

## **Erie Insurance Group Retirement Plan for Employees Summary Plan Description**

### **Introduction**

One of the most important adjustments you will make during your lifetime is the transition from active employment to retirement. Financial security is an important aspect of your retirement years. That financial security depends upon your personal savings, Social Security and on ERIE's Retirement and Savings Plans.

Erie Indemnity Company ("ERIE" or the "Company") is committed to providing you with a balanced, competitive retirement program to assist you with planning for your long-term financial security. It is one of the most important benefits you receive as a covered Employee, whether you are many years away from retirement or just months away.

This is a summary plan description of the Erie Insurance Group Retirement Plan for Employees (the "Plan" or "Retirement Plan"). It is only a summary of the Plan. You may obtain a copy of the Plan document (including amendments) from the Plan Administrator. 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 a few highlights of the Retirement Plan:

- You are 100 percent vested in your retirement benefit after five full years of service.
- The Retirement Plan provides a normal retirement benefit at age 65.
- It also provides an early retirement benefit after age 55 with 15 full years of credited service as a covered Employee.
- Your retirement benefit is based on your total years of service, salary, age, election of survivor benefits and other factors described in this summary plan description.
- There are several forms of benefit payments to choose from when you retire.
- The Plan provides a disability retirement benefit if you become permanently disabled with at least 15 full years of credited service as a covered Employee and Participant.
- It also provides a "surviving spouse's benefit" in the event of your death before you begin receiving any retirement benefits.

- You can run estimates and access plan information 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>.

To simplify descriptions, we have avoided legal and technical language wherever possible. Of course, this explanation of the Plan is subject to the detailed terms of the Plan itself, as found in the actual Plan document (including amendments). This summary plan description is intended only to help you understand the Plan and in no way can be considered a modification of the Plan.

## **Eligibility**

A covered Employee is any exempt or non-exempt salaried Employee of ERIE or an affiliate of ERIE that has adopted the Plan, excluding: any Employee who was compensated on an hourly basis for periods before May 5, 2011; any Employee whose employment is governed by the terms of a collective bargaining agreement; any person who is determined by ERIE to be a leased employee, contract worker or person working under a similar classification even if such individuals are later determined to be common law employees.; and for periods beginning on or after May 5, 2011 any employee who is classified by ERIE as a docent, an intern, or driver-catastrophe response unit. Covered Employees usually become participants in the Plan on their first day of work.

If you are a covered Employee and a part-time employee (see below in Commonly Used Terms), you will enter the Plan and become a Participant on your entry date. Your entry date is the December 31 or June 30 next following the later of the date you attain age 21 and the date you complete 1 year of eligibility service.

Affiliates of ERIE that have adopted the Plan are listed at the end of this summary plan description.

## **Cost of the Plan**

ERIE pays the full cost of your retirement benefit under the Plan. Periodically, an independent firm of pension actuaries studies the Plan to determine the amount of contribution required.

## **Commonly Used Terms**

**Plan Year.** The period from December 31 to the following December 30.

**Final Average Earnings.** One of the amounts used to determine your retirement benefit. This amount is computed by taking the total of your highest 36 consecutive months of compensation and dividing by three. This 36-month compensation period must be in the 120 months of employment as a covered Employee and Participant that immediately precedes your retirement or termination of employment. For the purpose of this Plan, your compensation means your rate of base salary, or base wages if you are an Employee compensated on an hourly basis, but it does not include overtime, bonuses, commissions, severance pay or any form of special or extraordinary compensation. If you had a same-sex domestic partner, or a child of a same-sex

## Retirement Plan for Employees – ERISA Summary Plan Description

domestic partner who was receiving coverage under the Health Protection Plan, Vision Care Plan and/or Dental Assistance Plan and you had imputed income equal to the value of such coverage, that imputed income is not included in your compensation for purposes of the Plan. However, your compensation will include W-2 income paid as a lump sum in lieu of merit increase and contributions you elect to make from your pay to the Erie Insurance Group Employee Savings Plan and ERIE's Pre-Tax Payment Plan.

Months in which you have no compensation will be excluded for purposes of determining consecutive months for the 36- and 120-month periods. If you do not have 36 total months of compensation as a covered Employee and Participant, Final Average Earnings will be determined as the average monthly compensation over your entire period of employment as a covered Employee and Participant.

**Social Security Covered Compensation Level.** The Social Security covered compensation level is published each year by the [Social Security Administration](#). In general, it is an average of the Social Security wage bases—which are the maximum amounts on which you and ERIE are required to pay Social Security taxes each year—over the 35-year period ending with the year in which you reach your normal retirement age as defined by Social Security.

**Eligibility Service.** Eligibility service is used to determine when a part-time employee becomes a Participant in the Plan. In general, it means each eligibility computation period in which you are credited with at least 1,000 hours of service. An eligibility computation period is the 12 consecutive month period beginning on your date of hire and each Plan Year beginning thereafter.

**Credited Service.** In general, credited service means your years of employment with ERIE or an affiliate of ERIE that has adopted the Plan as a covered Employee and Participant, beginning with your date of hire or entry date and continuing to your severance date.

The Plan's benefit formula uses 30 years of credited service to reflect a full career. To determine the number of years of credited service that are used to calculate the amount of your pension benefit, the Plan gives you a full year's credit for a partial year of employment as a covered Employee and Participant. To determine your eligibility for early retirement or disability benefits, only full years of employment as a covered Employee and Participant are counted.

**Severance Date.** The earliest of the following dates to occur: date of retirement; date of termination; date of death; the first or second anniversary of the date of absence from active employment, depending on the reason for the absence.

If you are absent from employment for military leave, you will not reach your severance date if you return to employment with ERIE during the period in which you have reemployment rights under law.

**Annuity Starting Date.** The first day of the first month for which you receive a benefit payment (whether for retirement or other termination of employment) from the Plan. In the case of a benefit not payable as an annuity, the first day on which all events have occurred which entitle you to a benefit.

**Part-Time Employee.** You are a part-time employee if you are regularly scheduled to work 25 or fewer hours per work week (37-1/2 hours per work week for periods before November 1, 2015).

## **Normal Retirement**

Your normal retirement date is the first day of the month which follows your 65th birthday. When you reach your normal retirement date, your benefit will be computed based on your credited service, final average earnings, and Social Security covered compensation level.

The actual formula used to determine your annual normal retirement benefit is:

1.0% of your Final Average Earnings up to the Social Security Covered Compensation Level plus 1.5% of your Final Average Earnings in excess of the Social Security Covered Compensation Level with the result multiplied by Your Credited Service up to a maximum of 30 years.

The normal retirement benefit you will receive monthly will be the annual benefit divided by 12.

If you continue to work after age 65, you continue to earn credited service up to the 30-year maximum. In addition, the compensation you earn after age 65 will be recognized for purposes of determining your final average earnings. However, for any year in which you work beyond your Social Security normal retirement age, your Social Security covered compensation level will remain at the dollar level in effect during the year in which you reached your Social Security normal retirement age.

For example: Assume an Employee retires at age 65. Further assume that, at retirement, the Employee has 25 years of credited service, final average earnings of \$100,000 and a Social Security covered compensation level of \$94,560.

$$1.0\% \times \$94,560 = \$945.60 \text{ Plus}$$

$$1.5\% \times (\$100,000 - \$94,560) = \$81.60$$

$$\text{subtotal } \$1,027.20 (\$945.60 + \$81.60)$$

$$\text{Gross Annual Normal Retirement Benefit} = (\$1,027.20 \times 25 \text{ years}) = \$25,680.00$$

$$\text{Gross Monthly Normal Retirement Benefit} = (\$25,680.00 \div 12 \text{ months}) = \$2,140.00$$

Of course, your total retirement income will include not only your monthly retirement benefit but also your Social Security, your personal savings and any benefit payable to you as a result of your (and ERIE's) contributions to the Employee Savings Plan.

## Early Retirement

You may retire at any time after age 55 if you have 15 or more full years of credited service as a covered Employee and Participant. If you retire early and would like payment of your retirement benefit to begin before age 65, your monthly income from the Plan will be equal to the benefit payable at age 65 multiplied by an early retirement factor (a factor based upon your age at the time your early retirement pension begins). If you choose not to have your retirement benefit begin until age 65, the early retirement factor is not used.

If you leave employment prior to age 55 with a vested benefit it will become payable on your normal retirement date. If, however, you have 15 or more full years of service at termination, you may elect to receive a reduced benefit commencing at any time after attaining age 55 up through age 65.

For **example**: An Employee is retiring at age 60. Assume that, at retirement, the Employee has 20 years of credited service, final average earnings of \$72,000 and a Social Security covered compensation level of \$107,364. The benefit from the Plan will be as follows:

$$\begin{aligned}
 &1.0\% \times \$72,000 = \$720.00 \text{ plus} \\
 &1.5\% \times (\$72,000 - \$107,364) = \$0.00 \\
 &\text{Subtotal } \$720.00 \\
 &\text{Gross Annual Normal Retirement Benefit} = (\$720.00 \times 20 \text{ years}) = \$14,400.00 \\
 &\text{Gross Monthly Normal Retirement Benefit} = (\$14,400.00 \div 12) = \$1,200.00 \\
 &\text{Early Retirement Factor} * (85\% \times \$1,200.00) = \$1,020.00
 \end{aligned}$$

The Employee's monthly early retirement benefit starting at age 60 will be \$1,020.00. He or she may also receive at early retirement any benefit accumulated under the Employee Savings Plan. At age 62, the Employee would be eligible for early Social Security benefit. When the Employee's spouse reaches age 62, he or she would be eligible for a Social Security spousal benefit.

\* The early retirement factor depends on your age to the nearest month. The following are examples of the percentages to the nearest year:

Age when Early Benefits Commence	Percentage of Age 65 Benefit
64	97%
63	94%
62	91%
61	88%
60	85%
59	80.5%
58	76%
57	71.5%
56	67%
55	62.5%

## **If You Become Disabled**

If you become permanently disabled after completing at least 15 full years of credited service as a covered Employee and Participant, you may be eligible for a disability retirement benefit beginning at age 65. To qualify for benefits, you must show satisfactory evidence of permanent and total disability by qualifying for and receiving benefits under ERIE's Long Term Disability Income Benefits Program for the period of time from your date of disability continuously until you reach age 65.

The amount of your disability benefit will be calculated in the same manner as a normal retirement benefit, just as though your pay and service with ERIE had actually continued until your normal retirement date.

## **Your Vested Rights**

A vested benefit is your equity in the Plan as a result of Company contributions on your behalf to the Pension Trust. If you leave ERIE before retirement but after you have completed five full years of service, you are entitled to a fully vested (100 percent nonforfeitable) retirement benefit beginning at age 65. For purposes of determining your vested status, only full years of employment with ERIE are counted. The amount of a vested benefit beginning at age 65 is calculated in the same manner as an early retirement benefit (except that the early retirement factors are not applicable). If you have completed at least 15 full years of credited service as a covered Employee and Participant, you can elect to begin receiving vested benefit payments at any time between ages 55 and 65; however, the appropriate early retirement factor will apply if you begin receiving payments before age 65.

***Limited Lump Sum Benefit.*** If you leave employment with ERIE on or after December 31, 2023, and the actuarially equivalent lump sum value of your entire Plan benefit is between \$7,000 and \$100,000 at the applicable determination date, you may be eligible to choose to receive your Plan benefit in a single lump sum or a select annuity form of payment. *However, your eligibility to elect a lump sum benefit is limited: in general, you must make your Plan payment election within the 180-day window prescribed by Plan Administrator following your termination of employment with ERIE and affiliates and being informed of this payment option.*

If you satisfy the above conditions, you may choose to receive payment as a lump sum, or as an annuity, even if you have not yet attained age 55, which ordinarily is the earliest commencement date for Plan benefits. The annuity options available to you will be limited if you begin payment before satisfying the Plan's conditions for early retirement (see "Early Retirement" above). The appropriate early payment reduction factor will apply if you begin receiving payments before age 65.

If you choose to receive a lump sum payment, that lump sum will fully settle the Plan's obligation to you and no other Plan benefits will be payable to you. It's also important to understand that if you're ever re-employed by ERIE, you cannot repay your lump sum to the Plan.

## **If You Die Before Beginning to Receive Benefits**

You are automatically covered by a surviving spouse's benefit if you die:

- while actively employed,
- with a spouse surviving you, and
- before you begin to receive benefits from the Plan.

If you die while eligible for this benefit, a monthly benefit will be payable for the lifetime of your surviving spouse beginning with the first day of the month following your death. The amount of that benefit will be 50 percent of the reduced benefit which you would have received if you had retired immediately prior to your death under the Automatic Surviving Spouse's Pension. For this surviving spouse's benefit, the early retirement factor is not used.

If you die while eligible for this benefit and you had also reached age 65 or had attained eligibility for early retirement at the time of your death, the monthly lifetime benefit payable to your surviving spouse will be increased as described in the alternative benefit below, if such surviving spouse benefit is larger than the surviving spouse benefit described above. The alternative benefit is a monthly surviving spouse benefit of 100 percent of the reduced benefit which you would have received if you had retired immediately prior to your death and elected payment under the 100% Joint and Survivor Benefit, with your spouse as beneficiary and, if your surviving spouse begins payment before the time you would have attained your normal retirement date, reflecting the appropriate early retirement factor.

If you die *after you have terminated your employment with ERIE* and while you are entitled to a deferred benefit beginning at age 65, then your surviving spouse will be entitled to receive a surviving spouse's benefit from the Plan payable for their lifetime. If you were eligible to receive an immediate retirement benefit when you died, then the surviving spouse's benefit will be determined by assuming you had elected to receive your retirement benefit just before you died and had elected the Automatic Surviving Spouse's Pension. If you were not eligible for an immediate retirement benefit, then the surviving spouse's benefit will be payable at the time you would have first been able to elect to begin your retirement benefit. If payment of a surviving spouse's benefit begins before the time you would have attained your normal retirement date, the appropriate early retirement factor will be used.

Your surviving spouse may elect to postpone payment of a surviving spouse benefit until a later date but must begin receiving the benefit by the end of the calendar year in which you would have attained age 65. However, if your spouse dies before beginning payment of the surviving spouse's benefit, no benefit will be paid from the Plan.

**Limited Lump Sum Survivor Benefit.** In lieu of a monthly benefit, your surviving spouse may be eligible to receive the value of the surviving spouse benefit in the form of a lump sum if you, the Plan participant, die while

an active employee after December 30, 2023 or die while eligible for the limited lump sum enrollment period but before any benefit commencement – and the actuarially equivalent lump sum value of the surviving spouse benefit is between \$7,000 and \$100,000 at the applicable determination date. The ability of your surviving spouse to elect a lump sum benefit is limited: in general, your surviving spouse must make the Plan payment election within the 180-day window prescribed by the Plan Administrator following your death and he or she being informed of this payment option.

## **If You Die After Beginning to Receive Benefits**

If you die after you begin to receive a benefit, the benefits payable after your death will depend on the form of the benefit you were receiving at the time of your death. The different forms of benefit payment are explained in the next section.

## **Forms of Benefit Payment**

In order to begin any benefit payments from the Retirement Plan you must first file a claim for benefits. See the section titled “How to File a Claim” for more information on filing a benefit claim.

If you are not married when your benefits are to begin, the normal (or automatic) form of benefit will be a *Life Annuity Benefit*. The Life Annuity Benefit is a monthly benefit that is paid for your lifetime, but payments will stop when you die.

If you are married when your benefits are to begin, the normal form of benefit will be an Automatic Surviving Spouse's Pension. You will receive a reduced monthly benefit for your life under this form of payment. The amount of the benefit reduction for an Automatic Surviving Spouse's Pension is determined by your age and your spouse's age. After your death, one half (50 percent) of your monthly benefit will be paid to your spouse for the rest of their life. If your spouse dies before you (regardless of how long you have been married), the 50 percent Surviving Spouse Pension will be forfeited, and you will continue to receive your reduced benefit amount for your lifetime.

These are the normal forms of payment and are automatic unless you choose one of the optional methods described below.

For various personal reasons, you may prefer to take your benefit in some way other than the automatic form of payment explained above. If you want your pension benefit paid to you in a different way, you may choose one of the payment options described below. ***However, if you are married at the time your benefit payments are to begin, and you want to select an optional form of payment or designate a non-spouse beneficiary, your spouse must consent to each election you make.*** When your spouse's consent is required, he or she must sign a consent form, which is provided at the time you select your benefit option. This is required because your spouse may be giving up the right to a benefit otherwise guaranteed by law. Your spouse's signature must be witnessed by a notary public in accordance with applicable IRS guidance.



You should keep several important points in mind as you read about the different options. First, the Life Annuity Benefit is the amount determined by the Plan's benefit formulas. This is the form of payment for the benefit amounts shown in this summary's examples. Although the monthly payments will be smaller, the benefits provided by the Automatic Surviving Spouse's Pension and the optional forms of payment are determined in a way that is intended to make them generally equal in value (or "actuarially equivalent") to the Life Annuity Benefit. Also, once benefit payments begin, you cannot change the method of payment you selected. There are a few limited exceptions to this rule. These exceptions are explained later in the sections titled "100 percent or 50 percent Joint and Survivor Pop-up Benefit" and "A Retiree's Change in Marital Status."

***10-Year Certain and Life Benefit.***

You receive a reduced pension for your lifetime with a guarantee that benefits will be paid for at least 10 years, even if you die within that time. If you die before the end of the 10-year guarantee period, payments will continue to your designated beneficiary for the remainder of the period. If you live longer than the 10-year guarantee period, you will continue to receive monthly payments for the rest of your life, but there will not be a payment to your beneficiary after your death.

***15-Year Certain and Life Benefit.***

You receive a reduced pension for your lifetime with a guarantee that benefits will be paid for at least 15 years, even if you die within that time. If you die before the end of the 15-year guarantee period, payments will continue to your designated beneficiary for the remainder of the period. If you live longer than the 15-year guarantee period, you will continue to receive monthly payments for the rest of your life, but there will not be a payment to your beneficiary after your death.

***100 percent, 75 percent or 50 percent Joint and Survivor Benefit.***

You receive a reduced benefit for your life. After your death, a percentage of your reduced benefit will continue to be paid to your designated beneficiary for the rest of their life. You can choose to have 100 percent, 75 percent or 50 percent of your reduced benefit continued to your beneficiary. The amount of your benefit reduction depends on your age, your beneficiary's age and the percentage of your benefit to be continued after your death. Once benefit payments begin, you cannot change your designated beneficiary. If your designated beneficiary dies before you, you'll continue to receive the same reduced benefit for your life; and upon your death, no further benefits will be paid. The 100 percent and 75 percent Joint and Survivor Payment methods may not be available if you have a non-spouse beneficiary. The IRS restricts these forms of payment with non-spouse beneficiaries.

***100 percent or 50 percent Joint and Survivor Pop-up Benefit.***

If you are married, you can elect one of these options if you retire under the Plan's normal or early retirement provisions. Under this form of payment, you receive a reduced benefit for life. The amount of your benefit reduction depends on your age, your spouse's age and the percentage of your benefit to be continued after

your death. After your death, a percentage of your reduced benefit will continue to be paid to your spouse for the rest of their life. You can choose to have 100 percent or 50 percent of your reduced benefit continued to your spouse. If your spouse predeceases you and their death occurs within 60 months of your annuity starting date, your future retirement benefits will be paid in the form of a Life Annuity Benefit if you have properly notified the Plan Administrator. The monthly benefit amount under your Life Annuity Benefit will be recalculated to be equal in value (or “actuarially equivalent”) to your current benefit at your current age. However, the recalculated monthly benefit under your Life Annuity Benefit cannot be larger than the amount you were eligible to receive under that same form of payment when your benefits originally started. You must notify the Plan Administrator within 120 days of your spouse’s death to be able to begin receiving retirement benefits under the Life Annuity Benefit Payment method.

***Limited Lump Sum Benefit.***

If you leave employment with ERIE after December 31, 2023, and the actuarially equivalent lump sum value of your entire Plan benefit is between \$7,000 and \$100,000 at the applicable determination date, you may be eligible to receive your entire Plan benefit in a single lump sum. However, your eligibility to elect a lump sum benefit is limited: in general, after your termination with ERIE and affiliates, you must make your Plan payment election within 180 days of being informed of this payment option. See the section “Your Vested Rights” for more information about this payment option.

***Payment of Small Pensions.***

If your monthly benefit is small, the Plan Administrator will pay you an actuarially equivalent lump sum, if the lump sum is not greater than \$7,000. You will have the option to elect to receive the lump sum as payment to you or as a direct rollover to an Individual Retirement Account (IRA) or another plan or program eligible to receive rollovers. However, if you fail to make this choice within the 60 days following the date you receive the election forms and notices, payment of your lump sum will automatically be made to you as a rollover to a Fidelity IRA (if your lump sum is valued between \$1,000 and \$7,000) or in cash (if your lump sum is valued at \$1,000 or less). Following the lump sum payment (made to you or as a rollover), there will be no further payment from the Retirement Plan for Employees to you or any beneficiary. Please contact the Plan Administrator for more information about rollover options.

**If You Leave ERIE**

If your severance date occurs before you have completed five full years of service, you will forfeit your accrued retirement benefit and related years of Plan service. This benefit and your prior years of service will be restored if you are rehired by ERIE or an affiliate of ERIE within five years of the date you terminated employment. If you are rehired after a five-year absence from work, you will be treated as a new Employee for Plan purposes.

If, on account of your termination of employment, you receive a mandatory cash out distribution of \$7,000 or less, your prior years of credited service will be restored if you are rehired within five years of the date you terminated employment and you repay the Plan the amount of the lump sum you received, plus interest.

However, if you choose to receive the limited lump sum payment following your termination of employment and you are rehired, you will be unable to repay the Plan. That means the Credited Service and compensation you earned during your period of employment before your lump sum payment will not be counted when any future Plan benefits are calculated for you.

### **A Retiree's Change in Marital Status**

In certain situations, retired participants may be able to change their elected form of payment after benefit payments begin due to a change in marital status.

To be an eligible retiree for this provision, you must retire under the Plan's normal or early retirement provisions. Further, at your annuity starting date, you must be:

1. legally married and receiving benefits under the Automatic Surviving Spouse's Pension, the 100 percent Joint and Survivor Option (with your spouse named as beneficiary) or one of the Joint and Survivor Pop-up Options, or
2. unmarried and receiving benefits under the Life Annuity Benefit.

If you are an eligible retiree who is married, you can qualify to change payment methods if your marital status changes due to a divorce on or after September 1, 1997, and within 120 months of your annuity starting date. If you are an unmarried eligible retiree, you can qualify to change payment methods if your marital status changes due to marriage on or after September 1, 1997, and within 120 months of your annuity starting date. Also, you must provide the Plan Administrator with reasonable notice of either of these qualifying events within 120 days of its occurrence.

If you are an eligible retiree who has properly notified the Plan Administrator of a qualifying event and your marital status changed due to divorce, you may elect to have your future retirement benefits paid in the form of a Life Annuity Benefit.

If you're an eligible retiree who has properly notified the Plan Administrator of a qualifying event and your marital status changed due to marriage, you may elect to have your future retirement benefits paid in either the 50 percent or 100 percent Joint and Survivor payment method (with or without the pop-up feature) with your new spouse named as beneficiary.

The monthly benefit amount under your new payment method will be recalculated to be generally equal in value (or "actuarially equivalent") to your current benefit at your current age. However, the recalculated monthly

benefit under your new payment method cannot be larger than the amount you were eligible to receive under that same form of payment when your benefits originally started.

In the case of a divorce, your ex-spouse must expressly waive all interest in your retirement benefit under the Plan. Their waiver must be provided in a document that satisfies the formal requirements of a Qualified Domestic Relations Order. In addition, your ex-spouse must provide the Plan Administrator with satisfactory proof of insurability. In the case of marriage, you and your spouse must provide the Plan Administrator with satisfactory proof of insurability. Your new form of payment election cannot take effect until all of this material has been received and approved by the Plan Administrator. You'll receive more detailed information about these requirements after you notify the Plan Administrator of a qualifying event.

Your status as an eligible retiree must be independently satisfied with respect to each qualifying event. And you cannot make more than two elections for new methods of payment under these rules, regardless of the number of qualifying events that may affect you.

## **Loss of Benefits**

There are a few situations which will cause you to lose benefits or to have your benefits temporarily stopped. These include:

- If you do not apply for benefits or fail to provide the information needed to compute benefits, no benefit can be paid. If payments are delayed as a result, no interest will be paid on delayed payments.
- No benefits will be paid over the Plan's legally specified maximum limitations. The limitations do not apply in most cases. However, if the limitations do apply to your benefits, you will be notified before your retirement.
- If the Plan is terminated, and there are not enough assets to fund the benefits not guaranteed by the Pension Benefit Guaranty Corporation (PBGC), full benefits may not be paid.
- If the Plan fails to meet specified funding levels the Plan may have to suspend the accrual of benefits and limit the amount or form of payments from the Plan.
- Benefits may be reduced to reflect payments from other pension-type programs paid for in whole or in part by ERIE. These pension type programs may include other programs supervised by state governments.
- If you terminate employment, are eligible for a limited lump sum benefit, elect to receive your Plan benefit as a lump sum and are rehired by ERIE or an affiliate, you cannot repay your lump sum to the Plan. Your Credited Service and compensation earned during your period of employment before your lump sum payment will be disregarded in determining any future Plan benefit.
- If you terminate employment before becoming vested and you are never reemployed by ERIE or an affiliate of ERIE, then all benefits under the Plan will be lost.

- If you have a severance date before becoming vested and you are reemployed by ERIE or an affiliate of ERIE, you may still lose all of your prior service credit (see the section titled, “If You Leave ERIE”).
- If you begin receiving disability benefits from ERIE’s Long Term Disability Income Benefits Program, but you recover before reaching age 65, the service credit you receive every year will stop unless you come back to work for ERIE or an affiliate of ERIE that has adopted the Plan. (You will still be eligible to receive your vested benefit in full at age 65 or on a reduced basis after age 55.)
- Your retirement benefits will stop if, after retirement, you are subsequently reemployed by ERIE or an affiliate of ERIE that has adopted the Plan as a covered Employee. However, your benefits will not stop if your re-employment is to a part-time position that has an agreed end date of six months or less. When you again retire, the new benefit you will receive will depend on a number of factors. In general, your new benefit will be computed as if you were retiring for the first time and will reflect any additional credited service and compensation you have earned during your reemployment, but your benefit will be reduced to reflect the value of payments, other than disability benefits, you have already received prior to age 65.
- If you should continue to work beyond age 65, then no benefit will be paid to you until you retire.

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

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

However, the Plan must obey a so- called “Qualified Domestic Relations Order” issued by a court of law, that requires a percentage 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 has no choice in these matters and the Plan must obey the order of the court. The Plan Administrator will make every effort to 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 benefit 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 and benefit accrual, 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.

## **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). The employer 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 employer 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 to the extent permitted under ERISA. The Plan Administrator will make every attempt to ensure that the Plan provisions are put into practice uniformly and without discrimination.

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

Erie Indemnity Company necessarily reserves the right to change, modify or discontinue the Plan in whole or in part at any time and for any reason. However, ERIE has established the Plan for the sole benefit of its participating Employees and hopes and expects to continue it.

In the event of a termination of the Plan, the rights of all Participants to benefits earned to the date of termination to the extent the benefits are funded shall be nonforfeitable. The assets then remaining in the Trust

Fund, after providing for expenses of administration, will be allocated, as long as they are sufficient, for the purpose of paying benefits to pensioners, covered Employees and vested former Employees according to applicable law. This allocation takes place subject to regulations and approval of the [Pension Benefit Guaranty Corporation \(PBGC\)](#). To the extent Plan assets remain after satisfying all Plan obligations, the excess assets will be returned to ERIE.

ERIE has the right to direct the Plan fiduciaries to purchase annuity contracts to cover some or all of the Plan benefits. Individuals whose benefits are annuitized will cease to be Plan participants but will be entitled to receive payment from the insurance company that issues the annuity contract. All benefits are paid from the Trust Fund, or under an annuity contract purchased by the Trust Fund. No benefits are paid directly by the Company. Participants and beneficiaries have a right to receive benefits from the Trust Fund, but no right to any particular assets and no right to receive payment from the Company.

## **How to Request Your Benefits**

Any person requesting a benefit under the Plan must first file a claim with the Erie Insurance Group Retirement Service Center.

You can contact the Erie Insurance Group Retirement Service Center online through NetBenefits at <http://netbenefits.fidelity.com> or contact them toll-free at 1.877.208.0969 to request the necessary forms. You should begin this process at least 45 days, but not more than 180 days, before you wish your benefits to begin.

You will be able to elect the time that your benefits will start and the form in which they will be paid at the time you file your claim.

## **Plan Claims**

If 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), 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.

## **Appealing a Denied Claim**

If the Plan Administrator denies the claim in whole or in part, it will notify you 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.

## Retirement Plan for Employees – ERISA Summary Plan Description

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 Administration 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.

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 on appeal, 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 a 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 appeals 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)
- Except as noted below, 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. If you are unable to report back to ERIE or apply for reemployment due to your disability or death in military service, you will earn service credit under the Plan for your period of military leave even though you did not report back or apply for reemployment.

### **The Pension Benefit Guaranty Corporation**

Your retirement benefits under this Plan are insured by the [Pension Benefit Guaranty Corporation \(PBGC\)](#), a federal insurance agency. If the Plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay retirement benefits. Most people will receive all of the retirement benefits they would have received under their Plan, but some people may lose certain benefits.

The [PBGC guarantee](#) generally covers: (1) normal and early retirement benefits; (2) disability benefits if you become disabled before the Plan terminates; and (3) certain benefits for your survivors.

The [PBGC guarantee](#) generally does not cover: (1) benefits greater than the maximum guaranteed amount set by law for the year in which the Plan terminates; (2) some or all of benefit increases and new benefits based on Plan provisions that have been in place for fewer than five years at the time the Plan terminates; (3) benefits that are not vested because you have not worked long enough for the Company; (4) benefits for which you have not met all of the requirements at the time the Plan terminates; (5) certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the Plan's normal retirement age; and (6) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money your Plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, ask our Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026 or call 202.326.4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1.800.877.8339 and ask to be connected to 202.326.4000. Additional information about the PBGC's pension insurance program is available through the PBGC's Web site on the Internet at <https://www.pbgc.gov/>.

## **Social Security Benefits**

Retirement benefits from Social Security supplement your Plan income. It is important, therefore, to know some key facts about Social Security. You can get more information and apply for benefits when the time comes at your local Social Security office or online at [www.ssa.gov](http://www.ssa.gov).

If you are covered, full Social Security benefits begin at age 65 if you were born in 1937 or earlier. For years of birth after 1937, the age at which a person can retire with no reduction in benefits is gradually raised to age 67. Reduced retirement benefits can begin any time after age 62. Your spouse will also receive a benefit any time after age 62, based on your earnings, unless a higher benefit is payable based on their own earnings.

To cover the cost of Social Security, each year you and ERIE pay Medicare Hospital Insurance taxes on all your earnings and OASDI taxes on your earnings up to the Social Security taxable wage limit. The amount of your benefit depends, in general, on the amount of your earnings covered by Social Security taxes.

In addition to retirement benefits, Social Security provides:

- Benefits for disability.
- Survivor benefits.
- Hospital, surgical and other medical benefits under Medicare.

Remember—Social Security benefits are not paid automatically—you must apply for them. You should also apply for Medicare coverage shortly before you reach age 65. Additional information about Social Security benefits is available at your local Social Security office, or through the Social Security Administration Web site at [www.ssa.gov](http://www.ssa.gov).

## **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 insurance contracts and 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 Administrator copies of documents governing the operation of the plan, including insurance contracts and 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 copy of the plan's annual funding notice. The Plan Administrator is required by law to furnish you with a copy of the annual funding notice.

- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and, if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. The statement must be requested in writing and is not required to be given more than once every 12 months. The plan will provide the statement free of charge.

## **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 a 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 a 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 or the Erie Insurance Group Retirement Service Center at 1.877.208.0969. 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 Retirement Plan for Employees

### **Plan Number**

001

### **Plan Type**

Defined Benefit Plan (Pension Plan)

### **Source of Contributions**

Employer

### **Payment of Benefits**

Trustee pays all plan benefits.

### **Plan Sponsor**

Erie Indemnity Company

100 Erie Insurance Place

## Retirement Plan for Employees – ERISA Summary Plan Description

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**

December 31st to the following December 30th