

**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 19, 2005**

ALLSTATE LIFE INSURANCE COMPANY

(Exact name of Registrant as Specified in Charter)

Illinois
(State or other
jurisdiction of
organization)

0-31248
(Commission
File Number)

36-2554642
(IRS Employer
Identification No.)

3100 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))

Section 1 – Registrant's Business and Operations

Item 1.01. Entry into Material Definitive Agreement

Amended and Restated Service and Expense Agreement

On April 19, 2005, Allstate Life Insurance Company of New York ("ALNY") and Intramerica Life Insurance Company ("Intramerica"), signed an Amended and Restated Service and Expense Agreement ("Agreement") among Allstate Insurance Company ("AIC"), The Allstate Corporation ("Allcorp") and certain affiliates ("Affiliates") and a New York Insurer Supplement to Amended and Restated Service and Expense Agreement ("Supplement") among AIC, Allcorp, ALNY and Intramerica, both with an effective date of March 5, 2005 ("Effective Date").

The Supplement amends the Agreement solely as to services and facilities provided to ALNY and Intramerica, in order to conform to requirements and restrictions that are applicable only to ALNY and Intramerica, New York domiciled insurance companies, and not to the other Affiliates.

AIC previously entered into a Service and Expense Agreement dated as of January 1, 1999, with Allcorp and certain of its insurance company affiliates (but not ALNY and Intramerica) and another Service and Expense Agreement dated as of January 1, 2000, with certain of its non-insurance affiliates, pursuant to which AIC provides certain services and facilities to its various affiliates (collectively the "Original Agreements"). The Original Agreements were amended on January 1, 2002, with the establishment of Allstate Investments, LLC, terminating the provision of investment management services by AIC. Nevertheless, AIC continued to provide a wide range of other services and facilities to its affiliates under the Original Agreements.

The Agreement consolidates the Original Agreements into one agreement to which ALNY and Intramerica are now parties. In addition, it allows for the provision of certain services and facilities by certain affiliates to AIC and to other affiliates from time to time and provides for possible future alternative methods of costing for facilities and services.

In connection with the execution of the Agreement by ALNY and Intramerica, certain other service and expense agreements to which ALNY and Intramerica were parties have been terminated without penalties on the Effective Date. These agreements include:

1. Service Agreement between Allstate Insurance Company and Allstate Life Insurance Company of New York executed February 27, 1990 and effective July 1, 1989.
2. Administrative Services Agreement between Allstate Insurance Company and Intramerica Life Insurance Company effective July 1, 1999.

The Agreement also provides for the termination without penalties on the Effective Date of certain other service or expense agreements to which ALNY and Intramerica were parties, none of which were considered material definitive agreements or material contracts and, consequently, have not been filed as exhibits to ALIC's quarterly or annual reports on Forms 10-Q or 10-K.

ALNY and Intramerica are direct wholly owned subsidiaries of Allstate Life Insurance Company ("ALIC"). ALIC is a direct wholly owned subsidiary of AIC, a direct wholly owned subsidiary of Allcorp.

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Item 1.02 Termination of Material Definitive Agreements

Information required for this Item 1.02 is incorporated by reference to the discussion above in Item 1.01.

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.

ALLSTATE LIFE INSURANCE COMPANY

By: /s/ Mary J. McGinn

Name: Mary J. McGinn
Title: Vice President and Assistant Secretary

Dated: April 22, 2005

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