



ALLSTATE LIFE INSURANCE COMPANY

Supplement, dated April 17, 2012, to
the Allstate® RightFit™ Prospectus dated March 16, 2012
Issued by

This supplement amends the above-referenced prospectus for your annuity contract issued by Allstate Life Insurance Company.

Effective April 17, 2012, the following changes are made to your prospectus.

In the *Investment Option Interim Value* subsection on page 14, the table detailing the calculation of the Investment Option Interim Value is deleted and replaced with the following table:

Investment Option Interim Value = A × (1+B) × C, where

- A = On the Issue Date, this amount equals the portion of the Purchase Payment allocated to that particular Investment Option.
- Thereafter this amount equals the Investment Option Maturity Value as of the later of the Issue Date, the last day on which a withdrawal was taken, or the beginning of the current Contract Year.
- If the valuation date is a Contract Anniversary, this amount equals the Investment Option Maturity Value as of the previous Contract Anniversary.
- B = Investment Option Performance, as described in the “Performance” section.
- C = The Adjustment for changes in the Fair Value Index, calculated as $((1+D)/(1+E))^F$, where
- D = The Fair Value Index, computed as of the Issue Date, based upon the U.S. Constant Maturity Treasury rate of a length corresponding to the applicable Investment Option Period you selected plus the Option Adjusted Spread of the Barclays Capital U.S. Corporate Investment Grade Index.
- E = The Fair Value Index, computed as of the current date, based upon the U.S. Constant Maturity Treasury rate of a length corresponding to the applicable Investment Option Period you selected plus the Option Adjusted Spread of the Barclays Capital U.S. Corporate Investment Grade Index.
- F = Number of whole and partial years from the current date until the end of the applicable Investment Option Period you selected. If E does not correspond to the length of an observed financial instrument as defined in the Fair Value Index, we will linearly interpolate based on the values of observed financial instruments, of maturities closest to F, to determine D and E above.

An example of this calculation may be found in Appendix A.

Appendix A on page 35 is deleted and replaced with the following appendix:

Appendix A - Determination of Maturity Value and Interim Value for an Investment Option Including Calculation of Fair Value Index

Hypothetical Example illustrating contract values for an Investment Option given fluctuating Fair Value Index rates.

Maturity Value calculation	Contract	Contract	
	Year 1	Year 2	
	<i>Values shown for Year 1 calculations</i>		
Issue Date	1/1/2011	1/1/2011	
Ending Date	1/1/2012	7/1/2012	
Investment Option Period	10	10	
Years remaining in Investment Option Period	9.0	8.5	
Purchase Payment	\$95,000	\$95,000	
Beginning Maturity Value	\$95,000	\$100,000	
Ceiling Rate	20.00%	20.00%	
Floor Rate	-10.00%	-10.00%	
Beginning Index Value	950	1000	
Ending Index Value	1000	1050	
Index Growth as Percentage	$1000/950 - 1 = 5.26\%$	5.00%	
Investment Option Performance Rate	Greater of 5.26% or -10.00%, no more than $20.00\% = 5.26\%$	5.00%	
Investment Option Performance	$\$95,000 \times 5.26\% = \$5,000$	\$5,000	
Ending Maturity Value	$\\$95,000 + \\$5,000 = \\$100,000$	\$105,000	
Interim Value calculation	Contract Year 1	Contract Year 2	
		Rising Fair Value Index	Falling Fair Value Index
Beginning Fair Value Index	7.00%	7.00%	7.00%
Ending Fair Value Index	7.50%	9.00%	5.00%
Adjustment for the Change in the Fair Value Index	$((1 + 7.00\%) / (1 + 7.50\%))^{9.0} = 95.89\%$	85.44%	117.40%
Interim Value	$\$100,000 \times 95.89\% = \$95,891$	\$89,707	\$123,266
Maximum Ending Interim Value	$\$95,000 \times (1 + 20.00\%) = \$114,000$	\$120,000	\$120,000
Ending Interim Value	Lesser of \$95,891 or \$114,000 = \$95,891	\$89,707	\$120,000

Values are rounded for display purposes only.

Appendix B on page 36 is deleted and replaced with the following appendix:

Appendix B - Determination of Maturity Value, Interim Value and Return of Premium (“ROP”) Death Benefit for an Investment Option after a \$20,000 withdrawal

Hypothetical example illustrating contract value calculations after a withdrawal given fluctuating Fair Value Index Rates.

Assumptions	Contract Year 2
Issue Date	1/1/2011
Purchase Payment	\$95,000
Maturity Value on 1/1/2012 (see Appendix A)	\$100,000
Maturity Value on 7/1/2012 (see Appendix A)	\$105,000
Preferred Withdrawal Amount Percentage	10%
Withdrawal Date	7/1/2012
Withdrawal Amount	\$20,000
Withdrawal Charge	10%

Calculation of Preferred Withdrawal Amount

Maturity Value on 1/1/2012	\$100,000
Preferred Withdrawal Amount Percentage	10%
Preferred Withdrawal Amount	$\$100,000 \times 10\% = \$10,000$

Contract Value Calculations After Preferred Withdrawal Amount

Maturity Value on 7/1/2012	\$105,000
Preferred Withdrawal Amount	\$10,000
Maturity Value After Preferred Withdrawal	$\$105,000 - \$10,000 = \$95,000$
Maturity Value after Preferred Withdrawal, as Percentage of Maturity Value Prior to Preferred Withdrawal	$\$95,000 / \$105,000 = 90.48\%$

ROP Death Benefit (Purchase Payment) on 7/1/2012	\$95,000
ROP Death Benefit After Preferred Withdrawal	$\$95,000 \times 90.48\% = \$85,952$

	Rising Fair Value Index	Falling Fair Value Index
Interim Value on 7/1/2012	\$89,707	\$120,000
Interim Value after Preferred Withdrawal	$\$89,707 \times 90.48\% = \$81,163$	$\$120,000 \times 90.48\% = \$108,571$

Contract Values After Excess Withdrawal Amount, adjustments and Withdrawal Charges

Excess Withdrawal Amount	$\$20,000 - \$10,000 = \$10,000$	$\$20,000 - \$10,000 = \$10,000$
Interim Value after Excess Withdrawal	$\$81,163 - \$10,000 = \$71,163$	$\$108,571 - \$10,000 = \$98,571$
Interim Value after Excess Withdrawal, as percentage of Interim Value prior to Excess Withdrawal	$\$71,163 / \$81,163 = 87.68\%$	$\$98,571 / \$108,571 = 90.79\%$
Maturity Value after Excess Withdrawal	$\$95,000 \times 87.68\% = \$83,295$	$\$95,000 \times 90.79\% = \$86,250$
ROP Death Benefit after Excess Withdrawal	$\$85,952 \times 87.68\% = \$75,362$	$\$85,952 \times 90.79\% = \$78,036$
Withdrawal Charges	$\$10,000 \times 10\% = \$1,000$	$\$10,000 \times 10\% = \$1,000$
Ending Maturity Value	$\$83,295 - \$1,000 = \$82,295$	$\$86,250 - \$1,000 = \$85,250$
Ending Interim Value	$\$71,163 - \$1,000 = \$70,163$	$\$98,571 - \$1,000 = \$97,571$
Ending Return of Premium Death Benefit	$\$75,362 - \$1,000 = \$74,362$	$\$78,036 - \$1,000 = \$77,036$

Values are rounded for display purposes only.

If you have any questions, please contact your financial representative or our Customer Service Center at (800) 457-7617.

Please read the prospectus supplement carefully and then file it with your important papers. No other action is required of you.

