

PRICING SUPPLEMENT

Filed pursuant to Rule 424(b)(5)
Registration Statement No. 333-129157
Pricing Supplement No. 3 Dated June 26, 2006
(To Prospectus dated March 15, 2006 and
Prospectus Supplement dated March 15, 2006)
CUSIP: 02003MAT1

Allstate Life Global Funding
Secured Medium Term Notes
Issued Through
Allstate Life Global Funding Trust 2006-3

The description in this pricing supplement of the particular terms of the Secured Medium Term Notes offered hereby (the "Notes"), the Funding Agreement(s) (specified below) issued by Allstate Life Insurance Company ("Allstate Life") and deposited into Allstate Life Global Funding Trust 2006-3 (the "Trust") by Allstate Life Global Funding ("Global Funding") and the Funding Note (specified below) issued by Global Funding to the Trust supplements the description of the general terms and provisions of the notes, the funding agreements and the funding notes set forth in the accompanying prospectus and prospectus supplement, to which reference is hereby made.

The Notes will represent the obligations of the issuing entity only and will not represent the obligations of, or interest in, any other person or entity, including Global Funding, Allstate Life or any of their respective affiliates. The Notes will constitute asset-backed securities within the meaning of Regulation AB under the Securities Act of 1933, as amended.

THE NOTES

Principal Amount: \$500,000,000
Issue Price: 100%
Net Proceeds to the Trust: \$500,000,000
Specified Currency: U.S. Dollars
Interest Payment Dates: March 30, June 30, September 30 and December 30 in each year
Initial Interest Payment Date: September 30, 2006
Regular Record Date:
Fiscal Year of Trust (not applicable unless different than as specified in the prospectus and prospectus supplement):
Type of Interest Rate:
Fixed Rate Notes:
Interest Rate:
Floating Rate Notes:
Regular Floating Rate Notes:
Interest Rate:
Interest Rate Basis(es):
Inverse Floating Rate Notes:
Fixed Interest Rate:
Floating Interest Rate:
Interest Rate Basis(es):
Floating Rate/Fixed Rate Notes:
Floating Interest Rate:
Interest Rate Basis(es):
Fixed Interest Rate:
Fixed Rate Commencement Date:
Initial Interest Rate, if any:
Initial Interest Reset Date:
Interest Rate Basis(es). Check all that apply:
[] CD Rate
[] CMT Rate
[] Commercial Paper Rate
Agent(s) Discount: 0.0000%
Original Issue Date: June 30, 2006
Stated Maturity Date: June 30, 2008
Depository: The Depository Trust Company
15 calendar days prior to the Interest Payment Date
[X] Yes [] No. If, Yes,
Interest Rate Basis plus Spread
See below
[] Yes [X] No. If, Yes,
[] Yes [X] No. If, Yes,
Interest Rate Basis plus the Spread determined on the second London banking day preceding the Original Issue Date
September 30, 2006
[] Federal Funds Rate
[X] LIBOR
[] EURIBOR

Constant Maturity Swap Rate
 Eleventh District Cost of Funds
 Federal Fund Open Rate

Prime Rate
 Treasury Rate

If LIBOR:

LIBOR Page: 3750

LIBOR Moneyline Telerate: LIBOR Reuters:

LIBOR Currency: U.S. Dollars

If CMT Rate:

Designated CMT Moneyline Telerate Page:

If CMT Moneyline Telerate Page 7052: Weekly Average
 Monthly Average

Designated CMT Maturity Index:

Index Maturity: Three months

Spread (+/-): +0.00%

Spread Multiplier: Not applicable

Interest Reset Date(s): Each Interest Payment Date

Interest Determination Date(s): The second London banking day preceding the related Interest Reset Date

Maximum Interest Rate, if any: Not applicable

Minimum Interest Rate, if any: Not applicable

Calculation Agent, if any: J.P. Morgan Trust Company, National Association

Exchange Rate Agent, if any: Not applicable

Computation of Interest (not applicable unless different than as specified in the prospectus and prospectus supplement):

Day Count Convention (not applicable unless different than as specified in the prospectus and prospectus supplement):

Amortizing Notes: Yes No. If, Yes,
Amortizing Schedule:
Additional/Other Terms:

Discount Notes: Yes No. If, Yes,
Total Amount of Discount:
Initial Accrual Period of Discount:
Additional/Other Terms:

Redemption Provisions: Yes No. If, Yes,
Initial Redemption Date:
Initial Redemption Percentage:
Annual Redemption Percentage

Reduction (if any):
Redemption: In whole only and not in part
 May be in whole or in part
Additional/Other Terms:

Repayment: Yes No. If, Yes,
Repayment Date(s):
Repayment Price:
Repayment: In whole only and not in part
 May be in whole or in part
Additional/Other Terms:

Sinking Fund (not applicable unless specified):

Additional Amounts to be Paid for Withholding Tax (not applicable unless specified):

Securities Exchange Listing: Yes No. If Yes, Name of Exchange:

Authorized Denominations: \$1,000

Ratings:

The Notes issued under the Program are rated "AA" by Standard & Poor's, a division of The McGraw Hill Companies, Inc. ("S&P"). It is anticipated that Moody's Investors Service, Inc. ("Moody's") will rate the Notes "Aa2" on the Original Issue Date.

Agent(s) Purchasing Notes as Principal: Yes No. If Yes,

Agent(s)
Merrill Lynch, Pierce, Fenner & Smith Incorporated
Total:

Principal Amount
\$500,000,000
\$500,000,000

Agent(s) Acting as Agent:

[] Yes [X] No. If Yes,

Agent(s)

Principal Amount

Total:

Additional/Other Terms:

Not applicable

Special Tax Considerations:

Not applicable

THE FUNDING AGREEMENT(S)

Funding Agreement Issuer:

Allstate Life Insurance Company

Funding Agreement No.:

FA - 41093

Deposit Amount:

\$500,000,000

Issue Price:

100%

Net Deposit Amount:

\$500,000,000

Effective Date:

June 30, 2006

Specified Currency:

U.S. Dollars

Interest Payment Dates:

March 30, June 30, September 30 and December 30
in each year

Initial Interest Payment Date:

September 30, 2006

Type of Interest Rate:

[] Fixed Rate [X] Floating Rate

Fixed Rate Funding Agreement:

[] Yes [X] No. If Yes,

Interest Rate:

Floating Rate Funding Agreement:

[X] Yes [] No. If Yes,

Floating Rate Funding Agreement:

[X] Yes [] No. If Yes,

Interest Rate:

Interest Rate Basis plus Spread

Interest Rate Basis(es):

See below

Inverse Floating Rate Funding Agreement:

[] Yes [X] No. If Yes,

Fixed Interest Rate:

Floating Interest Rate:

Interest Rate Basis(es):

Floating Rate/Fixed Rate Funding Agreement:

[] Yes [X] No. If Yes,

Floating Interest Rate:

Interest Rate Basis(es):

Fixed Interest Rate:

Fixed Rate Commencement Date:

Initial Interest Rate, if any:

Initial Interest Reset Date:

Interest Rate Basis(es). Check all that apply:

[] CD Rate

[] CMT Rate

[] Constant Maturity Swap Rate

[X] LIBOR

[] EURIBOR

[] Prime Rate

[] Commercial Paper Rate

[] Eleventh District Cost of Funds Rate

[] Federal Funds Open Rate

[] Federal Funds Rate

[] Treasury Rate

If LIBOR:

LIBOR Page:

3750

[X] LIBOR Moneyline Tolerance:

[] LIBOR Reuters:

LIBOR Currency:

U.S. Dollars

If CMT Rate:

Designated CMT Moneyline Tolerance Page:

[] Weekly Average

[] Monthly Average

If CMT Moneyline Tolerance Page 7052:

Designated CMT Maturity Index:

Index Maturity: Three months

Spread (+/-): +0.00%

Spread Multiplier: Not applicable

Interest Reset Date(s): Each Interest Payment Date

Interest Determination Date(s): The second London banking day preceding the related Interest Reset Date

Maximum Interest Rate, if any: Not applicable

Minimum Interest Rate, if any: Not applicable

Calculation Agent, if any: J.P. Morgan Trust Company, National Association

Day Count Convention: Actual/360

Amortizing Funding Agreement: [] Yes [X] No. If Yes,
Amortizing Schedule:
Additional/Other Terms:

Additional/Other Terms:

Discount Funding Agreement: [] Yes [X] No. If Yes,

Total Amount of Discount:
Initial Accrual Period of Discount:
Additional/Other Terms:

Redemption Provisions: [] Yes [X] No. If Yes,
Initial Redemption Date:
Initial Redemption Percentage:
Annual Redemption Percentage Reduction
(if any):
Redemption: [] In whole only and not in part
[] May be in whole or in part
Additional/Other Terms:

Repayment: [] Yes [X] No. If Yes,
Repayment Date(s):
Repayment Price:
Repayment: [] In whole only and not in part
[] May be in whole or in part
Additional/Other Terms:

Sinking Fund (not applicable unless specified):

Additional Amounts to be Paid For Withholding Tax (not applicable unless specified):

Ratings:

The Funding Agreements issued under the Program are rated AA by S&P. It is anticipated that the Funding Agreement(s) will be rated Aa2 by Moody's on the Original Issue Date.

Additional/Other Terms, if any:

Special Tax Considerations:

THE FUNDING NOTE

Funding Note Issuer: Allstate Life Global Funding

Funding Note No.: FA - 41093

Principal Amount: \$500,000,000

The Funding Note will otherwise have payment and other terms substantially similar to the Funding Agreement(s) and the Notes, except that the terms of the Funding Note will provide that it will be cancelled immediately upon the sale of, and deposit into, the Trust by Global Funding of the Funding Agreement(s).