

Via Facsimile and U.S. Mail
Mail Stop 4720

March 29, 2010

Mr. Don Civgin
Chief Financial Officer and
Senior Vice President
The AllState Corporation
2775 Sanders Road
Northbrook, IL 60062

Dear Mr. Civgin:

We are currently reviewing your Form 10-K for fiscal year ended December 31, 2009. In our effort to better understand the decisions you made in determining the accounting for certain of your repurchase agreements, securities lending transactions, or other transactions involving the transfer of financial assets with an obligation to repurchase the transferred assets, we ask that you provide us with information relating to those decisions and your disclosure.

With regard to your repurchase agreements, please tell us whether you account for any of those agreements as sales for accounting purposes in your financial statements. If you do, we ask that you:

- Quantify the amount of repurchase agreements qualifying for sales accounting at each quarterly balance sheet date for each of the past three years.
- Quantify the average quarterly balance of repurchase agreements qualifying for sales accounting for each of the past three years.
- Describe all the differences in transaction terms that result in certain of your repurchase agreements qualifying as sales versus collateralized financings.
- Provide a detailed analysis supporting your use of sales accounting for your repurchase agreements.
- Describe the business reasons for structuring the repurchase agreements as sales transactions versus collateralized financings. To the extent the amounts accounted for as sales transactions have varied over the past three years, discuss the reasons for quarterly changes in the amounts qualifying for sales accounting.

- Describe how your use of sales accounting for certain of your repurchase agreements impacts any ratios or metrics you use publicly, provide to analysts and credit rating agencies, disclose in your filings with the SEC, or provide to other regulatory agencies.
- Tell us whether the repurchase agreements qualifying for sales accounting are concentrated with certain counterparties and/or concentrated within certain countries. If you have any such concentrations, please discuss the reasons for them.
- Tell us whether you have changed your original accounting on any repurchase agreements during the last three years. If you have, explain specifically how you determined the original accounting as either a sales transaction or as a collateralized financing transaction noting the specific facts and circumstances leading to this determination. Describe the factors, events or changes which resulted in your changing your accounting and describe how the change impacted your financial statements.

For those repurchase agreements you account for as collateralized financings, please quantify the average quarterly balance for each of the past three years. In addition, quantify the period end balance for each of those quarters and the maximum balance at any month-end. Explain the causes and business reasons for significant variances among these amounts.

In addition, please tell us:

- Whether you have any securities lending transactions that you account for as sales pursuant to the guidance in ASC 860-10. If you do, quantify the amount of these transactions at each quarterly balance sheet date for each of the past three years. Provide a detailed analysis supporting your decision to account for these securities lending transactions as sales.
- Whether you have any other transactions involving the transfer of financial assets with an obligation to repurchase the transferred assets, similar to repurchase or securities lending transactions that you account for as sales pursuant to the guidance in ASC 860. If you do, describe the key terms and nature of these transactions and quantify the amount of the transactions at each quarterly balance sheet date for the past three years.
- Whether you have offset financial assets and financial liabilities in the balance sheet where a right of setoff – the general principle for offsetting – does not exist. If you have offset financial assets and financial liabilities in the balance sheet where a right of setoff does not exist, please identify those circumstances, explain the basis for your presentation policy, and quantify the gross amount of the financial assets and financial liabilities that are offset in the balance sheet. For example, please tell us whether you have offset securities owned (long positions) with securities sold, but not

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yet purchased (short positions), along with any basis for your presentation policy and the related gross amounts that are offset.

Finally, if you accounted for repurchase agreements, securities lending transactions, or other transactions involving the transfer of financial assets with an obligation to repurchase the transferred assets as sales and did not provide disclosure of those transactions in your Management's Discussion and Analysis, please advise us of the basis for your conclusion that disclosure was not necessary and describe the process you undertook to reach that conclusion. We refer you to paragraphs (a)(1) and (a)(4) of Item 303 of Regulation S-K.

As noted above, we seek to better understand the basis for your decisions and your disclosure. Please provide us with a written response to these questions within ten business days from the date of this letter or tell us when you will respond. Upon our review of your response to these questions, we may have additional comments that we will provide to you with any other comments we may have on your Form 10-K.

Please contact me if you have any questions at (202) 551-3679.

Sincerely,

Jim B. Rosenberg
Senior Assistant Chief Accountant