

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): **April 15, 2008**

**THE ALLSTATE CORPORATION**

(Exact name of Registrant as Specified in Charter)

**Delaware**  
(State or other  
jurisdiction of  
organization)

**1-11840**  
(Commission  
File Number)

**36-3871531**  
(IRS Employer  
Identification No.)

**2775 Sanders Road**  
**Northbrook, Illinois**  
(Address of Principal Executive Offices)

**60062**  
Zip

Registrant's telephone number, including area code: **(847) 402-5000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Section 5 — Corporate Governance and Management**

**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

In order to comply with Internal Revenue Code section 409A, on April 15, 2008, the Registrant and Edward M. Liddy, Registrant's Chairman, entered into an agreement memorializing and delaying the payment of a pension enhancement benefit that had been awarded in 2001 to Mr. Liddy. The agreement also provides for the payment of interest on the deferred amount at the same rate as interest is paid for mandatory delayed payments under Allstate Insurance Company's Supplemental Retirement Income Plan. A copy of this agreement is attached hereto as Exhibit 10.1

On April 15, 2008, the Registrant's Board also approved the compensation and perquisites that will be provided to Mr. Liddy following his retirement on April 30, 2008. A copy of the letter documenting the terms of this arrangement is attached hereto as Exhibit 10.2.

**Section 9 — Financial Statements and Exhibits**

**Item 9.01. Financial Statements and Exhibits.**

- (d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amended Pension Enhancement For Edward M. Liddy entered into on April 15, 2008
10.2	Letter to Edward M. Liddy dated April 15, 2008

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**THE ALLSTATE CORPORATION**

By: /s/ JENNIFER M. HAGER  
Name: Jennifer M. Hager  
Title: Assistant Secretary

Date: April 15, 2008

**AMENDED PENSION ENHANCEMENT FOR EDWARD M. LIDDY**

This agreement ("Agreement") memorializes the terms applicable to a certain pension enhancement for Mr. Edward M. Liddy ("Mr. Liddy") that was approved on November 13, 2001, by The Allstate Corporation. To the extent applicable, this Agreement is intended to comply with the requirements of Internal Revenue Code section 409A (including any applicable regulations and guidance thereunder) ("Code section 409A").

**Pension Enhancement Benefit**

Mr. Liddy shall accrue a benefit ("Pension Enhancement Benefit") under this Agreement until his separation from service, which is anticipated to be April 30, 2008, in an amount equal to the difference between (i) the sum of the benefit otherwise owed to Mr. Liddy under the Allstate Retirement Plan ("ARP") and the Supplemental Retirement Income Plan ("SRIP"), and (ii) the benefit otherwise owed to Mr. Liddy under the ARP and SRIP, after crediting Mr. Liddy with a total of 28 years of Credited Service, which is the maximum Credited Service allowed under the ARP.

**Time of Distribution**

The Pension Enhancement Benefit shall be paid to Mr. Liddy on the date that is 6 months following the date of his separation from service. Accordingly, assuming an April 30, 2008 separation from service date, payment will be made on November 1, 2008. Interest shall accrue in accordance with the interest crediting provisions for mandatory delayed payments under the SRIP and shall be paid concurrent with the Pension Enhancement Benefit. In the event of Mr. Liddy's death prior to payment of the Pension Enhancement Benefit, such benefit shall be distributed to Mr. Liddy's beneficiary, as determined under the ARP, upon his death and shall not be subject to a six-month delay.

**Form of Distribution**

The Pension Enhancement Benefit shall be distributed in the form of a single lump sum payment. The amount of such single lump sum payment shall be calculated using the interest and mortality rates for determining an "Option F" lump sum distribution under Section 4.2 of the ARP.

**Change of Control**

Prior to Mr. Liddy's separation from service, the Pension Enhancement Benefit payable under this Agreement shall be distributed upon a change of control within the meaning of Code section 409A.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of April 15, 2008.

/s/ Edward M. Liddy

Edward M. Liddy

THE ALLSTATE CORPORATION

By: /s/ H. John Riley, Jr.

Name: H. John Riley, Jr.

Title: Chairman, Compensation and Succession Committee



H. John Riley, Jr.  
Chairman of The Compensation  
and Succession Committee

April 15, 2008

Edward M. Liddy  
Chairman  
The Allstate Corporation

Dear Ed,

This letter is to document the compensation and perquisites that will be provided to you following your retirement on April 30, 2008, that were approved by the Board on April 15, 2008.

The Corporation will provide you with the following perquisites or will reimburse you for the reasonable expenses in obtaining the following for a period of ten years from the date of your retirement unless noted otherwise below:

- 1) Office, secretary, and office equipment, including computers and phones;
- 2) Tax preparation services for tax years through 2010 on the same terms available to senior officers of Allstate Insurance Company ("AIC");
- 3) An annual physical examination provided under the terms of any executive physical examination program made available to senior officers of AIC;
- 4) Use on a second priority basis of ground transportation services using vehicles owned or leased by AIC and operated by AIC employees for attendance at civic-related events;
- 5) Access to corporate travel and meeting planning services used by AIC for reservations;
- 6) Use of AIC's Glen Club membership for a period of ten years from your retirement date as long as AIC maintains a membership; you will be responsible for paying, and the Corporation will not reimburse you for, any charges or fees related to your actual use of the Glen Club; and
- 7) Use of the 1953 Allstate Coupe from May 1 through September 30 of each year for a period of five years from the date of your retirement.

Allstate will reimburse you for the taxes associated with the cost of your office, secretary, and office equipment, but will not provide any other tax reimbursement.

The reimbursement of any expenses described above shall be provided not later than the end of the calendar year following the calendar year in which the expense was incurred. In addition, the amount of any expense eligible for reimbursement, or in-kind benefit provided, during any calendar year shall not affect the amount of such expense

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eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year. Lastly, the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

To the extent applicable, it is the Board's intention that the provision of such perquisites and the reimbursement of such expenses are intended to comply with the requirements of Internal Revenue Code section 409A (including any applicable regulations and guidance thereunder).

With regard to compensation, your salary, and long-term cash incentive awards for the 2007-2009 and 2008-2010 performance cycles will be prorated based on your retirement date of April 30, 2008. The long-term cash incentive award for the 2006-2008 cycle will not be prorated. All awards will be paid at the time all awards are paid for that particular cycle and calculated based on actual results.

If you have any questions regarding this letter, please contact me.

Sincerely,

/s/ H. John Riley, Jr.

H. John Riley, Jr.