

ALLSTATE CORP
Form 11-K
June 22, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 11-K

(Mark One):

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2009

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 1-11840

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

ALLSTATE 401(k) SAVINGS PLAN
(FORMERLY THE SAVINGS AND PROFIT SHARING FUND OF
ALLSTATE EMPLOYEES)

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

THE ALLSTATE CORPORATION

2775 SANDERS ROAD, SUITE E-5

NORTHBROOK, ILLINOIS 60062-6127

Allstate 401(k) Savings Plan

Financial Statements as of and for the
Years Ended December 31, 2009 and 2008,

Supplemental Schedule as of
December 31, 2009, and
Report of Independent Registered Public Accounting Firm

ALLSTATE 401(k) SAVINGS PLAN

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NOTE: All other supplemental schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustee and Participants of

Allstate 401(k) Savings Plan

Northbrook, Illinois

We have audited the accompanying statements of net assets available for benefits of the Allstate 401(k) Savings Plan (the Plan) as of December 31, 2009 and 2008, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2009 and 2008, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplementary information by fund in the statements of net assets available for benefits and the statements of changes in net assets available for benefits is presented for the purposes of additional analysis rather than to present the net assets available for benefits and changes in net assets available for benefits of the individual funds. The supplemental schedule and supplementary information by fund is the responsibility of the Plan s management. Such supplemental schedule and supplementary information by fund have been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/ DELOITTE & TOUCHE LLP

Chicago, Illinois

June 7, 2010

ALLSTATE 401(k) SAVINGS PLAN**STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS****AS OF DECEMBER 31, 2009****(Dollars in thousands)**

| | Supplementary Information | | | |
|--|-----------------------------------|---------------------------|--|------------|
| | Participant- Directed Funds | Allstate Stock Fund | ESOP Company Shares Unallocated | Total |
| ASSETS | | | | |
| Investments At fair value: | | | | |
| The Allstate Corporation common stock | \$ | \$ 545,460 | \$ 166,489 | \$ 711,949 |
| Invesco Institutional (N.A.) Inc. Stable Value Fund | 710,025 | | | 710,025 |
| Funds managed by State Street Global Advisors (SSgA): | | | | |
| SSgA Passive Bond Market Index Fund | 268,962 | | | 268,962 |
| SSgA Allstate Balanced Fund | 451,994 | | | 451,994 |
| SSgA S&P 500 Flagship Fund | 589,252 | | | 589,252 |
| SSgA Daily EAFE Index Fund | 280,314 | | | 280,314 |
| SSgA Russell 2000 Index Fund | 274,088 | | | 274,088 |
| Collective short-term investment fund | | 17,263 | 14 | 17,277 |
| Participant notes receivable | 94,538 | | | 94,538 |
| Total investments | 2,669,173 | 562,723 | 166,503 | 3,398,399 |
| Receivables: | | | | |
| Dividends and interest | 2 | 3,215 | 1,109 | 4,326 |
| Employer contributions | | 4,445 | | 4,445 |
| Participant contributions | 4,169 | 509 | | 4,678 |
| Interfund | | 7,037 | | 7,037 |
| Total receivables | 4,171 | 15,206 | 1,109 | 20,486 |
| Other assets | 851 | | | 851 |
| Total assets | 2,674,195 | 577,929 | 167,612 | 3,419,736 |
| LIABILITIES | | | | |
| ESOP loan (Notes 1 and 3) | | | 22,467 | 22,467 |
| Payables: | | | | |
| Other | 528 | 14,454 | | 14,982 |
| Interfund | | | 7,037 | 7,037 |
| Total liabilities | 528 | 14,454 | 29,504 | 44,486 |
| NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE | 2,673,667 | 563,475 | 138,108 | 3,375,250 |
| Adjustments from fair value to contract value for fully benefit- responsive investment contracts | (23,092) | | | (23,092) |

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| | | | | | | | | |
|-----------------------------------|----|-----------|----|---------|----|---------|----|-----------|
| NET ASSETS AVAILABLE FOR BENEFITS | \$ | 2,650,575 | \$ | 563,475 | \$ | 138,108 | \$ | 3,352,158 |
|-----------------------------------|----|-----------|----|---------|----|---------|----|-----------|

See notes to financial statements.

ALLSTATE 401(k) SAVINGS PLAN**STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS****AS OF DECEMBER 31, 2008****(Dollars in thousands)**

| | | Supplementary Information | | |
|--|-----------------------------------|---------------------------|--|------------------|
| | Participant- Directed Funds | Allstate Stock Fund | ESOP Company Shares Unallocated | Total |
| ASSETS | | | | |
| Investments At fair value: | | | | |
| The Allstate Corporation common stock | \$ | \$ 551,132 | \$ 189,372 | \$ 740,504 |
| Invesco Institutional (N.A.) Inc. Stable Value Fund | 682,463 | | | 682,463 |
| Funds managed by State Street Global Advisors (SSgA): | | | | |
| SSgA Allstate Passive Bond Market Index Fund | 256,227 | | | 256,227 |
| SSgA Allstate Balanced Fund | 405,239 | | | 405,239 |
| SSgA S&P 500 Flagship Fund | 458,528 | | | 458,528 |
| SSgA Daily EAFE Index Fund | 189,625 | | | 189,625 |
| SSgA Russell 2000 Index Fund | 208,820 | | | 208,820 |
| Collective short-term investment fund | | 26,918 | 76 | 26,994 |
| Participant notes receivable | 93,765 | | | 93,765 |
| Total investments | 2,294,667 | 578,050 | 189,448 | 3,062,165 |
| Receivables: | | | | |
| Dividends and interest | 19 | 6,655 | 2,375 | 9,049 |
| Employer contributions | | 1,252 | | 1,252 |
| Other | | 3,047 | | 3,047 |
| Interfund | | 7,808 | | 7,808 |
| Total receivables | 19 | 18,762 | 2,375 | 21,156 |
| Other assets | 603 | | | 603 |
| Total assets | 2,295,289 | 596,812 | 191,823 | 3,083,924 |
| LIABILITIES | | | | |
| ESOP loan (Notes 1 and 3) | | | 22,467 | 22,467 |
| Payables: | | | | |
| Other | 636 | 28,113 | | 28,749 |
| Interfund | | | 7,808 | 7,808 |
| Total liabilities | 636 | 28,113 | | |