Catastrophe Reinsurance Program
Effective June 1, 2019 to May 31, 2020

Northbrook, IL, May 1, 2019 – In the first quarter of 2019, we completed the majority of the placement of our 2019 catastrophe reinsurance program[(1)] that provides reinsurance protection to the Allstate Protection businesses of The Allstate Corporation (NYSE: ALL).

The catastrophe reinsurance program is part of our catastrophe management strategy, which is intended to provide our shareholders with an acceptable return on the risks assumed in our personal lines business, reduce earnings variability, and provide protection to our customers. Our 2019 reinsurance program continues to support our risk tolerance framework that targets less than a 1% likelihood of annual aggregate catastrophe losses from hurricanes and earthquakes, net of reinsurance, exceeding $2 billion, based on modeled assumptions and applications currently used.

Since the 2006 inception of Allstate's catastrophe reinsurance program, we materially reduced our exposure to wind loss and reduced our exposure to homeowners' earthquake loss. Except for certain contracts, which reinsure specific perils, our 2019 program continues to address these exposures by including coverage in our agreements for multiple perils, in addition to hurricanes and earthquakes. We employ a multi-year approach to placing reinsurance coverage to lessen the amount of reinsurance being placed in the market in any one year. Claim adjustment fees are indemnified as a percentage of ultimate net loss and are included within each contract's reinsurance limit.

The reinsurance agreements have been placed in the traditional reinsurance and insurance linked securities ("ILS") markets. In doing so, we consider a number of factors including coverage, cost, terms, and the period of protection. All reinsurers participating on our program have an A.M. Best insurance financial strength rating of A- or better. Additionally, all reinsurance agreements placed in the ILS markets are collateralized.

The total cost of our catastrophe reinsurance was $88 million in the first quarter of 2019. The total cost of our catastrophe reinsurance program during 2018 was $354 million.

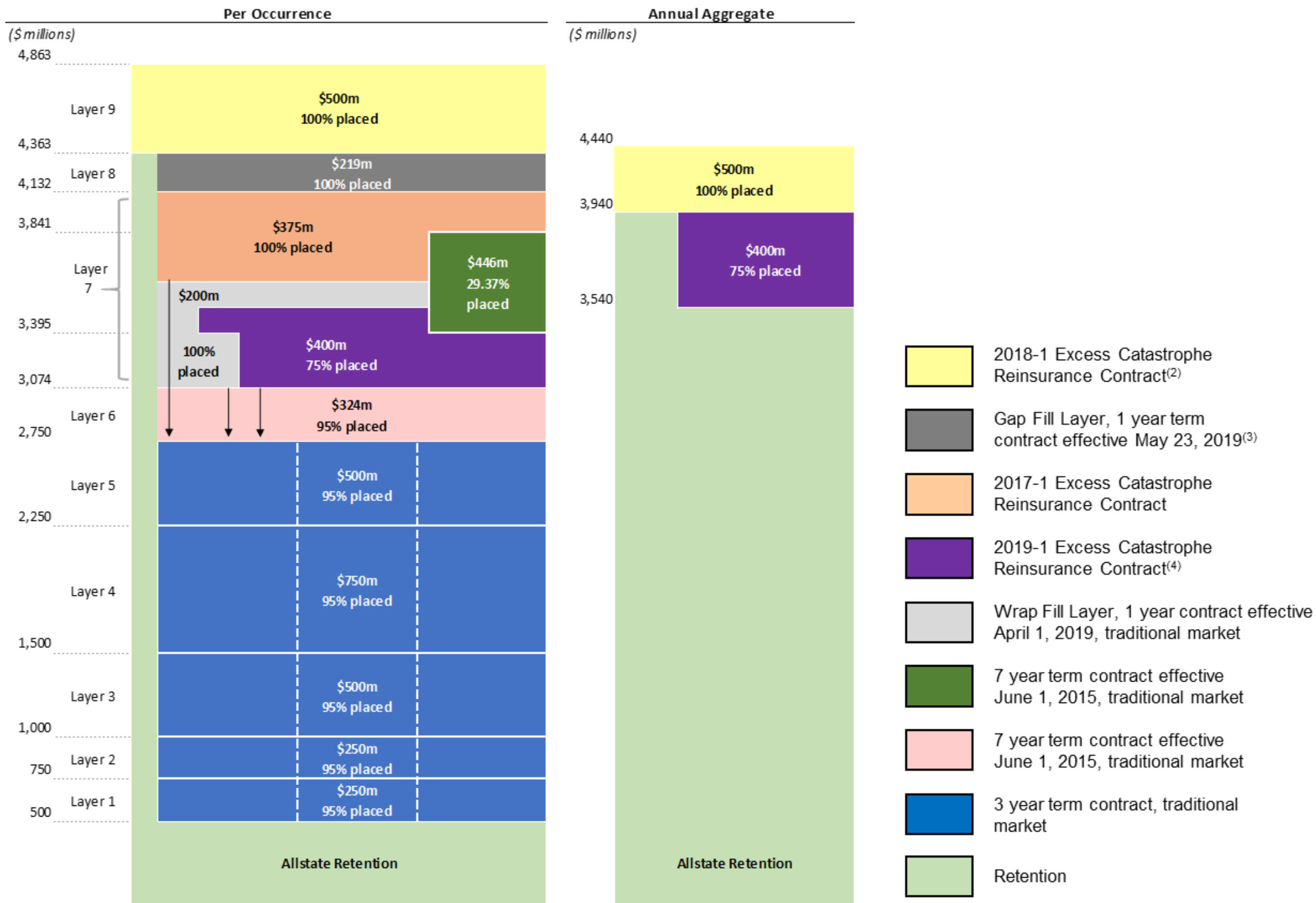
The following pages summarize our June 1, 2019 to May 31, 2020 reinsurance program which includes:

- Nationwide Excess Catastrophe Reinsurance Program
- New Jersey Excess Catastrophe Reinsurance Agreement
- Kentucky Earthquake Excess Catastrophe Reinsurance Contract
- Excess & Surplus Earthquake Contract
- Florida Excess Catastrophe Reinsurance Agreement
- Florida and Southeast Auto Aggregate Excess Catastrophe Contract

(1) A reinsurance program comprises one or more reinsurance agreements and a reinsurance agreement comprises one or more reinsurance contracts

1. Nationwide Excess Catastrophe Reinsurance Program

The Nationwide Excess Catastrophe Reinsurance Program (the "Nationwide Program") provides \$4.863 billion of reinsurance limits, less a \$500 million retention, and is subject to the percentage of reinsurance placed in each of its nine layers. The agreements comprising the Nationwide Program are described below.



Per Occurrence and Aggregate Excess Agreements

The Nationwide Program includes occurrence coverage in contracts from both the traditional reinsurance and ILS markets, while aggregate protection is included in two contracts supported by the ILS market. The agreements reinsure our personal lines property and automobile excess catastrophe losses resulting from multiple perils in every state except Florida, where coverage is only provided for personal lines automobile.

---

(2) This contract includes a per occurrence component that attaches at \$4.363 billion and an annual aggregate component that attaches at \$3.940 billion, see 2018-1 Excess Catastrophe Reinsurance Contract included in this section.

(3) This contract provides coverage of \$219 million in excess of \$2.750 billion with layer six, layer seven, Allstate's 5% co-participation, and the New Jersey Excess Catastrophe Agreement inuring to its benefit.

(4) This contract includes a per occurrence component that attaches at \$2.750 billion and an annual aggregate component that attaches at \$3.540 billion, see 2019-1 Excess Catastrophe Reinsurance Contract included in this section.

Layer 1 through Layer 5 – Per Occurrence Excess Agreement

For the June 1, 2019 to May 31, 2020 term, coverage for each of layers one through five is placed in the traditional reinsurance market with each layer comprising three contracts. Each contract provides one-third of 95% of the total layer limit and expires on May 31, 2020, May 31, 2021, and May 31, 2022, respectively. One-third of the limit provided by each of layers one through five includes coverage for New Jersey. Two-thirds of the limit provided by each of layers one through five also includes coverage for our commercial lines property and automobile catastrophe losses. The contracts for each of layers one through five include one reinstatement of limits per year, with premium required. Reinsurance premiums are subject to redetermination for exposure changes on an annual basis.

$ in millions

Per occurrence reinsurance contract	Risk period effective date	% of limit placed[5]	Retention	Per occurrence limit	States Covered	Reinstatement
Layer 1	June 1, 2019	95	$500	$250	Countrywide, excluding FL personal and commercial lines property NJ covered by 1/3 of layers 1-5	1 per occurrence limit each contract year (per layer), premium due
Layer 2	June 1, 2019	95	750	250		
Layer 3	June 1, 2019	95	1,000	500		
Layer 4	June 1, 2019	95	1,500	750		
Layer 5	June 1, 2019	95	2,250	500		

Layer 6 – Per Occurrence Excess Agreement

The layer six contract placed in the traditional reinsurance market contains comparable contract terms and conditions as layers one through five, with New Jersey and commercial lines property and automobile catastrophe losses included in the definition of subject loss. The layer six contract provides a $324 million limit, is 95% placed, and expires May 31, 2022. This contract contains a variable reset option, which the ceding entities may elect to invoke at each anniversary and which allows for the annual adjustment of each contract's attachment and exhaustion levels within specified limits. The layer six contract contains one reinstatement of limits over its seven-year term with premium required. As of May 1, 2019, a reinstatement of limits has not been executed under this contract. Reinsurance premiums for this contract are subject to redetermination for exposure changes on an annual basis.

$ in millions

Per occurrence reinsurance contract	Risk period effective date	Contract expiration date	% of limit placed	Retention	Per occurrence limit	States Covered	Reinstatement
Layer 6	June 1, 2019	May 31, 2022	95	$2,750	$324	Countrywide, excluding FL personal and commercial lines property	1 per occurrence limit over the contract's 7-year term, premium due

(5) The limit for each of layers one through five is 31.67% placed, 31.66% placed, and 31.67% placed for the respective terms of June 1, 2019 to May 31, 2020, June 1, 2020 to May 31, 2021, and June 1, 2021 to May 31, 2022.

Layer 7 – Per Occurrence Excess & Aggregate Agreements

The seventh layer consists of four contracts: a Seven-Year Term Contract, Sanders Re II Ltd. 2019-1 Excess Catastrophe Reinsurance Contract, the Wrap Fill Excess Catastrophe Reinsurance Contract, and Sanders Re Ltd. 2017-1 Excess Catastrophe Reinsurance Contract.

The **Seven-Year Term Contract** placed in the traditional reinsurance market contains comparable contract terms and conditions as layer six. The contract provides a $446 million limit, is 29.37% placed, and expires May 31, 2022. This contract contains a variable reset option, which the ceding entities may elect to invoke at each anniversary and which allows for the annual adjustment of each contract's attachment and exhaustion levels within specified limits. The contract contains one reinstatement of limits over its seven-year terms with premium required. As of May 1, 2019, a reinstatement of limits has not been executed under this contract. Reinsurance premiums for this contract are subject to redetermination for exposure changes on an annual basis.

$ in millions

Per occurrence reinsurance contract	Risk period effective date	Contract expiration date	% of limit placed	Retention	Per occurrence limit	States Covered	Reinstatement
Layer 7 Seven-Year Term Contract	June 1, 2019	May 31, 2022	29.37	$3,395	$446	Countrywide, excluding FL personal and commercial lines property	1 per occurrence limit over the contract's 7-year term, premium due

The ***2019-1 Excess Catastrophe Reinsurance Contract*** reinsures personal lines property and automobile excess catastrophe losses in 49 states and the District of Columbia, excluding the State of Florida, caused by named storms, earthquakes and fire following earthquakes, severe weather, wildfires, and other naturally occurring or man-made events declared to be a catastrophe by Allstate. This contract is placed with Sanders Re II Ltd. which obtained funding from the ILS market to collateralize the contract's limit. The contract reinsures business located in the covered territory and arising out of covered events. The contract's risk period began April 1, 2019 and terminates on March 31, 2023. The contract provides one limit of $400 million, 75% placed, during its four-year term which can be used on a per occurrence or an annual aggregate basis. For a qualifying loss occurrence, the contract provides 75% of $400 million in reinsurance limits in excess of a minimum $2.750 billion retention for the April 1, 2019 to March 31, 2020 period. The New Jersey Excess Catastrophe Agreement, layer six, the Seven-Year Term Contract for layer seven, and the 5% co-participation inure to the benefit of this contract for events that exceed the retention. As a result, while those layers are fully intact, the contract would begin to pay subject losses in excess of $3.074 billion.

The contract also provides an annual aggregate limit of 75% of $400 million in reinsurance limits between a $3.540 billion to $3.940 billion layer subject to an annual retention of $3.540 billion. For each annual period beginning April 1, Allstate declared catastrophes occurring during such annual period involving two or more exposures and resulting in more than $1 million in losses and contractual loss adjustment expenses to personal lines property and automobile business can be aggregated to erode the aggregate retention and qualify for coverage under the aggregate limit. Reinsurance recoveries from and including layers one through seven of the Nationwide Program and the New Jersey Excess Catastrophe Agreement inure to the benefit of the annual aggregate layer.

Reinsurance recoveries collected under the per occurrence limit of this contract are not eligible for cession under the annual aggregate limit of this contract. Reinsurance recoveries for all loss occurrences and annual aggregate losses qualifying for coverage during the contract's four-year risk period are limited to our ultimate net loss from a covered event and subject to the contract's $400 million limit, 75% placed. The contract contains a variable reset option, which the ceding entities may invoke for risk periods subsequent to the first risk period and which allows for the annual adjustment of the contract's attachment and exhaustion levels within specified limits.

$ in millions

2019-1 Excess reinsurance contract	Risk period beginning date	Risk period ending date	% of limit placed	Retention	Per occurrence and annual aggregate limit	Reinstatement
Layer 7	April 1, 2019	March 31, 2023	75	$2,750 Per Occurrence $3,540 Annual Aggregate	$400	None

The ***Wrap Fill Excess Catastrophe Reinsurance Contract*** provides a $200 million limit in excess of a minimum $2.750 billion retention, is 100% placed in the traditional market, and expires March 31, 2020. This layer is structured to cover gaps around the traditional Seven-Year Term Contract and the Sanders Re II Ltd. 2019-1 contract. The contract provides additional gap coverage as the layer shifts down in attachment, subject to the $2.750 billion minimum retention level as lower layer limits are exhausted. A retention co-participation of 5% for a layer of $1.613 billion in excess of $2.750 billion is deemed in place and inures to the benefit of this contract. Recoveries from contracts in layers six and seven, with the exception of Sanders Re Ltd. 2017-1, inure to the benefit of this contract, as this multiple peril contract provides coverage for perils and subject business not reinsured in portions of layers seven. While those layers are fully intact, the contract would begin to pay subject losses in excess of $3.074 billion. This contract does not include a reinstatement of limits.

$ in millions

Per occurrence reinsurance contract	Risk period effective date	Contract expiration date	% of limit placed	Retention	Per occurrence limit	States Covered	Reinstatement
Layer 7 "Wrap Fill"	April 1, 2019	March 31, 2020	100	$2,750	$200	Countrywide, excluding FL personal and commercial lines property	None

The ***2017-1 Excess Catastrophe Reinsurance Contract*** reinsures personal lines property and automobile excess catastrophe losses in 49 states and the District of Columbia, excluding the State of Florida, caused by named storms, earthquakes and fire following earthquakes, severe thunderstorms, winter storms, volcanic eruptions, and meteorite impacts. This contract is placed with Sanders Re Ltd., which obtained funding from the ILS market to collateralize the contract's limit. The contract reinsures actual losses to personal lines property business located in the covered territory and arising out of a covered event. Amounts payable for automobile losses are based on insured industry losses as reported by Property Claim Services (PCS) and further adjusted to account for our automobile exposures in reinsured areas. Reinsurance recoveries under the 2017-1 Excess Contract are limited to our ultimate net loss from a covered event subject to the contract's limit. The contract's risk period began March 31, 2017 and terminates on November 30, 2021. The contract provides a $375 million limit in excess of a minimum $2.750 billion retention. The New Jersey Excess Catastrophe Agreement, layer six, the Seven-Year Term Contract for layer seven, the Wrap Fill contract, and the 5% co-participation inure to the benefit of this contract for events that exceed the retention. As a result, while those layers are fully intact, the contract would begin to pay subject losses in excess of $3.691 billion.

The contract contains a variable reset option, which the ceding entities may invoke for risk periods subsequent to the first risk period and which allows for the annual adjustment of each contract's attachment and exhaustion levels within specified limits. The variable reset option requires a premium adjustment. The contract does not include a reinstatement of limits.

$ in millions

2017-1 Excess reinsurance contract	Risk period beginning date	Risk period ending date	% of limit placed	Retention	Per occurrence limit	Reinstatement
Layer 7	March 31, 2017	November 30, 2021	100	$2,750	$375	None

To summarize the order of operations and inuring protection for the seventh layer for an occurrence loss, for losses below $3.395 billion, the portion of the seventh layer placed in the traditional market would not be enacted. Once the sixth layer is exhausted, the co-participation of 5% would apply and then the 2019-1 Excess Catastrophe Reinsurance contract and Wrap Fill contract, dependent on the subject business contributing to the per occurrence loss. For losses greater than the $3.395 billion retention, the portions of the seventh layer placed in the traditional market would apply first as they inure to the benefit of the portions of the seventh layer placed in the ILS market. This would be followed by the co-participation of 5%, the 2019-1 Excess Catastrophe Reinsurance Contract, the Wrap Fill, and the 2017-1 Excess Catastrophe Reinsurance Contract, dependent on the per occurrence loss.

Layer 8 – Per Occurrence Excess Agreement

The ***Gap Fill Excess Catastrophe Reinsurance Contract*** provides a $219 million limit in excess of a $2.750 billion retention, is 100% placed in the traditional market, and expires May 31, 2020. The contract provides additional gap coverage as the layer shifts down to the $2.750 billion retention level as lower layers are exhausted. A retention co-participation of 5% for a layer of $1.613 billion in excess of $2.750 billion is deemed in place and inures to the benefit of this contract. Recoveries from contracts in layers six and seven inure to the benefit of this contract, as this multiple peril contract provides coverage for perils and subject business not reinsured in portions of layers seven. While all inuring contracts are fully in place, this contract would begin to cover an occurrence subject loss in excess of $4.132 billion. This contract does not include a reinstatement of limits.

$ in millions

Per occurrence reinsurance contract	Risk period effective date	Contract expiration date	% of limit placed	Retention	Per occurrence limit	States Covered	Reinstatement
Layer 8 "Gap Fill"	May 23, 2019	May 31, 2020	100	$2,750	$219	Countrywide, excluding FL personal and commercial lines property	None

Layer 9 – Per Occurrence and Aggregate Excess Agreement

The ***2018-1 Excess Catastrophe Reinsurance Contract*** reinsures personal lines property and automobile excess catastrophe losses in 49 states and the District of Columbia, excluding the State of Florida, caused by named storms, earthquakes and fire following earthquakes, severe weather, wildfires, and other naturally occurring or man-made events declared to be a catastrophe by Allstate. This contract is placed with Sanders Re Ltd., which obtained funding from the ILS market to collateralize the contract's limit. The contract reinsures business located in the covered territory and arising out of a covered event. The contract's risk period began April 1, 2018 and terminates on March 31, 2022. The contract provides one limit of $500 million during its four-year term, which can be used on a per occurrence or an annual aggregate basis. For each qualifying loss occurrence, the contract provides 100% of $500 million in reinsurance limits, between a $4.363 billion to $4.863 billion layer for the April 1, 2019 to March 31, 2020 period.

The contract also provides an annual aggregate limit of 100% of $500 million in reinsurance limits between a $3.940 billion to $4.440 billion layer. For each annual period beginning April 1, Allstate declared catastrophes occurring during such annual period involving two or more exposures and resulting in more than $1 million in losses to personal lines property and automobile business can be aggregated to erode the aggregate retention and qualify for coverage under the aggregate limit.

Reinsurance recoveries from and including layers one through seven of the Nationwide Program and the New Jersey Excess Catastrophe Agreement inure to the benefit of the annual aggregate layer.

Reinsurance recoveries collected under the per occurrence limit of this contract are not eligible for cession under the aggregate limit of this contract. Reinsurance recoveries for all loss occurrences and annual aggregate losses qualifying for coverage during the contract's four-year risk period are limited to our ultimate net loss from a covered event and subject to the contract's $500 million limit. The contract does not include a reinstatement of limits.

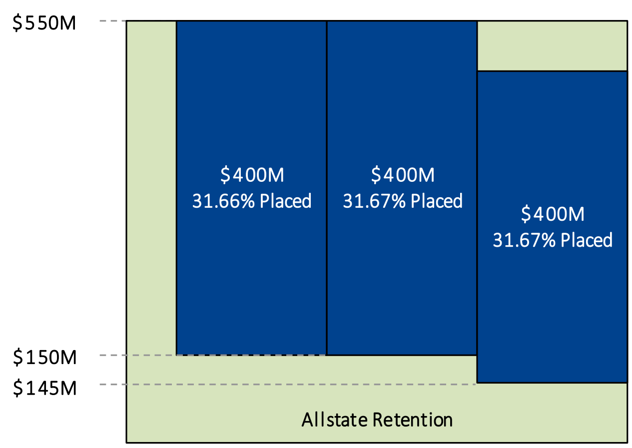
$ in millions

2018-1 Excess reinsurance contract	Risk period beginning date	Risk period ending date	% of limit placed	Retention	Per occurrence and annual aggregate limit	Reinstatement
Layer 9	April 1, 2018	March 31, 2022	100	$4,363 Per Occurrence $3,940 Aggregate	$500	None

Other Catastrophe Reinsurance Programs
The following programs are designed separately from the Nationwide Program to address distinct exposures in certain states and markets.

2. New Jersey Excess Catastrophe Reinsurance Agreement

The New Jersey Excess Catastrophe Reinsurance Agreement comprises two existing contracts and a newly placed contract and reinsures personal lines property and automobile excess catastrophe losses in New Jersey caused by multiple perils. The placed contracts effective June 1, 2018 and June 1, 2019 include coverage for commercial lines property and automobile (physical damage only) catastrophe losses.



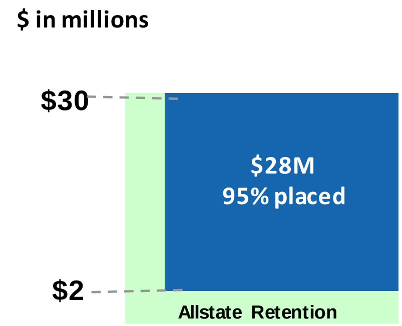
The contracts provide 31.66%, 31.67%, and 31.67%, respectively, of $400 million of limits in excess of a $150 million retention, a $150 million retention and a $145 million retention, respectively. Each contract includes one reinstatement of limits per contract year with additional premium due. The reinsurance premium and retention are subject to redetermination for exposure changes on an annual basis.

$ in millions

Reinsurance contract	Contract effective date	Contract expiration date	% of limit placed			Retention	Per occurrence limit	Reinstatement
			Yr 1	Yr 2	Yr 3			
New Jersey	June 1, 2019	May 31, 2022	31.66	31.66	31.66	$150	$400	1 per occurrence limit each contract year, premium due
New Jersey	June 1, 2018	May 31, 2021	31.67	31.67		150	400	
New Jersey	June 1, 2017	May 31, 2020	31.67			145	400	

3. **Kentucky Earthquake Excess Catastrophe Reinsurance Contract**

The Kentucky Earthquake Excess Catastrophe Reinsurance Contract is a three-year term contract that reinsures personal lines property losses in Kentucky caused by earthquakes and fire following earthquakes. The contract expires May 31, 2020 and provides three limits of $28 million in excess of a $2 million retention, with two limits available in any one contract year, and is 95% placed. The reinsurance premium and retention are not subject to redetermination for exposure changes.



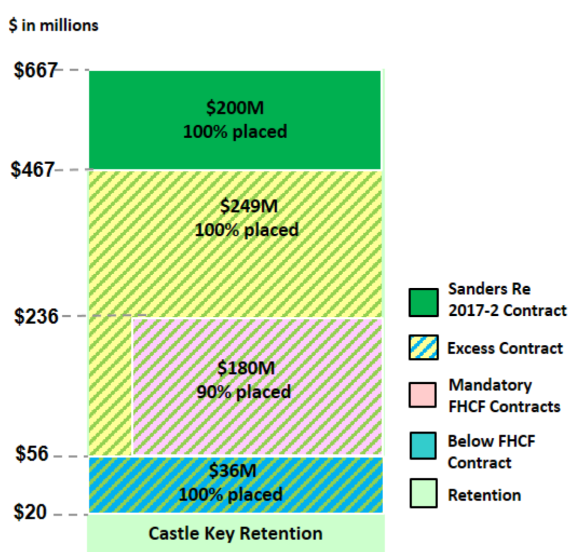
4. **Excess & Surplus ("E&S") Earthquake Contract**

The E&S Earthquake Contract reinsures personal lines property catastrophe losses in California caused by the peril of earthquakes and insured by our excess and surplus lines insurer. The contract is a three-year term contract effective July 1, 2018 through June 30, 2021, both days inclusive. The E&S Earthquake Contract provides reinsurance on a 100% quota share basis with no retention. The contract allows for cession of policies providing earthquake coverage as long as the total amount of in-force building limits provided by those policies does not exceed $400 million. This $400 million cap limits the policies that are covered by the reinsurance contract and not the amount of loss eligible for cession, which includes losses to dwellings, other structures, personal property and additional living expenses on policies covered by this program. As of May 1, 2019, the $400 million cap which serves to limit cessions to the contract has not been exceeded. The E&S Earthquake Contract reinsures only shake damage resulting from the earthquake peril.

We will be placing our Florida Excess Catastrophe Reinsurance Agreement and Florida and Southeast Auto Aggregate Excess Catastrophe Contract in the second quarter of 2019.

5. **Florida Excess Catastrophe Reinsurance Agreement**

The Florida Excess Catastrophe Reinsurance Agreement is comprised of five contracts, as described below, which reinsure Castle Key Insurance Company ("CKIC") and Castle Key Indemnity Company ("CKI") for personal lines property excess catastrophe losses in Florida. (We refer to both companies together as "Castle Key.") For the June 1, 2018 to May 31, 2019 term, the agreement includes two contracts placed in the traditional market, CKIC's and CKI's reimbursement contracts with the Florida Hurricane Catastrophe Fund (the "Mandatory FHCF - Florida Hurricane Catastrophe Fund Contracts"),[6] and the Sanders Re 2017-2 Contract placed in the ILS market.



---

(6) CKIC's and CKI's mandatory FHCF coverage is provided under reimbursement contracts distinct to each entity. CKIC's FHCF reimbursement contract provides a $110.8 million limit after a $34.6 million retention, and CKI's reimbursement contract provides a $68.7 million limit after a $21.4 million retention. For ease of reference, the FHCF's provisional retentions and limits have been consolidated for purposes of this disclosure.

Below FHCF Contract

The Below FHCF Contract reinsures personal lines property excess catastrophe losses caused by multiple perils in Florida. The contract provides three limits of $36 million in excess of a $20 million retention, each occurrence, and is 100% placed. The contract includes two reinstatements of limits. The first reinstatement of limits is prepaid and the second or final reinstatement requires additional premium. Only the portion of the limit utilized to indemnify losses from an event mandatorily reinstates; the remaining reinstatement limit remains available and will be used as future events erode the per occurrence contract limit. Reinsurance premium is subject to redetermination for exposure changes.

Mandatory FHCF Contracts

The Mandatory FHCF Contracts reinsure qualifying personal lines property losses caused by storms the National Hurricane Center declares to be hurricanes. The contracts provide 90% of $180 million of limits (or $162 million in excess of a provisional retention of $56 million), and also include reimbursement of up to 5% of eligible loss adjustment expenses, which is part of and not in addition to the reinsurance limit provided, with no reinstatement of limits. For each of the two largest hurricanes, the provisional retention is $56 million and a retention equal to one-third of that amount, or approximately $19 million, is applicable to all other hurricanes for the season beginning June 1, 2018. The limit and retention of the Mandatory FHCF Contracts are subject to re-measurement based on June 30, 2018 exposure data. In addition, the FHCF's retention is subject to adjustment upward or downward to an actual retention based on exposures submitted to the FHCF by all participants.

Excess Contract

The Excess Contract reinsures personal lines property excess catastrophe losses caused by multiple perils in Florida. The contract is a two-year term contract effective June 1, 2018 to May 31, 2020 and provides $249 million of reinsurance limits each contract year. For the June 1, 2018 to May 31, 2019 term, the contract provides one limit of $249 million in excess of a $20 million retention and is 100% placed. The contract provides reinsurance limits above the Mandatory FHCF Contracts, for CKIC's and CKI's 10% co-participation in the Mandatory FHCF Contracts, and for loss occurrences not subject to reimbursement under the Mandatory FHCF Contracts which only reinsure losses arising out of hurricanes. Recoveries from the Below FHCF Contract and Mandatory FHCF Contracts inure to the benefit of this contract. For the second contract year, the retention and inuring coverages can be adjusted, within a range and for a premium. The contract does not include a reinstatement of limits. Reinsurance premium is subject to redetermination for exposure changes.

Sanders Re 2017-2 Contract

The Sanders Re 2017-2 Contract is a three-year term contract with a risk period effective June 1, 2017 through May 31, 2020. It reinsures qualifying losses to personal lines property caused by a named storm event, a severe thunderstorm event, an earthquake event, a wildfire event, a volcanic eruption event, or a meteorite impact event in Florida as events declared by various reporting agencies, including PCS and as defined in the contract. Should PCS cease to report on severe thunderstorms, then such event will be deemed a severe thunderstorm event if Castle Key has assigned a catastrophe code to such severe thunderstorm. Sanders Re obtained funding from the ILS market to provide collateral equal to the contract's limit.

The contract provides limits of $200 million in excess of a $20 million retention and in excess of "stated reinsurance." For the June 1, 2018 to May 31, 2019 risk period stated reinsurance is defined to include the Below FHCF Contract, the Mandatory FHCF Contracts which are deemed to exhaust due to loss occurrences subject to the non-FHCF contracts, and the Excess Contract.

Stated reinsurance is deemed to be provided on a multiple perils basis under the terms of the non-FHCF contracts and includes an erosion feature, which provides that upon the exhaustion of a portion of the stated reinsurance, coverage under the Sanders Re Contract shall be concurrently placed above and contiguous to the unexhausted portion of the stated reinsurance, if any. The Sanders Re 2017-2 Contract contains a variable reset option, which Castle Key may invoke for risk periods subsequent to the first risk period and which allows for the annual adjustment of the contract's attachment and exhaustion levels. The variable reset option requires a premium adjustment. The contract does not include a reinstatement of limits.

$ in millions

Reinsurance contract	Contract effective date	Contract expiration date	% of limit placed	Retention	Per occurrence limit	Reinstatement
Below FHCF	June 1, 2018	May 31, 2019	100	$20	$36	Two reinstatements of the per occurrence limit; first reinstatement prepaid; second reinstatement premium due
FHCF	June 1, 2018	May 31, 2019	90	56	180	None
Excess	June 1, 2018	May 31, 2020	100	20	249[7]	None
Sanders Re 2017-2	June 1, 2017	May 31, 2020	100	20[8]	200	None

6. Florida and Southeast Auto Aggregate Excess Catastrophe Contract

The Florida and Southeast Auto Aggregate Excess Catastrophe Contract is a one-year term contract effective June 1, 2018 to May 31, 2019. This contract provides $250 million of reinsurance limits for losses to personal lines and commercial lines automobile business (physical damage only) arising out of multiple perils and provided such losses arise out of a company declared catastrophe and result in qualifying losses in the State of Florida. Once qualifying losses are incurred in the State of Florida, coverage is also provided for losses to personal lines and commercial lines automobile business (physical damage only) arising out of the same catastrophe and occurring in Alabama, Georgia, Louisiana, Mississippi, North Carolina and South Carolina. The $250 million of reinsurance limits, 95% placed, is subject to a $250 million aggregate retention for losses arising out of one or all qualifying catastrophes commencing during the contract's one year term. The contract does not include a reinstatement of limits.

---

(7) The Excess contract provides one limit of $249 million each annual contract period.

(8) The Sanders Re 2017-2 contract includes a $20 million retention. The $200 million contract limit applies in excess of the $20 million retention and in excess of "stated reinsurance" which, for the June 1, 2018 to May 31, 2019 risk period, is defined to include the Below FHCF Contract, the Mandatory FHCF Contracts, which are deemed to exhaust due to loss occurrences subject to the non-FHCF contracts, and the Excess Contract.

Illustration of Utilization of Reinsurance Coverage [(a)]

The following examples are provided to illustrate Allstate's reinsurance program and should not be relied upon to determine the amount of Allstate's net loss from any actual events that may occur in the future. They are based on hypothetical situations. The actual amounts recoverable under our reinsurance program and the amount of our net loss from any one event or series of events could differ materially from the hypothetical results presented in these examples due to a variety of factors, including the nature and location of the specific losses incurred, the specific lines of business covered by the various reinsurance agreements, and the impact of potential litigation. Reinstatement premiums are not included. Provisional retentions for the 2018 FL and 2019 NJ programs have been used.

(in millions)

Example 1 - One hurricane landfalls in South Carolina. (Total loss of $2.10 billion, net loss of $580.0 million or 27.6% of total loss.)

		Amount	Notes	Per Occurrence	2017-1 Excess	2018-1 Excess	2019-1 Excess	New Jersey	Castle Key Group: Below FHCF	Castle Key Group: FHCF	Castle Key Group: Excess	Sanders Re 2017-2
Hurricane in South Carolina												
Per Occurrence Excess Agreement												
Loss		2,100.0										
Retention		500.0	500 retention									
Subject Loss		1,600.0	Total loss less 500 retention									
Layer 1			**250 x 500, 95% placed**									
	Retained	12.5	5% of 250 x 500									
	Recoverable	(237.5)	95% of 250 x 500, limit reinstates to 250	(237.5)								
Layer 2			**250 x 750, 95% placed**									
	Retained	12.5	5% of 250 x 750									
	Recoverable	(237.5)	95% of 250 x 750; limit reinstates to 250	(237.5)								
Layer 3			**500 x 1,000, 95% placed**									
	Retained	25.0	5% of 500 x 1,000									
	Recoverable	(475.0)	95% of 500 x 1,000; limit reinstates to 500	(475.0)								
Layer 4			**750 x 1,500, 95% placed**									
	Retained	30.0	5% of 600 x 1,500									
	Recoverable	(570.0)	95% of 600 x 1,500; limit reinstates to 750	(570.0)								
South Carolina loss		**2,100.0**										
Less recoverables		**(1,520.0)**		**(1,520.0)**								
Net loss		**580.0**										

(a) For purposes of these examples, losses and recoverables are calculated according to the reinsurance contracts effective as of 6/1/19.
(b) For purposes of these examples, the limits of liability and retentions have been combined for Castle Key Insurance Company and Castle Key Indemnity Company.
(c) Allstate's separately capitalized Florida underwriting entities underwrite only personal lines property business.

Illustration of Utilization of Reinsurance Coverage [(a)]

The following examples are provided to illustrate Allstate's reinsurance program and should not be relied upon to determine the amount of Allstate's net loss from any actual events that may occur in the future. They are based on hypothetical situations. The actual amounts recoverable under our reinsurance program and the amount of our net loss from any one event or series of events could differ materially from the hypothetical results presented in these examples due to a variety of factors, including the nature and location of the specific losses incurred, the specific lines of business covered by the various reinsurance agreements, and the impact of potential litigation. Reinstatement premiums are not included. Provisional retentions for the 2018 FL and 2019 NJ programs have been used.

(in millions)

Example 2 - First hurricane landfalls in South Carolina, total loss of $1.05 billion; second hurricane landfalls in Texas, total loss of $1.40 billion. (Total loss of $2.45 billion, net loss of $1.07 billion or 43.8% of total loss.)

		Amount	Notes	Per Occurrence	2017-1 Excess	2018-1 Excess	2019-1 Excess	New Jersey	Castle Key Group Below FHCF	Castle Key Group FHCF	Castle Key Group Excess	Sanders Re 2017-2
Hurricane in South Carolina												
Per Occurrence Excess Agreement												
Loss		1,050.0										
Retention		500.0	500 retention									
Subject Loss		550.0	Total loss less 500 retention									
Layer 1			**250 x 500, 95% placed**									
	Retained	12.5	5% of 250 x 500									
	Recoverable	(237.5)	95% of 250 x 500; limit reinstates to 250	(237.5)								
Layer 2			**250 x 750, 95% placed**									
	Retained	12.5	5% of 250 x 750									
	Recoverable	(237.5)	95% of 250 x 750; limit reinstates to 250	(237.5)								
Layer 3			**500 x 1,000, 95% placed**									
	Retained	2.5	5% of 50 x 1,000									
	Recoverable	(47.5)	95% of 50 x 1,000; limit reinstates to 500	(47.5)								
South Carolina loss		**1,050.0**										
Less recoverables		**(522.5)**										
Net loss		**527.5**										
Hurricane in Texas												
Per Occurrence Excess Agreement												
Loss		1,400.0										
Retention		500.0	500 retention									
Subject Loss		900.0	Total loss less 500 retention									
Layer 1			**250 x 500, 95% placed**									
	Retained	12.5	5% of 250 x 500									
	Recoverable	(237.5)	95% of 250 x 500; reinstated limit now exhausted	(237.5)								
Layer 2			**250 x 750, 95% placed**									
	Retained	12.5	5% of 250 x 750									
	Recoverable	(237.5)	95% of 250 x 750; reinstated limit now exhausted	(237.5)								
Layer 3			**500 x 1,000, 95% placed**									
	Retained	20.0	5% of 400 x 1,000									
	Recoverable	(380.0)	95% of 400 x 1,000; limit reinstates to 500	(380.0)								
Texas loss		**1,400.0**										
Less recoverables		**(855.0)**										
Net loss		**545.0**										
Total losses		**2,450.0**										
Less recoverables		**(1,377.5)**		**(1,377.5)**								
Net loss		**1,072.5**										

Illustration of Utilization of Reinsurance Coverage [(a)]

The following examples are provided to illustrate Allstate's reinsurance program and should not be relied upon to determine the amount of Allstate's net loss from any actual events that may occur in the future. They are based on hypothetical situations. The actual amounts recoverable under our reinsurance program and the amount of our net loss from any one event or series of events could differ materially from the hypothetical results presented in these examples due to a variety of factors, including the nature and location of the specific losses incurred, the specific lines of business covered by the various reinsurance agreements, and the impact of potential litigation. Reinstatement premiums are not included. Provisional retentions for the 2018 FL and 2019 NJ programs have been used.

(in millions)

Example 3 - First hurricane landfalls in Alabama, total loss of $350 million; second hurricane landfalls in Georgia, total loss of $900 million; third hurricane landfalls in South Carolina, total loss of $750 million. (Total loss of $2.00 billion, net loss of $1.38 billion or 69.1% of total loss.)

		Amount	Notes	Per Occurrence	2017-1 Excess	2018-1 Excess	2019-1 Excess	New Jersey	Castle Key Group: Below FHCF	Castle Key Group: FHCF	Castle Key Group: Excess	Sanders Re 2017-2
Hurricane in Alabama												
Per Occurrence Excess Agreement												
Loss		350.0										
Retention		500.0	500 retention									
Recoverable		0.0	Retention exceeds total loss									
Alabama loss		**350.0**										
Less recoverable		**0.0**										
Net loss		**350.0**										
Hurricane in Georgia												
Per Occurrence Excess Agreement												
Loss		900.0										
Retention		500.0	500 retention									
Subject Loss		400.0	Total loss less 500 retention									
Layer 1			**250 x 500, 95% placed**									
	Retained	12.5	5% of 250 x 500									
	Recoverable	(237.5)	95% of 250 x 500; limit reinstates to 250	(237.5)								
Layer 2			**250 x 750, 95% placed**									
	Retained	7.5	5% of 150 x 750									
	Recoverable	(142.5)	95% of 150 x 750; limit reinstates to 250	(142.5)								
Georgia loss		**900.0**										
Less recoverables		**(380.0)**										
Net loss		**520.0**										
Hurricane in South Carolina												
Per Occurrence Excess Agreement												
Loss		750.0										
Retention		500.0	500 retention									
Subject Loss		250.0										
Layer 1			**250 x 500, 95% placed**									
	Retained	12.5	5% of 250 x 500									
	Recoverable	(237.5)	95% of 250 x 500; reinstated limit now exhausted	(237.5)								
South Carolina loss		**750.0**										
Less recoverable		**(237.5)**										
Net loss		**512.5**										
Total loss		**2,000.0**										
Less recoverables		**(617.5)**		**(617.5)**								
Net loss		**1,382.5**										

Illustration of Utilization of Reinsurance Coverage [a]

The following examples are provided to illustrate Allstate's reinsurance program and should not be relied upon to determine the amount of Allstate's net loss from any actual events that may occur in the future. They are based on hypothetical situations. The actual amounts recoverable under our reinsurance program and the amount of our net loss from any one event or series of events could differ materially from the hypothetical results presented in these examples due to a variety of factors, including the nature and location of the specific losses incurred, the specific lines of business covered by the various reinsurance agreements, and the impact of potential litigation. Reinstatement premiums are not included. Provisional retentions for the 2018 FL and 2019 NJ programs have been used.

(in millions)

Example 4 - First hurricane landfalls in Maryland, total loss $600 million; second hurricane landfalls in New Jersey, total loss of $500 million; third hurricane landfalls in Maine, total loss of $200 million; fire losses in California following an earthquake, total loss of $1.70 billion. (Total loss of $3.00 billion, net loss of $1.43 billion or 47.7% of total loss.)

								Castle Key Group			
	Amount	**Notes**	**Per Occurrence**	**2017-1 Excess**	**2018-1 Excess**	**2019-1 Excess**	**New Jersey**	**Below FHCF**	**FHCF**	**Excess**	**Sanders Re 2017-2**
Hurricane in Maryland											
Per Occurrence Excess Agreement											
Loss	600.0										
Retention	500.0	500 retention									
Subject loss	100.0	Total loss less 500 retention									
Layer 1		**250 x 500, 95% placed**									
Retained	5.0	5% of 100 x 500									
Recoverable	(95.0)	95% of 100 x 500; limit reinstates to 250	(95.0)								
Maryland loss	**600.0**										
Less recoverable	**(95.0)**										
Net loss	**505.0**										
Hurricane in New Jersey											
NJ Excess Contract Expiring 2020		**400 x 145, 31.67% placed**									
Loss	500.0										
Retention	145.0	145 retention									
Subject Loss	355.0	Total loss less 145 retention									
Retained	242.6	68.33% retained on 355 x 145									
Recoverable	(112.4)	31.67% of 355 x 145; limit reinstates to 400					(112.4)				
NJ Excess Contract Expiring 2021		**400 x 150, 31.67% placed**									
Loss	500.0										
Retention	150.0	150 retention									
Subject Loss	350.0	Total loss less 150 retention									
Retained	239.2	68.33% retained on 350 x 150									
Recoverable	(110.8)	31.67% of 350 x 150; limit reinstates to 400					(110.8)				
NJ Excess Contract Expiring 2022		**400 x 150, 31.66% placed**									
Loss	500.0										
Retention	150.0	150 retention									
Subject Loss	350.0	Total loss less 150 retention									
Retained	239.2	68.34% retained on 350 x 150									
Recoverable	(110.8)	31.66% of 350 x 150; limit reinstates to 400					(110.8)				
New Jersey loss	**500.0**										
Less recoverables	**(334.0)**										
Net loss	**166.0**										

Illustration of Utilization of Reinsurance Coverage [a]

The following examples are provided to illustrate Allstate's reinsurance program and should not be relied upon to determine the amount of Allstate's net loss from any actual events that may occur in the future. They are based on hypothetical situations. The actual amounts recoverable under our reinsurance program and the amount of our net loss from any one event or series of events could differ materially from the hypothetical results presented in these examples due to a variety of factors, including the nature and location of the specific losses incurred, the specific lines of business covered by the various reinsurance agreements, and the impact of potential litigation. Reinstatement premiums are not included. Provisional retentions for the 2018 FL and 2019 NJ programs have been used.

(in millions)

	Amount	Notes						Castle Key Group			
Example 4 - continuation			Per Occurrence	2017-1 Excess	2018-1 Excess	2019-1 Excess	New Jersey	Below FHCF	FHCF	Excess	Sanders Re 2017-2
Hurricane in Maine											
Per Occurrence Excess Agreement											
Loss	200.0										
Retention	500.0	500 retention									
Subject Loss	0.0	Retention exceeds total loss									
Maine loss	**200.0**										
Less recoverable	**0.0**										
Net loss	**200.0**										
Fire losses in California following an earthquake											
Per Occurrence Excess Agreement											
Loss	1,700.0										
Retention	500.0	500 retention									
Subject loss	1,200.0	Total loss less 500 retention									
Layer 1		**250 x 500, 95% placed**									
Retained	12.5	5% of 250 x 500									
Recoverable	(237.5)	95% of 250 x 500; limit reinstates to 250	(237.5)								
Layer 2		**250 x 750, 95% placed**									
Retained	12.5	5% of 250 x 750									
Recoverable	(237.5)	95% of 250 x 750; limit reinstates to 250	(237.5)								
Layer 3		**500 x 1,000, 95% placed**									
Retained	25.0	5% of 500 x 1,000									
Recoverable	(475.0)	95% of 500 x 1,000; limit reinstates to 500	(475.0)								
Layer 4		**750 x 1,500, 95% placed**									
Retained	10.0	5% of 200 x 1,500									
Recoverable	(190.0)	95% of 200 x 1,500; limit reinstates to 750	(190.0)								
California loss	**1,700.0**										
Less recoverables	**(1,140.0)**										
Net loss	**560.0**										
Total loss	**3,000.0**										
Less recoverables	**(1,569.0)**		**(1,235.0)**				**(334.0)**				
Net loss	**1,431.0**										

Illustration of Utilization of Reinsurance Coverage [a]

The following examples are provided to illustrate Allstate's reinsurance program and should not be relied upon to determine the amount of Allstate's net loss from any actual events that may occur in the future. They are based on hypothetical situations. The actual amounts recoverable under our reinsurance program and the amount of our net loss from any one event or series of events could differ materially from the hypothetical results presented in these examples due to a variety of factors, including the nature and location of the specific losses incurred, the specific lines of business covered by the various reinsurance agreements, and the impact of potential litigation. Reinstatement premiums are not included. Provisional retentions for the 2018 FL and 2019 NJ programs have been used.

(in millions)

Example 5 - First hurricane landfalls in Louisiana, total loss of $1.00 billion. A second hurricane landfalls in Texas resulting in $3.60 billion of personal lines property losses and $300 million of personal lines automobile losses, total loss $3.90 billion. A third hurricane landfalls in Florida, total property loss of $600 million. (Total loss of $5.50 billion, net loss of $1.22 billion or 22.1% of total loss.) [c]

		Amount	Notes	Per Occurrence	2017-1 Excess	2018-1 Excess	2019-1 Excess	New Jersey	Castle Key Group: Below FHCF	Castle Key Group: FHCF	Castle Key Group: Excess	Sanders Re 2017-2
Hurricane in Louisiana												
Per Occurrence Excess Agreement												
Loss		1,000.0										
Retention		500.0	500 retention									
Subject loss		500.0	Total loss less 500 retention									
Layer 1			**250 x 500, 95% placed**									
	Retained	12.5	5% of 250 x 500									
	Recoverable	(237.5)	95% of 250 x 500; limit reinstates to 250	(237.5)								
Layer 2			**250 x 750, 95% placed**									
	Retained	12.5	5% of 250 x 750									
	Recoverable	(237.5)	95% of 250 x 750; limit reinstates to 250	(237.5)								
Louisiana Loss		**1,000.0**										
Less recoverables		**(475.0)**										
Net loss		**525.0**										
Hurricane in Texas												
Per Occurrence Excess Agreement												
Loss		3,900.0										
Retention		500.0	500 retention									
Subject loss		3,400.0	Total loss less 500 retention									
Layer 1			**250 x 500, 95% placed**									
	Retained	12.5	5% of 250 x 500									
	Recoverable	(237.5)	95% of 250 x 500, reinstated limit now exhausted	(237.5)								
Layer 2			**250 x 750, 95% placed**									
	Retained	12.5	5% of 250 x 750									
	Recoverable	(237.5)	95% of 250 x 750; reinstated limit now exhausted	(237.5)								
Layer 3			**500 x 1,000, 95% placed**									
	Retained	25.0	5% of 500 x 1,000									
	Recoverable	(475.0)	95% of 500 x 1,000; limit reinstates to 500	(475.0)								
Layer 4			**750 x 1,500, 95% placed**									
	Retained	37.5	5% of 750 x 1,500									
	Recoverable	(712.5)	95% of 750 x 1,500; limit reinstates to 750	(712.5)								
Layer 5			**500 x 2,250, 95% placed**									
	Retained	25.0	5% of 500 x 2,250									
	Recoverable	(475.0)	95% of 500 x 2,250; limit reinstates to 500	(475.0)								
Layer 6			**324 x 2,750, 95% placed**									
	Retained	16.2	5% of 324 x 2,750									
	Recoverable	(307.8)	95% of 324 x 2,750; limit reinstates to 324	(307.8)								

Illustration of Utilization of Reinsurance Coverage [(a)]

The following examples are provided to illustrate Allstate's reinsurance program and should not be relied upon to determine the amount of Allstate's net loss from any actual events that may occur in the future. They are based on hypothetical situations. The actual amounts recoverable under our reinsurance program and the amount of our net loss from any one event or series of events could differ materially from the hypothetical results presented in these examples due to a variety of factors, including the nature and location of the specific losses incurred, the specific lines of business covered by the various reinsurance agreements, and the impact of potential litigation. Reinstatement premiums are not included. Provisional retentions for the 2018 FL and 2019 NJ programs have been used.

(in millions)

		Amount	Notes							Castle Key Group		
Example 5 - continuation				**Per Occurrence**	**2017-1 Excess**	**2018-1 Excess**	**2019-1 Excess**	**New Jersey**	**Below FHCF**	**FHCF**	**Excess**	**Sanders Re 2017-2**
Layer 7												
7 Year Contract - Traditional Market			**446 x 3,395, 29.37% placed**									
Loss		3,900.0										
Retention		3,395.0	3,395 retention									
Subject Loss		505.00	Total loss less 3,395 retention									
	Retained	315.0	70.63% of 446 x 3,395									
	Recoverable	(131.0)	29.37% of 446 x 3,395; limit reinstates to 446	(131.0)								
5% Co-Participation Layer			**Contract deems in place 5% of 1,613 x 2,750**									
Loss		3,900.0										
Retention		2,750.0	2,750 retention									
Subject Loss		1,150.0	Total loss less 2,750 retention									
	Deemed	(57.5)	Less deemed; 5% x 2,750 retention of reinsurance limits deemed in place under the contract (subject loss of 3,900 - 2,750 * 5%)									
Layer 7												
2019-1 Excess Contract			**300 Limit; 400 x 2,750, 75.0% placed**									
Loss		3,900.0										
Retention		2,750.0	2,750 retention									
Subject Loss		1,150.0	Total loss less 2,750 retention									
	Inuring	438.8	Recoveries from Layers 6 and Layer 7									
	Deemed	57.5	Deemed from Co-Participation Layer									
		653.7	Subject loss less inuring and deemed									
	Retained	100.0	25% of 400 x 2,750									
	Recoverable	(300.0)	75% of 400 x 2,750; limit exhausted and not subject to reinstatement				(300.0)					
Layer 7												
Wrap Fill Excess Contract			**200 x 2,750, 100% placed**									
Loss		3,900.0										
Retention		2,750.0	2,750 retention									
Subject Loss		1,150.0	Total loss less 2,750 retention									
	Inuring	738.8	Recoveries from Layers 6 and Layer 7									
	Deemed	57.5	Deemed from Co-Participation Layer									
		353.7	Subject loss less inuring and deemed									
	Recoverable	(200.0)	Subject loss less inuring and deemed; limit exhausted and not subject to reinstatement	(200.0)								
Layer 7												
2017-1 Excess Contract			**375 x 2,750, 100% placed**									
Loss		3,900.0										
Retention		2,750.0	2,750 retention									
Subject Loss		1,150.0	Total loss less 2,750 retention									
	Inuring	938.8	Recoveries from Layers 6 and Layer 7									
	Deemed	57.5	Deemed from Co-Participation Layer									
		153.7	Subject loss less inuring and deemed									
	Recoverable	(153.7)	Subject loss less inuring and deemed; 221.3 remains for future events		(153.7)							
Texas Loss		**3,900.0**										
Less recoverables		**(3,230.0)**										
Net loss		**670.0**										

Illustration of Utilization of Reinsurance Coverage [a]

The following examples are provided to illustrate Allstate's reinsurance program and should not be relied upon to determine the amount of Allstate's net loss from any actual events that may occur in the future. They are based on hypothetical situations. The actual amounts recoverable under our reinsurance program and the amount of our net loss from any one event or series of events could differ materially from the hypothetical results presented in these examples due to a variety of factors, including the nature and location of the specific losses incurred, the specific lines of business covered by the various reinsurance agreements, and the impact of potential litigation. Reinstatement premiums are not included. Provisional retentions for the 2018 FL and 2019 NJ programs have been used.

(in millions)

	Amount	Notes						Castle Key Group			
Example 5 - continuation			**Per Occurrence**	**2017-1 Excess**	**2018-1 Excess**	**2019-1 Excess**	**New Jersey**	**Below FHCF**	**FHCF**	**Excess**	**Sanders Re 2017-2**
Hurricane in Florida											
Below FHCF		**36 x 20, 100% placed**									
Loss	600.0										
Retention	20.0	20 retention									
Subject Loss	580.0	Total loss less 20 retention									
Recoverable	(36.0)	100% of 36 x 20 retention; limit reinstates to 36									
								(36.0)			
FHCF [b]		**180 x 56 retention, 90% placed**									
Loss	600.0										
Retention	56.0	56 retention									
Subject Loss	544.0	Total loss less 56 retention									
Retained	18.0	10% retained on 180 limit									
Recoverable	(162.0)	90% of 180 x 56 retention; limit exhausted							(162.0)		
Excess		**249 x 20 retention; recoveries from Below FHCF and FHCF inure; 100% placed**									
Loss	600.0										
Retention	20.0	20 retention									
Subject Loss	580.0	Total loss less 20 retention									
Inuring Reinsurance	198.0	36 recovery from Below FHCF and 162 recovery from FHCF inure									
Recoverable	(249.0)	100% of 249 x 20 retention and less inuring reinsurance; limit exhausted								(249.0)	
Sanders Re 2017-2		**200 x 20 retention and x Stated Reinsurance of 447; 100% placed**									
Loss	600.0										
Retention	467.0	467 retention (20 plus Stated Reinsurance equal to the Below FHCF contract limit of 36, the mandatory FHCF limit 90% placed of 162, and the Excess contract limit of 249)									
Subject Loss	133.0	Total loss less 467 retention									
Recoverable	(133.0)	100% of 133 x 20 retention and x stated reinsurance of 447; 67 limit remains excess of 20 retention and excess of remaining stated reinsurance of 36									(133.0)
Florida loss	**600.0**										
Less recoverables:											
Below FHCF	**(36.0)**										
FHCF	**(162.0)**										
Excess	**(249.0)**										
Sanders Re 2017-2	**(133.0)**										
Net loss	**20.0**										
Total loss	**5,500.0**										
Less net recoverables	**(4,285.0)**		**(3,251.3)**	**(153.7)**		**(300.0)**		**(36.0)**	**(162.0)**	**(249.0)**	**(133.0)**
Net loss	**1,215.0**										

Illustration of Utilization of Reinsurance Coverage [(a)]

The following examples are provided to illustrate Allstate's reinsurance program and should not be relied upon to determine the amount of Allstate's net loss from any actual events that may occur in the future. They are based on hypothetical situations. The actual amounts recoverable under our reinsurance program and the amount of our net loss from any one event or series of events could differ materially from the hypothetical results presented in these examples due to a variety of factors, including the nature and location of the specific losses incurred, the specific lines of business covered by the various reinsurance agreements, and the impact of potential litigation. Reinstatement premiums are not included. Provisional retentions for the 2018 FL and 2019 NJ programs have been used.

(in millions)

Example 6 - First hurricane landfalls in Louisiana, total loss of $1.00 billion. A second hurricane landfalls in Texas resulting in $3.00 billion of personal lines property losses and $150 million of personal lines automobile losses, total loss $3.15 billion. A third hurricane landfalls in Florida, total property loss of $600 million. (Total loss of $4.75 billion, net loss of $1.18 billion or 24.8% of total loss.) [(c)]

		Amount	Notes	Per Occurrence	2017-1 Excess	2018-1 Excess	2019-1 Excess	New Jersey	Castle Key Group: Below FHCF	Castle Key Group: FHCF	Castle Key Group: Excess	Sanders Re 2017-2
Hurricane in Louisiana												
Per Occurrence Excess Agreement												
Loss		1,000.0										
Retention		500.0	500 retention									
Subject loss		500.0	Total loss less 500 retention									
Layer 1			**250 x 500, 95% placed**									
	Retained	12.5	5% of 250 x 500									
	Recoverable	(237.5)	95% of 250 x 500; limit reinstates to 250	(237.5)								
Layer 2			**250 x 750, 95% placed**									
	Retained	12.5	5% of 250 x 750									
	Recoverable	(237.5)	95% of 250 x 750; limit reinstates to 250	(237.5)								
Louisiana Loss		**1,000.0**										
Less recoverables		**(475.0)**										
Net loss		**525.0**										
Hurricane in Texas												
Per Occurrence Excess Agreement												
Loss		3,150.0										
Retention		500.0	500 retention									
Subject loss		2,650.0	Total loss less 500 retention									
Layer 1			**250 x 500, 95% placed**									
	Retained	12.5	5% of 250 x 500									
	Recoverable	(237.5)	95% of 250 x 500, reinstated limit now exhausted	(237.5)								
Layer 2			**250 x 750, 95% placed**									
	Retained	12.5	5% of 250 x 750									
	Recoverable	(237.5)	95% of 250 x 750; reinstated limit now exhausted	(237.5)								
Layer 3			**500 x 1,000, 95% placed**									
	Retained	25.0	5% of 500 x 1,000									
	Recoverable	(475.0)	95% of 500 x 1,000; limit reinstates to 500	(475.0)								
Layer 4			**750 x 1,500, 95% placed**									
	Retained	37.5	5% of 750 x 1,500									
	Recoverable	(712.5)	95% of 750 x 1,500; limit reinstates to 750	(712.5)								
Layer 5			**500 x 2,250, 95% placed**									
	Retained	25.0	5% of 500 x 2,250									
	Recoverable	(475.0)	95% of 500 x 2,250; limit reinstates to 500	(475.0)								
Layer 6			**324 x 2,750, 95% placed**									
	Retained	16.2	5% of 324 x 2,750									
	Recoverable	(307.8)	95% of 324 x 2,750; limit reinstates to 324	(307.8)								

Illustration of Utilization of Reinsurance Coverage [(a)]

The following examples are provided to illustrate Allstate's reinsurance program and should not be relied upon to determine the amount of Allstate's net loss from any actual events that may occur in the future. They are based on hypothetical situations. The actual amounts recoverable under our reinsurance program and the amount of our net loss from any one event or series of events could differ materially from the hypothetical results presented in these examples due to a variety of factors, including the nature and location of the specific losses incurred, the specific lines of business covered by the various reinsurance agreements, and the impact of potential litigation. Reinstatement premiums are not included. Provisional retentions for the 2018 FL and 2019 NJ programs have been used.

(in millions)

		Amount	Notes						Castle Key Group			
Example 6 - continuation				Per Occurrence	2017-1 Excess	2018-1 Excess	2019-1 Excess	New Jersey	Below FHCF	FHCF	Excess	Sanders Re 2017-2
Hurricane in Texas												
Layer 7												
7 Year Contract - Traditional Market			**446 x 3,395, 29.37% placed**									
Loss		3,150.0										
Retention		3,395.0	3,395 retention									
Subject Loss		0.00	Retention exceeds subject loss									
5% Co-Participation Layer			**Contract deems in place 5% of 1,613 x 2,750**									
Loss		3,150.0										
Retention		2,750.0	2,750 retention									
Subject Loss		400.0	Total loss less 2,750 retention									
	Deemed	(20.0)	Less deemed; 5% x 2,750 retention of reinsurance limits deemed in place under the contract (subject loss of 3,150 - 2,750 * 5%)									
Layer 7												
2019-1 Excess Contract			**300 Limit; 400 x 2,750, 75.0% placed**									
Loss		3,150.0										
Retention		2,750.0	2,750 retention									
Subject Loss		400.0	Total loss less 2,750 retention									
	Inuring	307.8	Recoveries from Layer 6									
	Deemed	20.0	Deemed from Co-Participation Layer									
		72.2	Subject loss less inuring and deemed									
	Retained	18.1	25% of 72.2 x 2,750									
	Recoverable	(54.2)	75% of 72.2 x 2,750; no reinstatement				(54.2)					
Layer 7												
Wrap Fill Excess Contract			**200 x 2,750, 100% placed**									
Loss		3,150.0										
Retention		2,750.0	2,750 retention									
Subject Loss		400.0	Total loss less 2,750 retention									
	Inuring	362.0	Recoveries from Layers 6 and 7									
	Deemed	20.0	Deemed from Co-Participation Layer									
		18.0	Subject loss less inuring and deemed									
	Recoverable	(18.0)	100% of 18.1 x 2,750; no reinstatement	(18.0)								
Texas Loss		**3,150.0**										
Less recoverables		**(2,517.4)**										
Net loss		**632.6**										

Illustration of Utilization of Reinsurance Coverage [(a)]

The following examples are provided to illustrate Allstate's reinsurance program and should not be relied upon to determine the amount of Allstate's net loss from any actual events that may occur in the future. They are based on hypothetical situations. The actual amounts recoverable under our reinsurance program and the amount of our net loss from any one event or series of events could differ materially from the hypothetical results presented in these examples due to a variety of factors, including the nature and location of the specific losses incurred, the specific lines of business covered by the various reinsurance agreements, and the impact of potential litigation. Reinstatement premiums are not included. Provisional retentions for the 2018 FL and 2019 NJ programs have been used.

(in millions)

	Amount	Notes						Castle Key Group			
Example 6 - continuation			**Per Occurrence**	**2017-1 Excess**	**2018-1 Excess**	**2019-1 Excess**	**New Jersey**	**Below FHCF**	**FHCF**	**Excess**	**Sanders Re 2017-2**
Hurricane in Florida											
Below FHCF		**36 x 20, 100% placed**									
Loss	600.0										
Retention	20.0	20 retention									
Subject Loss	580.0	Total loss less 20 retention									
Recoverable	(36.0)	100% of 36 x 20 retention; limit reinstates to 36									
								(36.0)			
FHCF [(b)]		**180 x 56 retention, 90% placed**									
Loss	600.0										
Retention	56.0	56 retention									
Subject Loss	544.0	Total loss less 56 retention									
Retained	18.0	10% retained on 180 limit									
Recoverable	(162.0)	90% of 180 x 56 retention; limit exhausted							(162.0)		
Excess		**249 x 20 retention; recoveries from Below FHCF and FHCF inure; 100% placed**									
Loss	600.0										
Retention	20.0	20 retention									
Subject Loss	580.0	Total loss less 20 retention									
Inuring Reinsurance	198.0	36 recovery from Below FHCF and 162 recovery from FHCF inure									
Recoverable	(249.0)	100% of 249 x 20 retention and less inuring reinsurance; limit exhausted								(249.0)	
Sanders Re 2017-2		**200 x 20 retention and x Stated Reinsurance of 447; 100% placed**									
Loss	600.0										
Retention	467.0	467 retention (20 plus Stated Reinsurance equal to the Below FHCF contract limit of 36, the mandatory FHCF limit 90% placed of 162, and the Excess contract limit of 249)									
Subject Loss	133.0	Total loss less 467 retention									
Recoverable	(133.0)	100% of 133 x 20 retention and x stated reinsurance of 447; 67 limit remains excess of 20 retention and excess of remaining stated reinsurance of 36									(133.0)
Florida loss	**600.0**										
Less recoverables:											
Below FHCF	**(36.0)**										
FHCF	**(162.0)**										
Excess	**(249.0)**										
Sanders Re 2017-2	**(133.0)**										
Net loss	**20.0**										
Total loss	**4,750.0**										
Less net recoverables	**(3,572.4)**		**(2,938.3)**			**(54.2)**		**(36.0)**	**(162.0)**	**(249.0)**	**(133.0)**
Net loss	**1,177.6**										