

The Progressive Corporation, its subsidiaries and affiliates, (collectively, "Progressive" or "Company") are committed to conducting their businesses in accordance with the highest ethical standards and in compliance with all applicable laws. In furtherance of those objectives, the Company has adopted this Code of Ethics which is applicable to and must be complied with by the Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer, Treasurer and Audit Business Leader ("Covered Executives").

Honest and Ethical Conduct

All Covered Executives must act in an honest and ethical manner in all matters relating to the Company or its business and in all interactions with governmental and regulatory authorities, customers, suppliers, agents, competitors, employees and the public. Unethical and illegal acts and practices are prohibited. No Covered Executive shall commit any act of fraud or conduct any transaction in a fraudulent or deceptive manner.

Quality of Disclosure Documents

The Covered Executives are responsible for the full, fair, accurate, timely and understandable disclosure of all information contained in, or required to be contained in, all reports or documents that the Company files or furnishes to the Securities and Exchange Commission ("SEC") or the New York Stock Exchange ("NYSE") or in news releases or other communications to the public. In discharging this responsibility, the Covered Executives are entitled to enlist the assistance and support of the Company's Finance and Corporate Law Departments and other personnel, but the Covered Executives bear ultimate responsibility for the fairness, accuracy, completeness, timeliness and understandability of the disclosures.

Integrity of Company Records

All Company reports, records, data and other documents must accurately and clearly reflect the actual transaction, event or state of affairs represented. Covered Executives are prohibited from creating, or causing others to create, improper, false, misleading or fraudulent records or documentation and from engaging in, or causing others to engage in, improper, false, misleading or fraudulent accounting or reporting. Examples of prohibited practices include, without limitation:

- knowingly creating, or directing others to create, false or misleading entries in the Company's books or records, including electronic systems;
- knowingly creating, or directing others to create, false or misleading documentation, such as invoices, expense reports, activity reports or performance data;
- deliberately failing to record a transaction or destroying, altering or removing records or documentation in order to conceal information or deceive any person or causing any other person to do any of the foregoing;
- knowingly misrepresenting, omitting, fabricating or altering information or presenting information in a way that is intended to mislead or deceive those who receive it within or outside the Company, including internal or external auditors, the SEC, the

NYSE, the Internal Revenue Service ("IRS"), state insurance departments or any other governmental or regulatory authorities or the investing public;

- knowingly participating in the filing or other submission of a false or misleading report or other document with the SEC, NYSE, IRS, any state insurance department or other governmental or regulatory authority or knowingly disseminating to the public any false or misleading report or document;
- maintaining, or directing others to maintain, accounts, funds or assets not recorded in the Company's books or records; and
- misusing records or information maintained by or furnished to the Company for personal gain or other improper purpose.

Relationship with Accountants and Auditors

No Covered Executive shall knowingly make or cause to be made any false or misleading statement to, or knowingly conceal or cause any other person to conceal any information or fact from, an accountant in connection with the preparation of financial statements or records or any audit, review or examination of the financial statements or records of the Company or the preparation or filing of any document or report filed or required to be filed by the Company with the SEC or any other governmental or regulatory authority.

No Covered Executive shall take, or shall cause any other person acting under his or her direction to take, any action to coerce, manipulate, mislead or fraudulently influence any independent public or certified public accountant engaged in the performance of an audit or review of the financial statements of the Company, if the Covered Executive knows or should know that such action, if successful, could result in rendering such financial statements false or misleading. Prohibited actions include (without limitation) those actions taken at any time to coerce, manipulate, mislead or fraudulently influence an auditor:

- To issue or reissue a report on the Company's financial statements that is not warranted under the circumstances (due to material violations of generally accepted accounting principles, generally accepted auditing standards or other professional or regulatory standards);
- Not to perform an audit, review or other procedure required by generally accepted auditing standards or other professional standards;
- Not to withdraw an issued report; or
- Not to communicate matters to the Company's Audit Committee.

The types of conduct that might constitute such improper influence, include (without limitation), directly or indirectly:

- Offering or paying bribes or other financial incentives, including offering future employment or contracts for non-audit services;
- Knowingly providing an auditor with an inaccurate or misleading legal analysis;
- Threatening to cancel or canceling existing non-audit or audit engagements if the auditor objects to the Company's accounting;
- Seeking to have a partner removed from the audit engagement because the partner objects to the Company's accounting; and
- Blackmail or making physical or other threats.

Conflicts of Interest

General. In the course of their work, Covered Executives must act in the best interests of Progressive to the exclusion of personal advantage. Except as otherwise provided herein, Covered Executives must avoid transactions or relationships that result in a conflict between the interests of the Company and those of the Covered Executive, any member of his or her immediate family or any entity of which the Covered Executive, or any member of his or her immediate family, is an executive officer or in which he or she, together with all members of his or her immediate family, holds, directly or indirectly, a 2% or greater equity interest (an "Affiliated Entity"), without full disclosure to and approval by a disinterested majority of the Board of Directors.

A "conflict of interest" exists when a person's private interest interferes or conflicts with the interests of the Company. A conflict situation can arise when a Covered Executive takes action or has interests that may make it difficult for him or her to perform Company work objectively and effectively. Conflicts of interest may also arise when a Covered Executive, or a member of his or her immediate family or an Affiliated Entity, receives improper personal benefits as a result of the Covered Executive's position in the Company.

For purposes hereof, "immediate family" means child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law, and includes adoptive relationships.

Conflicts of interest may not always be clear-cut, so if a Covered Executive has a question or becomes aware of a conflict or potential conflict, he or she should fully disclose the matter to and consult with the Chairman of the Audit Committee or the Chief Legal Officer.

Loans. No loans of any nature will be made to any Covered Executive, any member of his or her immediate family or any Affiliated Entity, and no obligations of any Covered Executive, or any such other person or entity, will be guaranteed by the Company, unless permitted by law and approved by a disinterested majority of the Board of Directors.

Report Potential Conflicts. Covered Executives must promptly and fully report in writing to the Chairman of the Audit Committee and the Chief Legal Officer, any activity, interest, transaction or relationship that may create a conflict between his or her personal interests (or the interests of any member of his or her immediate family or an Affiliated Entity) and the interests of Progressive or that might otherwise improperly influence, or appear to improperly influence, his or her decisions or actions on behalf of Progressive. The report must include a full and fair description of the activity, interest, transaction or relationship and set forth all pertinent facts and circumstances.

Except as noted herein, a Covered Executive must report any financial interest or other affiliation that he or she, or any member of his or her immediate family or any Affiliated Entity, may have in or with any entity that has or proposes to have business relations, or which competes, with Progressive. If such a conflict arises, the Covered Executive must comply with any directives issued by the Board of Directors or Chief Legal Officer in order to avoid or resolve the conflict. This requirement does not apply to any entity in which the Covered Executive, together with members of his or her immediate family, holds less than a 2% equity interest.

The following Paragraphs describe some of the conflicts of interest that may arise and how they are to be handled:

1. **Misuse of Position or Knowledge.** A Covered Executive may not use his or her position or knowledge gained at Progressive in such a manner that an actual or potential conflict arises between his or her interests (or the interests of any member of his or her family, a friend or an Affiliated Entity) and those of Progressive.
2. **Interest in Insurance Transactions.** Except as provided in the following sentence, a Covered Executive may not access, view or be involved in the processing of any Progressive policy for himself or herself, any member of his or her family, a friend or anyone else he or she knows, nor may he or she access or view any claim file or adjust or handle, or influence the adjusting or handling of, any claim relating to him or her or any such other person.

Nothing herein shall prohibit a Covered Executive from using the facilities of progressive.com to obtain a quote, purchase a policy, make changes to his or her own policy or review the status of any claim that he or she may have filed.

It is not a violation of this Code if a Covered Executive who is either a Progressive policyholder or a claimant against a Progressive policyholder pursues, in good faith, a claim against Progressive or a Progressive policyholder in connection with an injury or loss related to an insurance product written by Progressive.

3. **Interest in Other Transactions.** Except as otherwise provided herein, Covered Executives, their immediate family members and Affiliated Entities, may not have a direct or indirect financial interest in any transaction involving the Company without full disclosure to and approval by a disinterested majority of the Board of Directors.

4. **Improper Inducements.** Covered Executives may not accept a gift or anything of value from any third party for arranging or aiding in the purchase or sale of any property or service to or from Progressive, or for assisting any person or entity in securing business from or employment with or in making a loan to Progressive. In addition, Covered Executives must comply with Progressive's Gifts and Entertainment Policy, as set forth in the Company's Code of Business Conduct and Ethics.
5. **Interest in Competitors or Vendors.** Except as otherwise provided below, Covered Executives may not have any direct or indirect financial interest in, and may not serve as an officer, director, employee, agent or representative of or advisor or consultant to, any competitor or supplier of Progressive or any insurance agency that does business with Progressive or any of its competitors. No Covered Executive may compete with the Company, directly or indirectly, in any line of business in which the Company is then engaged. If a Covered Executive is involved in the decision to retain or award business to any supplier and he or she (or any member of his or her immediate family) then owns any securities of, holds any other ownership interest in or is a director or officer of, that supplier, he or she must disclose such interest or relationship to the Chief Executive Officer (or Chief Financial Officer, if such Covered Executive is the Chief Executive Officer) and withdraw from the selection and approval process. Covered Executives may own securities of any competitor or supplier which is publicly held, provided that he or she, together with all members of his or her immediate family, owns less than 2% of the outstanding securities of the class that he or she holds, and may serve on the Board of Directors of a supplier which is publicly held, subject to Paragraph 9 below.
6. **Corporate Opportunities.** Covered Executives are prohibited from taking or misappropriating for themselves, or referring to family members, friends or Affiliated Entities, opportunities that are discovered through the use of Company property, information or position, without full disclosure to and prior approval from a majority of the disinterested directors. No Covered Executive may use Company property, information or position for improper personal gain.
7. **Investment Opportunities.** If a Covered Executive is aware that Progressive is considering acquiring, investing in or purchasing or selling securities of any other entity, he or she may not buy or sell any security of that entity, or disclose the proposed transaction or investment opportunity to anyone (other than another Progressive employee with a work-related need to know), until after Progressive's investment decision has been fully executed.
8. **Permitted Transactions.** The prohibitions contained in Paragraphs 3 and 5 of this Section, and the disclosure requirements set forth above, do not apply to any of the following: (a) the interests of a Covered Executive under any insurance policy written by Progressive, or any insurance policy or investment product (such as a mutual fund or annuity) offered by another insurance company or other financial institution; (b) any transaction which is effected pursuant to or authorized by the terms of any of the Company's compensation plans, provided (i) such transaction is executed in accordance with the terms of the applicable plan or any related agreement between the Company and the

Covered Executive, or (ii) the transaction is approved by the Compensation Committee of the Board of Directors; or (c) the sale to the Company of any of the Company's Common Shares by a Covered Executive outside of the Company's compensation plans, provided the transaction is executed at or below the then current market price for the Company's Common Shares or pursuant to a self-tender offer made by the Company pursuant to Section 13e-4 of the Securities Exchange Act of 1934 and the transaction is approved by a majority of the disinterested directors.

9. **Permitted Relationships.** Notwithstanding anything in this Code to the contrary, any person who is subject to this Code (a "Subject Person") shall not be deemed to be in violation hereof solely by reason of the fact that he or she is a director of another publicly-held company with which the Company or any one or more of its subsidiaries does business, provided that (a) the business relationship and the Subject Person's status as a director of such other publicly-held company are disclosed to the Company's Board of Directors, and (b) the aggregate amount of all payments made or expected to be made by or to the Company and/or its subsidiaries to or from such other publicly-held company and/or its subsidiaries during the then current calendar year does not exceed an amount (the "Referenced Amount") equal to the lesser of (i) 1% of the consolidated revenues of the Company (including its subsidiaries and affiliates) during the prior fiscal year or (ii) 1% of the consolidated revenues of such other publicly-held company and its subsidiaries during the prior fiscal year or, if the aggregate amount of all such payments made or expected to be made during the current calendar year exceeds the Referenced Amount, such payments and the related transaction(s) are disclosed to and approved by a majority of the disinterested directors ("Permitted Relationship"). Permitted Relationships and transactions which fall within the parameters set forth, or which have been approved as provided, in the immediately preceding sentence, are not subject to any of the other disclosure or approval requirements set forth in this Code.

Insider Trading

Federal law prohibits directors, officers, employees and others from buying or selling Progressive or other stock on the basis of material information that has not been disclosed to the public. Disclosure of such non-public information — "tipping" — to outsiders who may then trade on it is also prohibited. In addition to the civil and criminal penalties an individual may face for violating these rules, the Company can be liable for violations by its officers or employees. Accordingly, to help ensure compliance with these laws, the following rules apply:

1. A Covered Executive may not purchase, sell or otherwise trade in any securities of Progressive while in possession of material, non-public information about Progressive or its business, or trade at any time in derivatives relating to Progressive securities, such as puts, calls or other exchange-traded options.

For these purposes, information is "material" when there is a substantial likelihood that a reasonable investor would consider it important in deciding whether to buy, sell or hold securities or its disclosure would be likely to affect the market price of such securities. It is not feasible to list all of the kinds of

information that might be considered "material," but some examples are: current earnings or operating results; financial forecasts or projections; proposed changes in dividends; proposed stock splits; major reserve adjustments; major acquisition or divestiture plans; a government criminal investigation; the commencement of, the rendering of any decision in or the settlement or proposed settlement of, any significant litigation against the Company; and the development of significant new products.

"Non-public information" is information that has not become generally available to the investing public through disclosure by Progressive in its reports to shareholders or the SEC, press releases, proxy materials, etc.

2. A Covered Executive may not disclose any material non-public information about Progressive or its business to other employees (except employees with a work-related need to know), family members, friends, outsiders or the public, unless the Covered Executive is authorized to make such disclosure and such disclosure is made to the public in a document or report filed with or furnished to the SEC pursuant to and in compliance with all applicable federal and state securities laws or by a press release or other method of broad dissemination permitted under the federal and state securities laws.
3. A Covered Executive may not buy or sell securities (including related derivatives) of any other company if he or she possesses material non-public information about that company obtained through his or her work at Progressive; nor may a Covered Executive disclose any such information to any other person or entity (other than another Progressive employee with a work-related need to know).

Competition and Fair Dealing

Progressive seeks competitive advantages through innovation and superior performance and execution, never through unethical or illegal business practices. Stealing proprietary information, obtaining trade secret information without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. Covered Executives must respect the rights of and deal fairly with the Company's customers, suppliers, agents, competitors and employees. No Covered Executive may take unfair advantage of anyone through manipulation, concealment, abuse of privileged information or misrepresentation of facts or engage in any other unfair business practice.

Further, Covered Executives shall not:

1. commit any act of fraud or conduct any transaction in a fraudulent or deceptive manner, such as paying or receiving kickbacks of money, property or other favors, or
2. pay or accept any bribe (i.e., an offer or gift of something of value to someone in a position of trust to induce him or her to act dishonestly or contrary to the interests of his or her employer).

Other Laws and Regulations

Progressive, its directors, officers and employees are subject to a variety of state and federal laws, rules and regulations, both federal and state.

Each Covered Executive is required to comply with all governmental laws, rules and regulations (federal or state) that govern or are applicable to his or her work or responsibilities and to seek advice from the Corporate Law Department if he or she is unsure of the applicable legal obligations or how to comply with them.

Reporting Code Violations

All Covered Executives have a critical shared interest in upholding the provisions of this Code and have an obligation to comply with the provisions of this Code, as well as an obligation to be sensitive to situations which may result in actions by others that are illegal, unethical, improper or otherwise in violation of this Code.

The Company expects that each Covered Executive, and other Progressive people, will exercise diligence in the detection of Code violations and will report any violation or suspected violation of this Code to:

Charles E. Jarrett

Chief Legal Officer
Corporate Law Department
6300 Wilson Mills Road
Mayfield Village, OH 44143
Ph: 440-395-3696
E-mail: chuck_jarrett@progressive.com

or

Patrick H. Nettles

Audit Committee Chairman
c/o Dane A. Shrallow
6300 Wilson Mills Road N72A
Mayfield Village, OH 44143
Ph: 440-395-3765
E-mail: patrick_nettnles@progressive.com

Violations or suspected violations also may be reported anonymously over the following toll-free "Alert Line": 800-683-3604 or on-line (www.progressivealertline.com).

No person who, in good faith, suspects and reports a violation of this Code will be subject to retaliation or discipline from the Company for making such a report. It shall be a violation of the Code to intimidate, harass or impose any form of retribution on any person who utilizes such reporting system for its intended purpose.



Cooperating with Investigations/Exams/Audits

Covered Executives must provide their full cooperation to all persons designated by the Company to investigate a suspected criminal offense, violation of any other governmental law, rule or regulation, violation of this Code or other internal control matter. Covered Executives also are required to cooperate fully with the Company's internal and external auditors in their audits, reviews and examinations of the Company financial statements, books and records.

It is a violation of this Code to alter, conceal or destroy pertinent records or evidence with the intent to mislead or deceive, or to conceal any offense or withhold relevant information from, any person designated by the Company to conduct such an investigation. Covered Executives must respond fully and truthfully to all questions asked by any such investigator.

Covered Executives may not alter, destroy, mutilate, conceal or falsify any records or documents with the intent to impede, obstruct, mislead or influence any investigation by any federal or state administrative or law enforcement authority.

Inquiries from Authorities and Third Parties

Any inquiries from governmental authorities about suspected criminal or other unlawful conduct by the Company or any of its officers or employees, and any complaints or inquiries from third parties regarding possible illegal activity by the Company or any of its officers or employees, should be immediately referred to the Chief Legal Officer. The Chief Legal Officer also must be notified immediately of any contact by any representative of a federal or state authority concerning possible criminal or other unlawful conduct. In the event that the Chief Legal Officer is unavailable, such matters and notices should be referred to any Managing Attorney in the Corporate Law Department.

Enforcement; Effect of the Code

All Covered Executives are required to comply with all of the provisions of this Code, as well as the provisions of the Company's Code of Business Conduct and Ethics.

It is Progressive's policy that this Code will be consistently enforced. Progressive will investigate promptly and thoroughly all reports of possible violations of this Code. Any Covered Executive found to have engaged in any proscribed conduct or activity will receive prompt and appropriate discipline, up to and including termination. In appropriate cases, a violation of this Code may be referred to law enforcement agencies for review and possible criminal prosecution.

Disciplinary actions may extend to Covered Executives who are responsible for the failure to prevent, detect or report such misconduct or impropriety. Appropriate action, including termination of the business relationship, referral for criminal prosecution or civil proceedings, may be initiated against vendors, claimants, agents or other third parties who participate in a violation of any provision of this Code.

Nothing in this Code shall modify, amend or otherwise affect any of the Company's contracts or agreements; nor shall any of the provisions of this Code modify, alter or affect the "at will" status of any of the Company's officers or employees or confer any rights on any party, other than the Company.

Interpretations and Permitted Exceptions

From time to time, a Covered Executive may seek to engage in conduct which, on its face, may appear to violate one or more provisions of this Code, but which, in fact, is neither illegal, unethical nor inconsistent with Progressive's obligations or interests ("Exception Standard"). Moreover, there may be times when a strict reading of this Code may prohibit conduct that is lawful and appropriate.

Any Covered Executive may submit to the Chief Legal Officer (with a copy to the Chairman of the Audit Committee) a request for an advisory opinion as to whether certain proposed conduct is lawful and consistent with this Code. Any such request must be in writing and include a complete and accurate statement of the proposed act or practice and all relevant facts and circumstances. Except as provided in the following sentence, the Chief Legal Officer shall have the necessary authority to issue such advisory opinions.

Any exception to or waiver of any provision of this Code requested by or for a Covered Executive may be made or granted only by a disinterested majority of the Board of Directors after full disclosure by the Covered Executive and will be promptly disclosed as required by law or stock exchange regulation.

If a Covered Executive is in doubt as to the meaning of any provision of this Code, or as to whether a given transaction or relationship would violate any provision of this Code, he or she should seek guidance from the Chief Legal Officer.