decide how to receive your benefits from the Plan.

### **Effect on Other Company Benefits**

While your payroll deducted contributions will affect the amount of your take-home pay, they generally will not affect calculation of your other pay-related benefits. Other pay-related benefits are typically based on your total base pay, regardless of the amount you are contributing to the Employee Savings Plan.

### **Pension Benefit Guaranty Corporation**

The Pension Benefit Guaranty Corporation (PBGC) is a governmental agency that insures certain benefits provided by certain types of retirement plans. For example, PBGC guarantees a portion of the benefits provided by ERIE's defined benefit pension plan.

The Employee Savings Plan is fully funded at all times through Employee contributions and employer contributions to individual participants' accounts each pay period. Every participant is 100 percent vested and, if the Plan were to terminate, would receive the total market value of their account balance as of the date the

account is distributed. Therefore, the Plan is not insured with the Pension Benefit Guaranty Corporation because the law does not extend plan termination insurance to this type of plan.

## **Plan Claims**

In most cases, you will not need to file a formal claim in order to receive benefits. Follow the instructions in your Plan materials to contact the Plan's recordkeeper to request a distribution and, if you qualify, the Plan will pay you as requested. If, however, you are unable to access the full amount to which you believe you are entitled at the time you believe you are entitled to payment, if you are aware of a disagreement involving your benefits or other rights under the Plan, or if you have another claim involving the Plan (such as an objection to a Plan amendment or investment option), you must file a formal claim. In that case, put your claim in writing and send it to the Plan Administrator, who will respond to you within a reasonable period of time after the request is received. The Plan Administrator has the authority and discretion to administer and interpret the Plan and to decide claims involving the Plan, and its decisions are binding on all parties to the maximum extent permitted by law.

If the Plan Administrator denies the claim in whole or in part, it will notify you in writing within 90 days after the claim is filed and state the reason for the denial, cite pertinent Plan provisions, indicate whether additional information is needed, explain how you can appeal the Plan Administrator's decision, and notify you of your right to file suit or file an arbitration demand under Section 502(a) of ERISA if your claim is denied on appeal.

If special circumstances require more time to review your claim, the review period may be extended up to an additional 90 days so long as you are provided with written notice of the extension, the grounds for the extension and the expected date upon which a decision will be rendered within the original review period.

If you object to the Plan Administrator's denial of your claim, you must appeal the decision by filing a written request for review with the Plan Administrator within 60 days after you receive notice of the decision. You have the right to submit questions, comments, documents, and other information relating to the claim in writing to the Plan Administrator for its consideration, and you will have the right reasonably to review and receive copies (free of charge) of any relevant documents or other materials upon request. Be sure to include all relevant information in your appeal. If you do not, the Plan Administrator may not have the information necessary to approve your claim. Also, if the Plan Administrator denies your appeal and you decide to sue or demand arbitration you generally will not be able to present information to a court or arbitrator that you have not presented to the Plan Administrator.

You will be given a reasonable opportunity for a full and fair review by the Plan Administrator of its decision. The review will take into account all documents, records, and information submitted by you without regard to whether the information was submitted or considered during the course of deciding the original claim.

## Employee Savings Plan – ERISA Summary Plan Description

The Plan Administrator will notify you of its decision on the appeal within 60 days, or 120 days if circumstances beyond the Plan Administrator's control require an extension, in which case you will be notified of the extension, the reasons for that extension and the expected date by which a decision will be rendered within the original review period.

If the Plan Administrator denies your claim, in whole or in part, its notice will state the reasons for the decision, cite pertinent Plan provisions, inform you that you are entitled, upon request and free of charge, to review and receive copies of relevant documents, and inform you of your right to bring suit or file an arbitration demand under Section 502(a) of ERISA now that your claim has been denied on appeal.

If you are not satisfied with the Plan Administrator's explanation of the claim denial, you are entitled to demand arbitration under Section 502(a) of ERISA. Arbitrations are conducted in accordance with the rules set forth in the employer's arbitration policy or if no such policy exists, the rules established by the American Arbitration Association. Arbitrations cannot be maintained on a class action or other representative basis. **All disputes must be arbitrated rather than litigated, unless otherwise required by law.**

You are required to file any arbitration demand or lawsuit **within 90 days** of the date your claim was denied on appeal. If you do not file a timely claim and complete the appeals process, any lawsuit or arbitration demand must be filed within a year of the date you knew or should have known about your claim, and the Plan Administrator will ask to have your lawsuit or arbitration demand dismissed, because you did not exhaust your administrative remedies. Any arbitration proceeding or civil action with respect to a claim involving the Plan must, unless otherwise agreed by the Plan Administrator or required by law, take place in Erie, Pennsylvania (and, in the case of civil action, in the federal district court serving Erie, Pennsylvania). Enforcement of an arbitrator's award may be sought in federal court in accordance with the Federal Arbitration Act, with any such enforcement action to be filed in the federal district court serving Erie, Pennsylvania.

You must exhaust all of your remedies under the Plan's claims and appeal procedures in order to be entitled to file suit or commence arbitration with respect to a claim. You have the right to be represented by someone else (such as an attorney) during the claims process if you so desire, although such representation is not required. **Since you are required to file suit or demand arbitration no later than 12 months after the date you knew or should have known about your claim, make sure to file your initial claim sufficiently in advance of that 12-month deadline to allow for completion of the claims and appeals process.**

You should always submit all of the documentation, legal arguments, factual points and other information that you think might be relevant, and you should do so as early in the claims process as possible. Although you are always free to submit information and assert arguments on appeal regardless of whether or not you submitted that information and asserted those arguments at the time of your initial claim, submitting the information right away and making all of your supporting arguments reduces the chance that you will need to appeal.

If your initial claim is denied, the Plan Administrator can give you the detailed reasons why it was not convinced and allow you to address those concerns during your appeal. The Plan Administrator cannot consider arguments and information of which it is not aware and cannot alert you to problems with documentation or arguments not submitted, so it is up to you to make the best case you can as soon as you can. Also, if you do not submit information and arguments to the Plan Administrator during the claims and appeals process, you generally will not be permitted to submit such information and arguments during a lawsuit or arbitration proceeding.

Finally, it is important to remember that the Plan Administrator will rely on the employer's records. If you are raising a claim not supported by the records the employer has available, or are asserting an error in those records, it will be your responsibility to provide the necessary proof to support your claim. For example, if you assert that the employer's records report your compensation incorrectly, you will need to provide a W-2 and other requisite documentation that proves your assertion.

### **Special Provisions for Leaves of Absence**

**Special Provisions for Military Leave:** The Uniformed Services and Employment and Reemployment Rights Act (USERRA) is a federal law that guarantees certain rights to individuals who enter military service. In general, you are eligible for the rights guaranteed by USERRA if:

- You give advance notice of your military leave to ERIE (unless notice is precluded by military necessity)
- You receive an honorable discharge
- Your leave does not exceed five years (this limit is cumulative, but does not include certain types of service such as required training for reservists or members of the National Guard)
- You report back to ERIE or apply for reemployment within the required time period (details are available from Human Resources)

The general rule is that if you are entitled to USERRA rights, you will earn service credit under the Plan for the military leave and may be eligible to withdraw amounts from your tax-deferred contribution account while on leave. You may also be eligible to make-up tax-deferred contributions or Roth elective deferrals that you were unable to make during the military leave period and receive a corresponding matching contribution from ERIE. If you do not receive your regular paycheck due to a leave of absence because of qualifying military duty, you may extend the length of the loan by the length of your absence, even if it exceeds the normal five-year repayment limit.

**Special Provisions following unpaid Leaves of Absence:** Employees on unpaid leave of absence generally do not receive a regular paycheck and as a result, if you were contributing to the plan, those contributions would stop. If you were contributing to the Plan immediately before you incurred a leave of absence that resulted in a

suspension of your contributions to the Plan, your tax-deferred contributions or Roth elective deferrals will automatically be reinstated at the same level following your return from such leave of absence. If you are subject to the automatic contribution increase feature (see “Contributions” above), your rate of tax-deferred contributions or Roth elective deferrals will be increased automatically by an additional 1% of your base pay, beginning with the March 1<sup>st</sup> that next follows the end of the leave of absence. You can always affirmatively elect to change your contribution percentage and/or change how these contributions automatically increase in accordance with the rules above (see “Changing Your Contribution Percentage”).

### **Assignment of Benefits/Qualified Domestic Relations Order**

The exclusive purpose of the Plan is to provide benefits for you and your beneficiary or beneficiaries. Assets held by the Plan cannot be used for any other purpose while the Plan continues. This applies both to ERIE and to you. You cannot assign, transfer or pledge your benefits nor use them as collateral for any loans outside the Plan.

However, the Plan must obey a so-called “Qualified Domestic Relations Order,” issued by a court of law, that requires a portion of your benefits to be paid to your spouse, former spouse, child or dependent. In order to be “qualified,” the court order has to meet certain standards.

You should understand that the Plan Administrator has no choice in these matters and must obey the order of the court. The Plan Administrator will notify you as soon as it is served with what may be a Qualified Domestic Relations Order.

The Plan must also comply with orders of the court or settlement agreements in relation to violations or alleged violations of ERISA involving the Plan and must comply with any federal tax levies or judgments. The Plan Administrator will make every effort to notify you as soon as it becomes aware of any attempt to subject your benefits to a court order or levy.

Participants and beneficiaries can obtain, without charge, a copy of the Plan’s procedures governing qualified domestic relations orders and determinations. If you would like to have more detailed information on this subject, please contact the Erie Insurance Group Retirement Service Center at 1.877.208.0969.

### **Top Heavy Requirements**

Federal law requires that certain minimum plan provisions, which apply to vesting, employer contributions and maximum compensation considered for benefit purposes, must automatically go into effect if the plan is determined to be a “top heavy” plan. The Plan is “top heavy” if 60 percent or more of the benefit values under the Plan are held for the benefit of “key Employees” as defined by law.

The Plan is not currently “top heavy” and is not likely to become “top heavy” in the future. If it does become “top heavy,” you will be notified of any changes in Plan provisions that result.

## **Amendment or Termination of the Plan**

Erie Indemnity Company reserves the right to change, amend or terminate the Plan in whole or in part at any time and for any reason. In the event of a termination of the Plan, all amounts credited to your account will be nonforfeitable and will be paid to you as directed by ERIE.

## **Plan Administration**

The Plan Administrator is the party responsible for the administration of the Plan. The Plan Administrator is the Employee Benefits Administration Committee (the “Committee”). The members of the Committee are appointed and removed from time to time by the Vice President, Corporate HR Officer (or, if there is no person holding that title, the person holding a successor title or acting in a similar capacity with respect to the oversight of the employer’s retirement plans). Erie Indemnity Company is the Plan Sponsor, but full fiduciary authority is vested in the Committee (and with respect to appointment and oversight of its members, the appointing officer), so that neither the Company nor any affiliate is a fiduciary of the Plan.

The Plan Administrator makes the rules and regulations necessary for the day-to-day operations of the Plan. The Plan Administrator has sole decision-making authority regarding any question, interpretation or application of any Plan provisions. This authority includes the discretion to decide if any given individual is eligible to participate in the Plan and, if the individual is a participant, whether he or she is eligible for a Plan benefit. In addition, the Plan Administrator has the authority to take actions that, in its discretion, will correct Plan defects, reconcile any Plan inconsistencies, equitably address Plan omissions, or remedy administrative errors. Please note that if disputes arise regarding your Plan benefits, or if you or your beneficiary receive an overpayment from the Plan, the Plan Administrator is authorized to take appropriate action to resolve the dispute and recover any amounts paid from the Plan to which the payee was not entitled. Any overpayments from the Plan are subject to an equitable lien in favor of the Plan and are deemed to be held in trust for the Plan. The Plan Administrator will make every attempt to ensure that the Plan provisions are put into practice uniformly and without discrimination.

## **Plan Administrative Expenses**

All record keeping and trustee expenses incurred by the Plan that are not otherwise absorbed by the asset management fees relating to Plan investment options will be assessed directly against participants’ Plan accounts. Furthermore, if you decide to use the self-directed Fidelity BrokerageLink® option, your account will be charged for the additional fees associated with your use of this option. Be sure you understand, and are willing to accept, the self-directed brokerage option’s fees before establishing a BrokerageLink account. Certain discretionary Plan transactions, such as Plan loans and withdrawals, may also result in an administrative charge to your plan account. Be sure you understand, and are willing to accept, the administrative charges before executing these Plan transactions. Some investment options in the Plan may deduct a short-term redemption fee from your account for certain transactions that you initiate. You can refer to the fund’s prospectus for information about asset management fees and short-term redemption fees.



## **ERISA Rights**

You are entitled to certain rights and protections. ERISA provides that all plan participants of plans covered by ERISA are entitled to:

### **Receive Information About Your Plan and Benefits**

- Examine without charge at the Plan Administrator's office and at other specific locations, such as worksites, all documents governing the plan including a copy of the latest annual report (Form 5500 series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain upon request to the Plan Administrators copies of documents governing the operation of the plan, including copies of the latest annual report (Form 5500 series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the plan's annual financial report. The Plan Administrator is required by law to furnish you with a copy of the summary annual report.
- Participants in the Employee Savings Plan are fully vested in all contributions made and investment earnings credited under the provisions of the Plan.

### **Prudent Actions by Plan Fiduciaries**

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate the plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries.

No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

If your claim is denied or ignored, you have a right to know why this was done, to obtain documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file a suit in federal court (subject to the plan's arbitration clause). In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim that is denied or ignored, in whole or in part, you may file suit in a federal or state court (subject to the Plan's arbitration clause). In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in a federal court (subject to the plan's arbitration clause). If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for

asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court (subject to the plan's arbitration clause).

The court or arbitrator will decide who should pay court costs and legal fees. If you are successful, the court or arbitrator may order the person you have sued to pay these costs and fees. If you lose, the court or arbitrator may order you to pay these costs and fees; for example, if it finds your claim is frivolous.

## **Confidential Information**

By accessing Fidelity's NetBenefits at <http://netbenefits.Fidelity.com> you agree to keep your Fidelity's NetBenefits Username and password and other login credentials ("User Information") confidential and to contact Fidelity Investments IMMEDIATELY at 800-544-6666 if you have any reason to believe that another person has obtained or has the means to obtain your User Information (including loss of a document or device containing your User Information). You further agree that you will not reveal your User Information to any other person or take actions that could cause your User Information to be revealed to any person, whether intentional or not. Do not reveal your User Information to any person who contacts you even if that person claims to be from ERIE. Change your Username and password at appropriate intervals, avoid using public computers and other computers which may be vulnerable to security threats, and keep your computer security software and virus protection up to date. You are responsible for the security of your User Information and any loss that may occur if you allow your User Information to be compromised.

## **Assistance With Your Questions**

If you have questions about the Plan, contact the Plan Administrator. If you have questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest Area Office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

## **Plan Information**

### **Plan Name**

Erie Insurance Group Employee Savings Plan

### **Plan Number**

002

### **Plan Type**

Defined Contribution Plan (401(k) Savings and Investment Plan)

**Source of Contributions**

Employer and Employee

**Payment of Benefits**

Trustee pays all benefits.

**Plan Sponsor**

Erie Indemnity Company

100 Erie Insurance Place

Erie, PA 16530

814-870-2000

Employer Identification Number: 25-0466020

**Plan Administrator**

Erie Indemnity Company Employee

Benefits Administration Committee

100 Erie Insurance Place

Erie, PA 16530

814-870-2000

**Service of Legal Process**

Erie Indemnity Company

Law Division

100 Erie Insurance Place

Erie, PA 16530

814-870-2000

**Trustee**

Fidelity Management Trust Company

82 Devonshire Street

Boston, MA 02109

Affiliates with Employee Participants in the Plan

Erie Insurance Company of New York

Erie Resource Management Corp.

**Plan Year**

January 1st to December 31st