Allstate 401(k) Savings Plan

This Summary Plan Description (SPD) describes the principal provisions of the Allstate 401(k) Savings Plan (the "Plan"), effective as of January 1, 2019, unless otherwise noted.

This document dated January 1, 2019, constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933.

The Plan covers Regular Full-Time and Regular Part-Time Employees of Allstate Insurance Company and other Participating Employers in The Allstate Corporation controlled group of companies. The terms "Company" or "Allstate" as used in this document mean The Allstate Corporation. "Employer" or "Participating Employer" means Allstate Insurance Company and any related employers that have adopted the Plan for their employees. As of January 1, 2019, the Participating Employers are Allstate Insurance Company and Allstate New Jersey Insurance Company.

The Plan consists of a profit sharing and stock bonus plan containing a cash or deferred arrangement intended to meet the requirements of sections 401(a) and 401(k) of the Internal Revenue Code of 1986, as amended (the "Code"). The stock bonus portion includes a leveraged and a non-leveraged employee stock ownership plan ("ESOP") intended to meet the requirements of sections 409 and 4975(e)(7) of the Code. The stock bonus and ESOP portion of the Plan is designed to invest primarily in Company shares which constitute qualifying employer securities under section 407(d)(5) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and section 4975(e)(8) of the Code.

The Plan is administered by an Administrative Committee appointed by, and serving at the pleasure of, the 401(k) Committee of the Plan. The members of the Administrative Committee are employees of Allstate Insurance Company. The Secretary of the Administrative Committee is the Plan Administrator as defined in Section 3(16)(A) of ERISA. The Administrative Committee has the discretion to establish and carry out all rules necessary to operate the Plan and to make decisions regarding the interpretation or application of Plan provisions, including the discretion to make factual determinations and remedy any possible ambiguities, inconsistencies or omissions. Any decision made by the Administrative Committee is final and binding on all parties. The Administrative Committee has comprehensive authority, including:

- adoption of rules and retention of assistance for Plan administration;
- maintenance of participants' Accounts;
- conditions for Plan enrollment, investment elections, and beneficiary designations; and
- decisions on claims for benefits.

Assets of the Plan are held by The Northern Trust Company, as Trustee under the Allstate 401(k) Savings Plan Trust (the "Trust").

This Summary Plan Description is designed to summarize the Plan in non-technical terms. Should there be any inconsistency between this Summary Plan Description and the Plan's official plan document, the terms of the plan document will govern. The Plan reserves the right to correct any errors or mistakes of fact, and make adjustments in benefit amounts paid, unpaid, or estimated in order to remain in compliance with plan documents. You may examine the complete plan document on which this Summary Plan Description is based for a more detailed description of the Plan's provisions and procedures.

While Allstate expects to continue the Allstate 401(k) Savings Plan, The Allstate Corporation as Plan Sponsor reserves the right to change, amend or terminate the Plan, at any time for any reason. Participation in the Plan does not constitute a contract or guarantee of employment.

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HIGHLIGHTS

The Plan provides a means to accumulate wealth through regular savings and is a source of retirement income. Together with your pension benefit, Social Security and personal savings, the Plan is a part of your total retirement income.

An Easy Way to Save

The Plan makes it easier to meet your personal savings goals by giving you:

- The opportunity to save part of your pay before income taxes are calculated and for those investments to grow tax-deferred;
- The ability to make Roth deposits (which grow potentially tax-free) and convert existing Pre-Tax or After-Tax balances to a Roth Account via an In-Plan Conversion;
- The ability to choose when and how much you save;
- A range of investment options;
- Company Contributions, invested in the Allstate Stock Fund;
- Convenient payroll deductions;
- Access to your savings and the Company Contributions, while you still work, through loans and in-service withdrawals;
- The ability to transfer your Plan balances, including Company Contributions, among the Plan's investment options; and
- Access to an independent investment advisory service provided by Alight Financial Advisors, LLC (AFA).

ELIGIBILITY AND PARTICIPATION

If you are an employee of a Participating Employer, you are eligible to become a participant in the Plan if you are at least 18 years old and you are a:

- Regular Full-Time Employee who is scheduled to work a full work week; or
- Regular Part-Time Employee who regularly is scheduled to work less than a full work week, provided that you complete 1,000 or more hours of employment during your first year, or any later year of employment. Regular Part-Time Employees are eligible to participate in the Plan on the later of becoming a Regular Part-Time Employee or after having attained age 18, but no earlier than the date the Participating Employer joined the Plan; and
- you are not an individual described below.

An employee who is eligible to participate in the Plan is referred to as an Eligible Employee.

The following individuals are not eligible to participate in the Plan:

- Independent contractors, regardless of whether such individuals are classified as common law or statutory employees of an Employer for tax or any other purposes, are not eligible to participate in the Plan. Independent contractors are those persons who provide services to an Employer under a contract or understanding between the Employer (or another Allstate company) and the person or the leasing organization, pursuant to which the person performs services as an independent agent or contractor or in any other status that is not classified as an "Employee" by an Employer.

- Leased employees (those persons who are not classified as a Regular Full-Time or Regular Part-Time Employee of an Employer, but who will have provided services for an Employer under primary direction or control by an Employer on a substantially full-time basis for a period of at least one year, pursuant to an agreement between the Employer and any other person).
- Excluded Employee Agents, which means an R3000 Employee Agent or those classified as agent trainees (e.g., R2672 Agent Trainees).
- Individuals employed by an Employer whose permanent employment location is outside of the United States, individuals who are residents of Puerto Rico, and non-resident aliens (with the exception of those persons who are employed by a Participating Employer and working in the United States on a visa).
- Persons classified as full-time temporary employees, and part-time employees who are not classified as Regular Part-Time Employees, and other persons excluded from participation by another provision in the Plan or by an agreement with an Employer.

If a person is not eligible to participate in the Plan, a later change in the person's status will not retroactively change their status for Plan purposes.

If you terminate employment with an Employer after becoming an Eligible Employee and are subsequently reemployed by an Employer, you will become eligible to participate in the Plan on the date of your reemployment provided you are, upon rehire, an Eligible Employee.

If you terminate employment before becoming an Eligible Employee and are subsequently reemployed by an Employer, you will become eligible to participate on your date of rehire if you then meet the Plan's eligibility requirements.

VESTING

Vesting refers to your right to receive your Plan benefit after your termination of employment. You are always fully vested in your Pre-Tax Account, Roth 401(k) Account, After-Tax Account, Rollover Account and Roth Rollover Account.

You are not entitled to the Company Contribution portion of your Plan account balance until you meet the Vesting Service requirement. If you were first hired by any employer in the Allstate controlled group before March 1, 2009, you are fully vested in your entire account balance, including your Company Contribution Account. If you were first hired on or after March 1, 2009, you must complete three full years of Vesting Service (as described below) in order to "vest" in your Company Contribution Account. You will also vest in your Company Contribution Account if your employment terminates due to your death or after you have attained age 65.

If you are not vested in your Company Contribution Account when your employment with the Allstate controlled group of companies ends, you will not be entitled to receive any distribution from your Company Contribution Account. Your right to your Company Contribution Account may be restored, however, if you are later reemployed (see "Reemployment" on page 7).

Vesting Service

Vesting Service is used to determine whether you are vested in your Plan benefit.

Vesting Service includes all of your years of service as an Employee beginning on your employment hire date through your last day of employment. The one year of service prior to becoming a Regular Part-Time Employee is included as Vesting Service.

Employment with a company in the Allstate controlled group of companies that is not a Participating Employer in the Plan, or any period of time as a leased employee, may count for Vesting Service. Contact the Allstate Benefits Center at (888) 255-7772 for more information.

Breaks in Service

A break in service is used to determine your right to restoration of your Company Contribution Account if you are reemployed by any employer in the Allstate controlled group of companies. (See "Reemployment" on page 7.) Your break in service generally begins on the day after your employment with the Allstate controlled group of companies ends.

If you are reemployed by an employer in the Allstate controlled group of companies in less than 12 months after your employment ends, you will be treated as if you had not terminated employment and you will continue to be credited with Vesting Service during your period of absence.

Transfer of Employment to a Non-Participating Employer

If you transfer employment to another employer in the Allstate controlled group of companies that is not a Participating Employer in the Plan, you will continue to participate in the Plan while you are employed by a non-participating Allstate company, except:

- you may not make Pre-Tax Deposits, Roth 401(k) Deposits, Catch-Up Deposits, or After-Tax Deposits, and
- you will not receive Company Contributions, other than those related to your Matchable Pre-Tax Deposits or Matchable Roth 401(k) Deposits made prior to your transfer of employment.

You are eligible to take withdrawals as described in the "Availability of Your Account Balances" section on page 37. You cannot take a complete distribution of your Plan Account balance until you end employment with all employers in the Allstate controlled group of companies.

Forfeiture of Company Contribution Account

If you terminate employment before you have vested in your Company Contribution Account, you will forfeit the amounts held in your Company Contribution Account on the earlier of:

- the day that you receive a distribution from all of your other accounts, or
- the end of the calendar year in which you have a break in service that has lasted five (5) years.

You may continue to direct the investment of your unvested Company Contribution Account until the account is forfeited but you are not entitled to receive any distribution from your unvested Company Contribution Account.

Reemployment

If you terminate employment before you vest in your Company Contribution Account and you are later reemployed by any employer in the Allstate controlled group, your rights, if any, to your prior Company Contribution Account will be determined as follows:

- If you are reemployed before you have a break in service lasting five (5) years and you have previously received a distribution of your vested accounts, the amounts previously forfeited from your Company Contribution Account will be restored to your accounts. The amount restored to your Company Contribution Account will be the balance of your Company Contribution Account on the date that your other accounts were distributed to you. You will not be credited with any investment income or gains or charged with any investment losses during the period between the date of your prior distribution and the date your Company Contribution Account is restored.
- If you are reemployed before you have a break in service lasting five (5) years and you have left your benefits in the Plan, your Company Contribution Account will not be forfeited and you may continue to direct the investment of your unvested Company Contribution Account.
- If you are reemployed after a break in service lasting five (5) years, you will not be entitled to restoration of any amounts previously forfeited from your Company Contribution Account.

Regardless of how long your break in service lasts, the Vesting Service you earned prior to your break in service will continue to count toward your Vesting Service.

Example

John terminates employment with two (2) years of Vesting Service. If John is reemployed three years after his termination of employment, John will not forfeit his prior Company Contribution Account. In addition, John will still be credited with two (2) years of Vesting Service when he is reemployed. That means John will vest in his Company Contribution Account one (1) year after he is reemployed, at which time he will have three (3) years of Vesting Service.

If, however, John is not reemployed until after he has a break in service lasting at least five (5) years, he will forfeit the amounts credited to his Company Contribution Account as a result of his prior service. However, John will still be credited with two (2) years of Vesting Service when he is reemployed. Accordingly, Company Contributions (and investment earnings) credited to John's Company Contribution Account after his reemployment will vest when John completes one (1) more year of Vesting Service after his reemployment.

LEAVES OF ABSENCE

If you are on a leave of absence, your service or participation in the Plan will not be interrupted. However, if you are on an unpaid leave of absence, you will not be permitted to make deposits or take a loan. Participants on an Employer-approved leave of absence are not considered terminated and therefore cannot take a complete distribution.

Special Military Duty and Military Leave of Absence

If you perform "service in the uniformed services," as defined by the Uniformed Services Employment and Reemployment Rights Act (USERRA), your ability to make deposits and receive benefits and service credit will be in accordance with section 414(u) of the Code and USERRA.

While your absence is covered by the Special Military Duty policy of your Employer, Participant deposits will continue to be taken from compensation paid by an Employer during the 52-week offset period (when Employer compensation is offset by pay you receive for uniformed service), as described in Employer human resource policy. If there is not enough compensation to cover the full deposit amount, whatever money is available will be deducted. While you are on an unpaid Military Leave of Absence, as described in Employer human resource policy, you will not be permitted to make deposits or take a loan.

In addition, if you die while performing qualified military service (as defined in Code Section 414(u)), your beneficiaries will be entitled to receive the benefits that they would have been entitled to receive under this Plan (other than benefits attributable to contributions for the period of qualified military service) had you resumed employment on the day prior to the date of your death and terminated employment on the date of your death.

Upon your return to work with an Employer directly following your uniformed service, you will be given the opportunity to make up any deposits that were missed during the time you were absent due to uniformed service. The deadline for make-up deposits is the earlier of three times the period of your uniformed service, or five years. In addition, make-up deposits may only be made while you are an Employee of an Employer.

To the extent you make up Matchable Pre-Tax Deposits or Matchable Roth 401(k) Deposits to your account, you will receive the appropriate matching Company Contribution. Deposits and Company Contributions will be based on the Eligible Compensation you would have received during the Plan Year as if you were not absent due to uniformed service. Make-up deposits and contributions will not be adjusted for investment gains or losses that accrued during your uniformed service.

If you have taken a loan from the Plan, please also refer to "Loans" on page 37. Contact the Allstate Benefits Center at (888) 255-7772 for additional information.

Maternity or Paternity Leave

If you are absent from work as a result of (i) your pregnancy, (ii) the birth of your child, (iii) the placement of a child with you in connection with your adoption of such child, or (iv) caring for your child following such child's birth or placement for adoption (a "Maternity or Paternity Absence") and you give your employer written notice that you are taking a maternity or paternity absence, you will continue to be credited with Vesting Service during such absence until the first anniversary of the date such Maternity or Paternity Absence begins. If you do not resume employment before the first anniversary of the date your Maternity or Paternity Absence begins, your break in service for vesting purposes will not begin until the second anniversary of the date your Maternity or Paternity Absence begins.

HOW TO ENROLL

Eligible Employees can enroll at any time by accessing the Your Benefits Resources™ website at www.allstategoodlife.com/benefits, 24 hours a day, 7 days a week. You will have the option of choosing either Quick Enrollment or Advanced Enrollment. Quick Enrollment will set your pre-tax contribution rate to 5% of Eligible Compensation and select the Target Retirement Date Fund that corresponds with your date of birth assuming retirement (and account distribution) at age 65. Your contributions will automatically increase 1% each year in March until you reach the target contribution rate of 10%. You will receive a reminder notice each year 45 days in advance of the increase. If you don't already have a password, you will be required to create one on Your Benefits Resources in order to enroll in the Plan, or to access Plan information. You may also contact the Allstate Benefits Center at (888) 255-7772 to enroll. Once your enrollment is confirmed, you will begin making deposits from each paycheck as soon as administratively possible.

Your Benefits Resources™ is a trademark of Alight Solutions LLC

Automatic Enrollment

If you are an eligible employee hired or rehired on or after January 1, 2011, you will be automatically enrolled in the Plan at a 5% pre-tax contribution rate, unless you decline enrollment or change your contribution rate within your first 45 days of eligibility.

Until you elect otherwise, your contributions will be invested 100% in the Plan's qualified default investment alternative, which is the Target Retirement Date Fund that corresponds with your birth date, assuming a retirement (and account distribution) at age 65, as shown in the following chart:

Year of Birth	Target Retirement Date Fund
Before 1943	Income Fund
1943 to 1947	2010 Fund
1948 to 1952	2015 Fund
1953 to 1957	2020 Fund
1958 to 1962	2025 Fund
1963 to 1967	2030 Fund
1968 to 1972	2035 Fund
1973 to 1977	2040 Fund
1978 to 1982	2045 Fund
1983 to 1987	2050 Fund
1988 to 1992	2055 Fund
After 1992	2060 Fund

Note: Fund selection assumes a retirement age (and account distribution) of 65.

(For more information about the Target Retirement Date Funds, please see "Target Retirement Date Funds" on page 22.)

If you decline enrollment after your 45th day of hire/rehire, any amounts deducted from your paycheck and contributed to the Plan before you decline enrollment will remain in the Plan; they cannot be refunded to you.

If you decline enrollment, you may choose to make contributions at a later date.

If you are a new or rehired employee eligible for automatic enrollment, the Allstate Benefits Center will send you an Automatic Enrollment Notice in the mail which will provide more information about the automatic enrollment process and the specific Target Retirement Date Fund in which your contributions will be automatically invested until you elect otherwise.

You can decline enrollment, change to a Roth contribution, or change your contribution rate or investment elections online or by phone. If you are logging in for the first time, you will need to create a password.

March 2019 Automatic Enrollment

You will be automatically enrolled in the Plan at a 5% contribution rate effective March 15, 2019, if you:

1. are an eligible employee continuously employed since January 1, 2018;
2. do not have pre-tax and/or Roth 401(k) elections in effect as of January 1, 2019, to contribute at least 5% of your Eligible Compensation to your pre-tax and/or Roth accounts; and
3. did not decline enrollment in the Plan or make an affirmative deposit election between September 1, 2018, and March 1, 2019.

If you were not enrolled in the Plan, until you elect otherwise, your contributions:

1. will be made to your pre-tax account; and
2. will be invested 100% in the Plan's qualified default investment alternative, which is the Target Retirement Date Fund that corresponds with your birth date, assuming a retirement (and account distribution) at age 65, as shown in the chart above.

If you are enrolled in the Plan but are not contributing 5% to your pre-tax and/or Roth accounts, and if your deposit election in effect on March 1, 2019 is to contribute only to your Roth account, then your contributions will be made only to your Roth account until you elect otherwise. If your deposit election in effect on March 1, 2019 provides for a mix of pre-tax and Roth contributions, then your contributions will be made to your Roth account up to the same percentage of Roth contributions you had elected as of March 1, 2019, and the balance of your contributions will be made to your pre-tax account, until you elect otherwise.

If you decline enrollment after March 1, 2019, any amounts deducted from your paycheck and contributed to the Plan before you decline enrollment will remain in the Plan; they cannot be refunded to you.

If you decline enrollment, you may choose to make contributions at a later date.

The Allstate Benefits Center will send you an Automatic Enrollment Notice in the mail which will provide more information about the automatic enrollment process and, if applicable, the specific Target Retirement Date Fund in which your contributions will be automatically invested until you elect otherwise.

You can decline enrollment, change to a pre-tax and/or Roth contribution, or change your contribution rate or investment elections online or by phone. If you are logging in for the first time, you will need to create a password.

PARTICIPANT DEPOSITS

Eligible Employees can make Pre-Tax Deposits, Roth 401(k) Deposits, Catch-Up Deposits, After-Tax Deposits, Rollover Deposits, and Roth Rollover Deposits to the Plan. Pre-Tax Deposits and Roth 401(k) Deposits will collectively be referred as Section 401(k) Deposits. In addition, participants who terminate employment and maintain an Account balance can make a Rollover Deposit from the Allstate Retirement Plan or Agents Pension Plan. Deposits contributed to the Plan will be invested in accordance with your investment election, unless you were automatically enrolled (see "Investment Fund Elections / Move Money Between Funds" on page 34). If you were automatically enrolled and did not make an investment election, your deposits will be invested 100% in the Target Retirement Date Fund selected for you. If you transfer to a non-Participating Employer or if your status has changed to one of the ineligible participant categories listed in the "Eligibility and Participation" section on page 5, you are not eligible to make deposits to the Plan.

TIP

*Please note, the **total** of your Pre-Tax Deposits and your Roth 401(k) Deposits cannot exceed the Plan limit of 50% of Eligible Compensation plus the Choice Dollars other than Choice Dollars applied toward the cost of pre-tax benefits that are offered as part of the Allstate Cafeteria Plan or the IRS limit. Please refer to the "Limits on Deposits and Contributions" section on page 12 for additional information.*

Pre-Tax Deposits — 401(k)

You may elect to deposit between 1% and 50% of your Eligible Compensation (in increments of one percent) plus all or a portion of the additional compensation contributed by the Company each payroll period during the calendar year to eligible employees, which such employees may elect to apply towards the employee premiums or contributions for benefits of the type available for election during the Company's enrollment period ("Choice Dollars") on a pre-tax basis, subject to certain annual dollar limits. These contributions are made by your Employer to the Plan pursuant to Section 401(k) of the Code and are known as Pre-Tax Deposits. You are always 100% vested in your Pre-Tax Deposits.

Matchable Pre-Tax Deposits (up to 5% of Eligible Compensation that you deposit on a pre-tax basis) are used to determine the amount of your share of the matching Company Contribution.

Your Pre-Tax Deposits are deducted from your Eligible Compensation before pre-tax benefit deductions and before withholding for federal and most state income taxes (but after Social Security and Medicare taxes have been withheld). This means you pay less income tax on your current income while you save for your future financial security.

Roth 401(k) Deposits

You may elect to make Roth 401(k) Deposits between 1% and 50% of your Eligible Compensation (in increments of one percent) plus all or a portion of your Choice Dollars on an after-tax basis, subject to certain annual dollar limits. These contributions are made by your Employer to the Plan pursuant to Section 401(k) of the Code and are known as Roth 401(k) Deposits. The Plan allows you to make both Pre-Tax Deposits and Roth 401(k) Deposits during the year and you can make them at the same time. However, the IRS limit applies to both deposits for the calendar year. You are always 100% vested in your Roth 401(k) Deposits.

Both your Pre-Tax Deposits and your Roth 401(k) Deposits (up to a total of 5% of Eligible Compensation plus Choice Dollars other than Choice Dollars applied toward the cost of pre-tax benefits that are offered as part of the Allstate Cafeteria Plan or received as cash) are used to determine the amount of your share of the matching Company Contribution.

Roth 401(k) Deposits will be calculated before any non-Plan pre-tax benefit deductions or withholding for federal and most state income taxes (but after Social Security and Medicare taxes). Because Roth 401(k) Deposits are subject to income taxes when they are made, they are not taxable when they are distributed to you from the Plan. Earnings on Roth 401(k) Deposits will not be subject to tax when distributed from the Plan as long as it has been at least five calendar years since the start of the calendar year you made your first Roth 401(k) Deposit and you are at least age 59½ or are disabled. In the event of your death, your beneficiaries may be able to receive earnings on your Roth 401(k) Deposits tax-free if you started making Roth 401(k) Deposits five or more calendar years prior to the beneficiary taking payment from the plan.

Catch-Up Deposits

If you are age 50 by December 31 of a Plan Year, you may elect to deposit, for that Plan Year, between 1% and 50% of your Eligible Compensation (in increments of one percent), subject to certain annual dollar limits, in addition to the maximum allowable Pre-Tax Deposits and Roth 401(k) Deposits. These contributions are made by your Employer to the Plan pursuant to Section 414(v) of the Code and are known as Catch-Up Deposits. You are always 100% vested in your Catch-Up Deposits.

You can choose to make Catch-Up Deposits to your Pre-Tax Account or your Roth 401(k) Account. Your Catch-Up Deposits run concurrently with any other Plan deposits you may have. Catch-Up Deposits to your Pre-Tax Account are deducted from your Eligible Compensation before non-Plan pre-tax benefit deductions and before withholding for federal and most state income taxes (but after Social Security and Medicare taxes have been withheld). Catch-Up Deposits to your Roth 401(k) Account will be made on an after-tax basis. They will continue until you change your election or the maximum limit is reached. Your election will automatically carry over to the next Plan Year.

Catch-Up Deposits are not used to determine the amount of your share of the Company Contribution. If, at the end of the Plan Year, you made Catch-Up Deposits but have not reached the IRS annual maximum limit for Pre-Tax or Roth 401(k) Deposits, or a combination of both for that year, your Catch-Up Deposits will be recharacterized and treated as a ("non-catch-up") Pre-Tax Deposit or Roth 401(k) Deposit for that year. Any Catch-Up Deposit that is recharacterized as a Pre-Tax Deposit or Roth 401(k) Deposit may be eligible for a Company Contribution for that year.

Income Taxes on Pre-Tax and Catch-Up Deposits

Income taxes on your Pre-Tax Deposits and Catch-Up Deposits and any gains on those deposits are deferred until the money is distributed to you. At that time, you may qualify for continued tax deferral through a rollover to an Individual Retirement Account (IRA) or another qualified retirement plan that accepts rollovers.

After-Tax Deposits

You may also elect to make After-Tax Deposits to the Plan of between 1% and 50% of your Eligible Compensation (in increments of one percent), subject to certain annual dollar limits. These contributions are deducted by your Employer from your compensation at the time of payment of such compensation. After-Tax Deposits are not used to determine the amount of your share of the matching Company Contribution. You are always 100% vested in your After-Tax Deposits.

After-Tax Deposits will be calculated before any non-Plan pre-tax benefit deductions or withholding for federal and most state income taxes (but after Social Security and Medicare taxes). Because After-Tax Deposits are subject to income taxes when they are made, they are not taxable when they are distributed to you from the Plan. Earnings on After-Tax Deposits have the same opportunity for tax deferred investment growth as Pre-Tax Deposits as long as they remain in your Plan Account. If you take a distribution, the value of any earnings on your After-Tax Deposits while invested in the Plan is generally subject to immediate taxation unless rolled over to an IRA or another qualified retirement plan.

LIMITS ON DEPOSITS AND CONTRIBUTIONS

Deposits and contributions to the Plan are subject to certain annual limits under the Code during a calendar year. Additional limits may be imposed by the Plan. **The total of both your Pre-Tax Deposits and Roth 401(k) Deposits cannot exceed the IRS limit.** Each of these limits may change to account for cost-of-living or other changes. Limits for 2019 include:

Maximum Compensation Limit

The total amount of compensation that can be counted as Eligible Compensation for the Plan is limited to the first $280,000 (indexed annually) you earn in a calendar year. Once you reach the maximum compensation limit for a calendar year, you will no longer be eligible to make any deposits for the remainder of that year.

Maximum Contributions to the Plan

The total of your Pre-Tax Deposits, Roth 401(k) Deposits, and your After-Tax Deposits for any year may not exceed 50% of your annual Eligible Compensation plus the Choice Dollars other than Choice Dollars applied toward the cost of pre-tax benefits that are offered as part of the Allstate Cafeteria Plan. On an annual basis, the total amount of Pre-Tax Deposits, Roth 401(k) Deposits, After-Tax Deposits, and Company Contributions may not exceed the lesser of $56,000 (indexed annually) or 100% of your compensation.

Maximum Pre-Tax and Roth 401(k) Deposits

The total combined amount of Pre-Tax Deposits and Roth 401(k) Deposits (401(k) contributions) to the Plan (and all other 401(k) plans in which you may participate) is limited to $19,000 in 2019. If you participated in another employer's 401(k) plan (on either a Pre-Tax or Roth 401(k) basis) during a calendar year, you must monitor your deposits to ensure you will not exceed the 401(k) deposit limit.

You should also monitor your deposit rate in order to ensure that you reach the specific Pre-Tax or Roth 401(k) Deposit amount you desire, including the maximum rate allowable.

Maximum Catch-Up Deposits (Age 50 and over)

The total combined amount of Catch-Up Deposits made to your Pre-Tax and Roth 401(k) Accounts is limited to $6,000. You must be age 50 or over during the year to be eligible to make Catch-Up Deposits for such year. Other plans in the Allstate controlled group of companies are included in applying this annual limit.

Maximum After-Tax Deposits

After-Tax Deposits for Highly Compensated Employees are limited to 10% of Eligible Compensation. Non-Highly Compensated Employees may be limited by the Maximum Contributions to the Plan as described above.

Limitations on Highly Compensated Employees

Highly compensated employees are generally those earning more than $125,000 annually from the Employer during the preceding Plan Year. This amount may be adjusted in future years in accordance with federal law.

In order to meet certain nondiscrimination tests as required under the Code, limitations may be placed on the amount of deposits that can be made by highly compensated employees. As a result, highly compensated employees' After-Tax Deposits have been limited to 10% of Eligible Compensation. Limitations may be adjusted during the year to ensure compliance with these nondiscrimination tests.

Participant Deposit Comparisons

To see how Roth 401(k) Deposits compare to Pre-Tax Deposits and After-Tax Deposits (Non-Roth), and how they could impact your take-home pay and your benefits, please log on to Your Benefits Resources™ at www.allstategoodlife.com/benefits and go to Tools and Calculators under Additional Resources.

	Pre-Tax Deposits	Roth 401(k) Deposits	After-Tax Deposits
Deposit Type	Deposits are made on a pre-tax basis and reduce current taxable income	Deposits are made on an after-tax basis and do not reduce current taxable income	Deposits are made on an after-tax basis and do not reduce current taxable income
Eligible for Matching Company Contribution?	Yes	Yes	No
Deposit Limits	$19,000 in 2019 (total of both Pre-Tax and Roth 401(k) cannot exceed IRS limit of $19,000)	$19,000 in 2019 (total of both Roth 401(k) and Pre-Tax cannot exceed IRS limit of $19,000)	10% for Highly Compensated Employees Non-Highly Compensated Employees may be limited by the Maximum Contributions to the Plan
Catch-Up Eligible?	Yes, up to $6,000 (total of both Pre-Tax Catch-Up and Roth 401(k) Catch-Up cannot exceed IRS limit of $6,000)	Yes, up to $6,000 (total of both Roth 401(k) Catch-Up and Pre-Tax Catch-Up cannot exceed IRS limit of $6,000)	No
Taxation on Distribution	Deposits and earnings are taxable when withdrawn	Deposits and earnings are not taxable when withdrawn if the Roth Account is at least 5 years old and you are at least $59\frac{1}{2}$ years old, disabled or in event of death.	Deposits are not taxable when withdrawn. Earnings are taxable

How Taxes Impact Your Savings

When you save on a pre-tax basis, you defer paying taxes on your deposits and investment earnings until you receive a distribution from the Plan. This means that you have more immediate "disposable" income, because contributing before taxes lowers your "taxable" income. On the other hand, your Roth 401(k) Deposits and After-Tax Deposits, while subject to tax today, will not be taxed when you withdraw that money. In addition, earnings on your Roth 401(k) Deposits may be tax-free when you withdraw that money. For important tax considerations, please see "Taxation of Contributions and Benefits" on page 45.

Which deposits offer the greatest tax advantage to you will depend largely on your current tax bracket as well as your expected tax rates at retirement. The following charts show the effect on your earnings and your savings at retirement at different tax rates when you save on a pre-tax, Roth 401(k), and after-tax basis. The examples assume you earn $65,000 a year and save six percent of your regular earnings. They also assume you receive a distribution of these deposits and their earnings at retirement after 25 years in the Plan.

First, assume you are in a 15% tax bracket today and expect to be in a 25% tax bracket at retirement.

	Pre-Tax	Roth 401(k)	After-Tax
Deposits for the year (6%)	$3,900	$3,900	$3,900
Income tax on amount contributed (at 15%)	-$0	-$585	-$585
Net amount contributed	**$3,900**	**$3,315**	**$3,315**
Account value after 25 years (assuming 7% growth)	$21,167	$17,992	$17,992
Income tax on withdrawal (at 25%)	-$5,292	-$0	-$3,669
Total after-tax income at retirement	**$15,875**	**$17,992**	**$14,323**

Because the tax bracket is higher in retirement than it is today, in this example, the Roth 401(k) produces the greatest after-tax value at retirement ($17,992). Remember, your Roth 401(k) Deposits and After-Tax deposits are subject to income tax today. This means that if you wish to contribute the full $3,900 (as was possible on a pre-tax basis), you will need to pay $585 in income taxes (at a 15% rate). For purposes of these examples, we reduced your Roth 401(k) Deposit and After-Tax Deposits by the amount of current taxes to reflect the lost investment opportunity on this money. Keep in mind that your Roth 401(k) Deposits — and their earnings — are not taxed when you withdraw this money (provided the Roth Account is at least 5 years old and you are at least age 59½).

Next, assume you are in a 25% tax bracket today and expect to be in a 15% tax bracket at retirement.

	Pre-Tax	Roth 401(k)	After-Tax
Deposits for the year (6%)	$3,900	$3,900	$3,900
Income tax on amount contributed (at 25%)	-$0	-$975	-$975
Net amount contributed	**$3,900**	**$2,925**	**$2,925**
Account value after 25 years (assuming 7% growth)	$21,167	$15,875	$15,875
Income tax on withdrawal (at 15%)	-$3,175	-$0	-$1,943
Total after-tax income at retirement	**$17,992**	**$15,875**	**$13,932**

Because your tax bracket is higher today than it is at retirement, your Pre-Tax Deposits offer the greatest after-tax value at retirement. In other words, you can save more over time by deferring taxes now (while at a 25% tax rate) and paying taxes later (at a 15% tax rate).

Finally, assume you are in a 25% tax bracket today and expect to be in a 25% tax bracket at retirement.

	Pre-Tax	Roth 401(k)	After-Tax
Deposits for the year (6%)	$3,900	$3,900	$3,900
Income tax on amount contributed (at 25%)	-$0	-$975	-$975
Net amount contributed	**$3,900**	**$2,925**	**$2,925**
Account value after 25 years (assuming 7% growth)	$21,167	$15,875	$15,875
Income tax on withdrawal (at 25%)	-$5,292	-$0	-$3,238
Total after-tax income at retirement	**$15,875**	**$15,875**	**$12,637**

With current and future tax brackets the same, there is no difference to the after-tax value of your Pre-tax and Roth 401(k) savings.

Withdrawals of Roth 401(k) Accounts

Keep in mind that, like your After-Tax Deposits, your Roth 401(k) Deposits do not reduce your current taxable income. However, your deposits and their earnings are not subject to income tax when you withdraw this money — provided you satisfy a five-year Roth participation period and you are at least age 59½ (or you die or become disabled) at the time of distribution.

You can roll over your Roth 401(k) Account to another 401(k) plan that accepts Roth rollovers or to a Roth IRA.

Annual Increase Option

Your account balance grows through a combination of your Pre-Tax, After-Tax, and/or Roth 401(k) contributions; matching Company Contributions; and potential earnings. You can help boost your account's growth by increasing the percentage of your salary that you contribute over the course of your career. The Plan offers you an easy way to accomplish this: the Annual Increase Option. This feature automatically increases your payroll deduction each year in March. You choose your target contribution rate and your annual rate increases. You will receive a reminder notice each year 45 days in advance of the increase. In order to take advantage of this feature, you must sign up on the Your Benefits Resources™ website. For more information about this feature, or to choose to have your contributions automatically increased each year, log on to Your Benefits Resources™ at www. allstategoodlife.com/benefits or call the Allstate Benefits Center at (888) 255-7772.

Starting, Changing or Stopping Your Deposits

You may elect to start, change or stop your percentage amount of Pre-Tax, Roth 401(k), Catch-Up, and/or After-Tax Deposits and your Pre-Tax and Roth 401(k) Choice Dollars deposits at any time. To make an election, log on to Your Benefits Resources™ at www. allstategoodlife.com/benefits or call the Allstate Benefits Center at (888) 255-7772. Follow the instructions given to change your deposit elections. The change will apply to future Eligible Compensation paid to you and will take place as soon as administratively possible.

If the Administrative Committee (or its agents) fail to follow the proper directions given by you or your beneficiary in accordance with the Plan's provisions, you have the right to file a Claim for Benefits. You must submit your claim to the Administrative Committee no later than 120 days after the direction was given. See "The Claim Review Procedure" on page 47 for further information.

Rollover Deposits to the Plan

A Rollover Deposit to the Plan is a cash contribution of pre-tax deposit or Roth 401(k) deposit amounts received from another employer's tax-qualified retirement plan or from certain IRAs.

The Plan accepts direct rollovers from tax-qualified retirement plans of participants who are employed by an Employer. In addition, participants who terminate employment and maintain an Account balance can make a Rollover Deposit from the Allstate Retirement Plan or Agents Pension Plan. In a direct rollover, you instruct the other plan to transfer an eligible rollover distribution directly to the Plan. Rollover deposits are reflected in the Rollover and Roth Rollover Account portions of your Plan Account. If you received a prior distribution of pre-tax deposits from a tax-qualified retirement plan or IRA made payable to you, you must make the rollover to the Plan within 60 days of the date you received that distribution from the other plan or IRA. If you received a prior distribution from a tax-qualified retirement plan of Roth 401(k) deposits made payable to you, it is no longer eligible to be rolled over to the Plan.

You may not make a Rollover Deposit to the Plan of amounts attributable to after-tax deposits or Roth 401(k) deposits made to an IRA, although the earnings on after-tax deposits are eligible for rollover. You also may not roll over monies attributable to hardship withdrawals.

If you are currently participating in the Plan, your Rollover Deposit will be automatically invested according to your current investment elections on file. If you do not have an investment election on file, your Rollover Deposit will be automatically invested in the Plan's qualified default investment alternative — a Target Retirement Date Fund based on your birth date and an assumed retirement (and account distribution) date of age 65 — until such time as you make an election to transfer those amounts into another investment fund or funds under the Plan.

NOTE

Rollover Deposits must be made in cash (the Plan does not accept share certificates for a rollover contribution). Rollover Deposits must be in the form of a cashier, certified or official check, money order, or check from the distributing employer plan, made payable to the "Allstate 401(k) Savings Plan."

Required Documentation

To demonstrate that the rollover contribution is from an eligible plan and is eligible to be rolled into the plan, submit a copy of the distribution statement (also known as payment confirmation), IRS Form 1099-R, or letter that you received from your prior employer plan or IRA as part of your distribution. This documentation will likely include items such as:

- Plan Name
- Gross distribution (total amount of payment before deductions)
- Taxable amount (portion of the payment that will be taxable to you when you withdraw it from the plan)
- Federal withholding (taxes withheld from the payment)
- Date of distribution (required if you are doing an indirect rollover)
- Contributions you deferred as after-tax and/or Roth, if applicable
- Roth begin date, if applicable. (If no date is received, your Roth begin date will be the earlier of the date your rollover contribution was deposited into the plan or the date you first made a Roth contribution to the plan.)

In-Plan Roth Conversions

- You have the option to convert a portion of your Plan Account to a Roth 401(k) Account. An In-Plan Roth conversion gives you the opportunity to have tax-free income in retirement because you will pay taxes in the year the conversion occurs on any converted money that hasn't been taxed previously. In addition, if you will be in a higher tax bracket when you retire, you may pay less in taxes if you convert money to a Roth 401(k) Account now. You can withdraw the money you convert (and the earnings) tax-free in retirement, if you're age 59½ or older and your Roth 401(k) Account is at least five years old.

- You may elect to convert all or any portion of your Pre-Tax Deposits and Pre-Tax Catch-Up Deposits (excluding current year deposits), After-Tax Deposits, Rollover Deposits, or Vested Company Contributions (excluding Company Contributions allocated to your Account within the past 24 months if you have been a participant in the Plan for less than five years) to your Roth 401(k) and Roth Rollover Accounts.
- The amounts converted to your Roth 401(k) and Roth Rollover Account shall be subject to the same restrictions and limitations on withdrawals and distributions that applied prior to the conversion.

IMPORTANT DISCLOSURE CONCERNING IN-PLAN ROTH CONVERSIONS

- **Once you confirm your election to process an In-Plan Roth conversion, your election is irrevocable and it cannot be undone or reversed for any reason.**
- Amounts converted will be included in gross income as if distributed to you in the year of conversion. **There is no income tax withholding on the amount converted, so if you elect to make an In-Plan Roth conversion, you are responsible for estimating and paying the amount of tax owed from your other sources of available funds.**
- Because the federal laws that apply to In-Plan Roth conversions are complex and should take into consideration your individual tax and financial circumstances, we encourage you to log on to Your Benefits Resources™ at www.allstategoodlife.com/benefits and go to the Convert Savings to Roth 401(k) page for additional information or consult your own tax advisor before making an In-Plan Roth conversion.
- If the amount converted is withdrawn or distributed within five calendar years from January 1 of the year of conversion, the additional 10% early withdrawal penalty may apply. Please see "Taxation of Contributions and Benefits" on page 45 for important tax considerations.
- You may make no more than four In-Plan Roth conversions in any calendar year.

ELIGIBLE COMPENSATION

To determine the amount of your Pre-Tax Deposits, Roth 401(k) Deposits, Catch-Up Deposits, and After-Tax Deposits, the Plan uses a special definition of compensation. For purposes of the Plan, the term Eligible Compensation means the cash compensation, not in excess of the IRS maximum limitation, paid to you by an Employer for services as an Employee in a calendar year, as described below.

Eligible Compensation includes:

- salary, overtime pay, bonuses, and pay for Paid Time Off (PTO) days taken;
- holiday pay;
- Choice Dollars bonus paid in March 2018;
- Choice Dollars other than Choice Dollars applied toward the cost of pre-tax benefits that are offered as part of the Allstate Cafeteria Plan or received as cash;
- pre-tax employee deposits or contributions under this or any other Employer-sponsored benefit plan or arrangement such as a qualified profit sharing or stock bonus plan maintained by an Employer, a Flexible Spending Account, or a Health Savings Account;
- Employer payments for short-term disability; and
- Employer payments for temporary military service.

Eligible Compensation excludes:

- prizes or awards (including awards for special merit or achievement);
- payments for PTO days earned but not taken;
- wellness incentives and surgery bonus;
- payments related to the cash-out of PTO days bought but not taken;

- service allowances, stay bonuses, and retainers;
- lump sum and periodic payments paid upon termination or retirement including payments in accordance with any severance policy or plan maintained by the Employers;
- dividends on shares of restricted stock and dividend equivalents on restricted stock units and performance stock awards;
- value of, or cash payments received pursuant to, stock options, or any other Allstate equity incentive compensation plan award;
- stock received in settlement of restricted stock units or performance stock awards;
- payments under any long-term compensation plans;
- payments made in settlement of disputes (including amounts in lieu of wages or salary);
- moving or living expense reimbursements or payments;
- foreign allowances;
- any incremental increases or earnings and any distributions from deferred compensation plans;
- taxable fringe benefits including tax gross-up payments on fringe benefits;
- payments (including bonuses) for Plan Business, i.e., business which is placed through or reinsured with a plan, association or organization established pursuant to a statute or regulation or a cooperative plan of the insurance industry including, but not limited to, assigned risk business, California Earthquake Authority, facility business, and flood business;
- involuntary insurance business (including business written under a Joint Underwriting Association or FAIR Plan, and business which is written by the Company pursuant to an order mandating depopulation of Plan Business);
- General Underwriters Agency, Inc. business;
- any business owned by an agent;
- Choice Dollars applied toward the cost of pre-tax benefits that are offered as part of the Allstate Cafeteria Plan;
- Workers’ Compensation payments;
- any amount paid after death, disability (except Employer payments for short term disability), termination or retirement; and
- certain other types of compensation as excluded by the Administrative Committee.

YOUR PLAN ACCOUNTS

Separate Accounts are established and maintained for you in your name. These Accounts may consist of one or more of the following:

- A Pre-Tax Account to reflect your Pre-Tax Deposits and Catch-Up Deposits to the Plan and any gains and/or losses.
- A Roth 401(k) Account to reflect your Roth 401(k) Deposits and Roth Catch-Up Deposits to the Plan and any gains and/or losses. (Also includes any In-Plan Roth Conversions from your Pre-Tax Account and any associated gains and/or losses.)
- An After-Tax Account to reflect your After-Tax Deposits to the Plan and any gains and/or losses.
- A Company Account to reflect the Company Contributions made to the Plan on your behalf, as well as amounts you received under The Savings and Profit Sharing Fund of Sears Employee as company contributions, and any gains and/or losses.
- A Rollover Account to reflect any Rollover Deposits you made to the Plan and any gains and/or losses.

- A Roth Rollover Account to reflect any Roth Rollover Deposits you made to the Plan and any gains and/or losses. (Also includes any In-Plan Roth Conversions from your After-Tax, Company, and Rollover Accounts and any associated gains and/or losses.)

At the close of each business day that the financial markets are open, your Accounts will be adjusted upward or downward to reflect gains and/or losses, reinvested dividends, or administrative expenses.

You can access your prior quarter statement from your secure mailbox on Your Benefits Resources. In addition, you can access and print an Account statement from the Account Overview section under the 401(k) Savings Plan tab on the Savings and Retirement tab on Your Benefits Resources or you can request your statement be sent to you by accessing the Forms and Materials page under the Additional Resources tab or by calling the Allstate Benefits Center.

COMPANY CONTRIBUTIONS

Participants who make Matchable Section 401(k) Deposits for a Plan Year may be eligible to receive a Company Contribution for that year. The Company Contribution is comprised of Allstate stock and cash and is allocated to Participants' Company Accounts and invested in the Allstate Stock Fund.

Company Contributions, valued as of December 31 of the Plan Year, generally will be allocated in the first quarter of the year following the end of the Plan Year. To be eligible for the Company Contribution for a Plan Year, you must be employed by an Employer or another employer in the Allstate controlled group of companies on December 31 of that Plan Year. See "Vesting" on page 6 for information regarding vesting in your Company Contribution Account.

If you transfer employment to another employer in the Allstate controlled group of companies that is not a Participating Employer in the Plan, you will not receive Company Contributions, other than those related to your Matchable Section 401(k) Deposits made prior to your transfer of employment.

A Participant's Company Contribution for a Plan Year shall be $.80 for each one dollar of the eligible Participant's Matchable Section 401(k) Deposits (up to 5% of Eligible Compensation that a Participant deposited on a pre-tax or Roth 401(k) basis) made during the Plan Year.

If You Leave the Company

If you leave the Company before December 31, you may be entitled to receive a Company Contribution for that Plan Year, if you:

- have completed at least 20 years of Vesting Service; and
- are at least 55 years of age (or have completed 10 years of Vesting Service and are at least age 50, if you are leaving for health reasons).

If your termination of employment is a result of death before the last day of the Plan Year, your Account will be credited with Company Contributions for that Plan Year, regardless of your service and age.

If eligible, the Company Contribution generally is payable in the first quarter of the year following the year in which you leave Allstate.

Company Contributions Transfer

Participants can transfer all or part of their Company Contributions within their Company Account to any investment option within the Plan at any time after they are made.

Funding Company Contributions—The Leveraged Employee Stock Ownership Plan (ESOP)

The Plan consists of both a profit sharing and stock bonus/ESOP plan. The stock bonus plan/ESOP portion includes a leveraged and a non-leveraged ESOP, and is intended to be invested primarily in shares of Allstate stock. The leveraged ESOP is comprised of Allstate stock that was derived from the purchase of the remaining ESOP loan under the Prior Plan in 1995 when the Plan was created. This Allstate stock, along with earnings on that stock, is held in a special "suspense account" for future allocations to Plan participants as Company Contributions. It is anticipated that the leveraged ESOP suspense account may fund all or a portion of the Company Contributions under the Plan through December 31, 2019, or earlier as loan payments are made.

The stock bonus/ESOP portion also includes a non-leveraged ESOP that consists of all deposits invested in the Allstate Stock Fund other than Allstate stock acquired with the proceeds of the ESOP loan.

INVESTMENT OF YOUR ACCOUNTS

Your Investment Responsibilities

The Plan is intended to qualify as a participant-directed Account plan under Section 404(c) of ERISA, which means you are responsible for your investment decisions under the Plan. The Plan fiduciaries, including the Investment Committee, the Administrative Committee and the Trustee, are not responsible for any losses incurred as a result of your investment decisions.

If the Administrative Committee (or its agents) fail to follow the proper directions given by you or your beneficiary in accordance with the Plan's provisions, you have the right to file a Claim for Benefits. You must submit your claim to the Administrative Committee no later than 120 days after the direction was given. See "The Claim Review Procedure" on page 47 for further information.

The Plan offers you a broad range of investments, with different potential risks and returns, and the flexibility to adjust your investments over time. It is your responsibility to monitor and manage your investments accordingly. You should consider your investment goals, your time horizon for achieving them and your tolerance for risk in choosing your investments.

The Plan provides you access to an independent investment advisory service provided by Alight Financial Advisors, LLC ("AFA"). You can get customized advice on your Plan deposits and available investment options to help you reach your retirement income goals while you continue to manage your own Account. There is no additional charge for using this online advice service. Select Get Advice from the 401(k) Savings tab under the Savings and Retirement tab on Your Benefits Resources™ at www.allstategoodlife.com/benefits.

AFA also offers professional management services for your Accounts including a personalized retirement plan and the ability to talk to an investment advisor. If you elect this service, AFA will manage and monitor your Account, and AFA will deduct the associated program fee from your Account on a quarterly basis.

Portion of Account	Per Annum Pricing for Professional Management – Fee Schedule
Less than $100,000	45 basis points
$100,000–$250,000	30 basis points
Over $250,000	25 basis points

For example, if Jim has an average monthly Account balance of $90,000, the program fee would be $405 per year ($101.25 per quarter). If Mary has an average monthly Account balance of $300,000, the program fee would be $1,025 per year ($256.25 per quarter). This is calculated as follows: $100,000 multiplied by .0045 ($450), plus $150,000 multiplied by .0030 ($450), and $50,000 multiplied by .0025 ($125).

You can enroll in the professional management program by selecting Get Advice from the 401(k) Savings tab under the Savings and Retirement tab on Your Benefits Resources™ at www.allstategoodlife.com/benefits or by calling the Allstate Benefits Center at (888) 255-7772, and selecting the Investment Advice prompt from the 401(k) Savings Plan menu or by visiting http://www.alightfinancialadvisors.com/forallstate. You can cancel at any time without penalty

All investments involve risk. The returns for each investment option will vary. There can be no assurance that any particular investment will ultimately yield the expected return and it is possible for any investment fund to incur investment losses. Past performance does not guarantee future results.

The Company, the Employers, and the Plan fiduciaries make absolutely no guarantees or assurances regarding the performance of any investment option. The value of your Plan Accounts will ultimately be determined by the investment results of the investment option or options in which your Accounts have been invested. The value of your Accounts is not protected against investment losses.

Investment Options

Because participants have different levels of experience and comfort with investing, the Plan offers different types of investment options.

- **Target Retirement Date Fund.** Each Target Retirement Date Fund is a diversified all-in-one investment option managed by professionals at Northern Trust. Each Fund's investments are managed using an age-based investment strategy that balances expected risks and returns for an assumed retirement horizon. The year in the Fund's name — known as the target retirement date — is the year you are expected to retire (e.g., age 67 or the date you expect to begin drawing money from your account).

  The asset mix of each Fund gradually changes over time, from a majority invested in growth-oriented investments, such as stocks, to a majority invested in income-oriented investments, such as bonds, as you near and enter retirement. Each Fund includes a third group of assets to protect the purchasing power of your future dollars against cost of living increases. When you near age 77, if you are still invested in a Target Retirement Date Fund, your investments will move into the Income Fund, which has a targeted asset allocation of 33% in growth assets which include stocks and high yield bonds, 15% in inflation sensitive securities, and 52% in investment grade bonds. This asset mix helps reduce the chance of large losses in your account when you need the money to pay for living expenses. Note: it is expected that the inflation sensitive securities portion of the Fund will provide a positive correlation with inflation over the long-term.

  You can learn more about the Target Date Retirement Funds at http://allstate.ntfocusfunds.com.

- **Single Asset Class Funds**. Unlike the Target Retirement Date Funds, each of the nine single asset class funds is a portfolio of investments comprising a single investment type, such as bonds or large company stock.

More About Your Investment Options

You can invest your account balance and your future contributions in any of the funds that are part of the investment lineup. There are currently a total of 21 investment options available to you under the Plan. They include the following 12 Target Retirement Date Funds and nine single asset class funds:

Target Retirement Date Funds	Single Asset Class Funds
Target Retirement Income Fund	Stable Value Fund
2010 Target Retirement Date Fund	Bond Fund
2015 Target Retirement Date Fund	S&P 500 Fund
2020 Target Retirement Date Fund	Real Asset Fund
2025 Target Retirement Date Fund	Mid-Cap Fund
2030 Target Retirement Date Fund	Russell 2000 Fund
2035 Target Retirement Date Fund	International Equity Fund
2040 Target Retirement Date Fund	Emerging Markets Fund
2045 Target Retirement Date Fund	Allstate Stock Fund
2050 Target Retirement Date Fund	

Target Retirement Date Funds	Single Asset Class Funds
2055 Target Retirement Date Fund	
2060 Target Retirement Date Fund	

The Allstate Stock Fund is maintained under the stock bonus/ESOP portion of the Plan. The remaining investment funds comprise the profit sharing portion of the Plan.

The following is a brief description of each of these options including the investment manager, type of management, principal strategy and major risks and return potential for each option. The "Investment Fund Performance and Expense Information" section on page 32 contains a table of historical investment performance and expense information. You may also access more current performance information at Your Benefits Resources™ at www.allstategoodlife.com/benefits. In addition, you have the right to receive other financial information about the investment options. This information includes fund prospectuses, financial statements provided to the Plan, statements of unit values and lists of assets and their value. To obtain such information, or any other information concerning the Plan and its administrators, please call the Allstate Benefits Center at (888) 255-7772.

Target Retirement Date Funds

The Target Retirement Date Funds offered through the Allstate 401(k) Savings Plan invest in the Northern Trust Focus Funds, a series of target retirement date collective trust funds managed by Northern Trust Investments, Inc. There are eleven different Target Retirement Date Funds ranging from 2010 – 2060 in five-year increments, and a Target Retirement Income Fund for a total of twelve.

- Target Retirement Date Funds are dynamic asset allocation investment options. The asset allocation — or mix of investments — of each Target Retirement Date Fund (except for the Income Fund) gradually changes over time according to a targeted retirement year, assuming a retirement age of (and account distribution at) 67, until the Fund eventually merges with the Income Fund.
- Target Retirement Date Funds are designed to balance tolerance for risk with the number of years until retirement.
- In choosing a Target Retirement Date Fund, participants generally select the Fund that is closest to their expected retirement (and account distribution) date. This helps to obtain a longer-term strategy when investing for retirement.

Target Retirement Date Fund	Year of Birth	Anticipated Year of Retirement or Distribution
2060 Fund	1993 – 1997	2058 – 2062
2055 Fund	1988 – 1992	2053 – 2057
2050 Fund	1983 – 1987	2048 – 2052
2045 Fund	1978 – 1982	2043 – 2047
2040 Fund	1973 – 1977	2038 – 2042
2035 Fund	1968 – 1972	2033 – 2037
2030 Fund	1963 – 1967	2028 – 2032
2025 Fund	1958 – 1962	2023 – 2027
2020 Fund	1953 – 1957	2018 – 2022
2015 Fund	1948 – 1952	2013 – 2017
2010 Fund	1943 – 1947	Before 2013
Income Fund	Before 1943	Currently retired

Choosing a Fund

You can choose a Fund based on your year of birth and expected retirement date. Generally, this will be the date you expect to begin withdrawing money from your 401(k) Plan account. The Funds are named for expected retirement years in five-year increments. If you were born in 1984, you might choose to invest in the 2050 Fund, because you will reach age 67 around the year 2050. You can visit http://Allstate.ntfocusfunds.com and use a tool that suggests a Fund based on your current age.

You can invest your entire 401(k) savings in a single Target Retirement Date Fund. And, you don't need to change your Fund as you approach retirement, unless your investment strategy, time horizon, or other life circumstances change.

Additional Factors to Consider

While your targeted retirement date is a primary factor in choosing a fund, other issues may play a role in your decision. Consider the following:

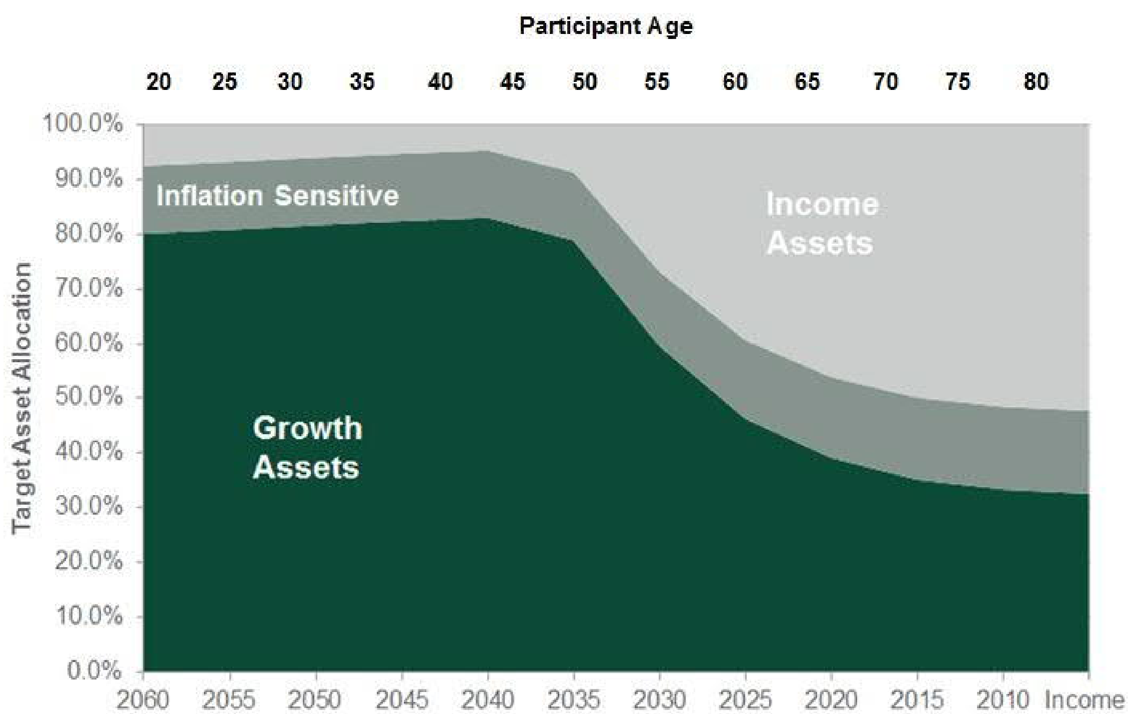
- Are you likely to retire earlier or later than age 67?
- Do you plan to make withdrawals later than your retirement date?
- What is your personal risk tolerance?
- Do you have investments outside of the Plan?

Each Target Retirement Date Fund offers a professionally managed asset allocation solution. However, you still need to be responsible for your own investment strategy. Only you know your investment goals and when you plan to retire. Only you know what other assets and investments you may have outside of your Plan. You should be actively engaged in planning for retirement by understanding the investment options available, along with the risks and benefits of each.

How the Target Retirement Date Funds Work

1. Each Target Retirement Date Fund balances risk with the number of years until retirement. The diversified asset mix changes over time, from more growth-oriented assets for younger investors, to more income-oriented for older investors.

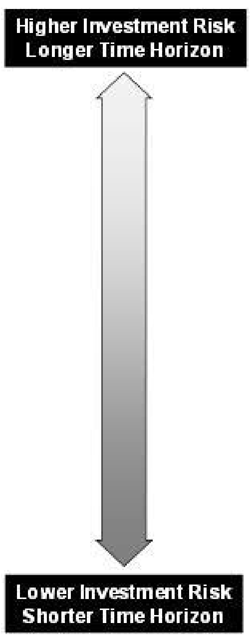
The asset mix shown in the chart below reflects the portfolio's approximate targeted glide path under normal market conditions between rebalances. Asset allocation does not guarantee a profit, nor does it protect against loss.



2. Each Target Retirement Date Fund invests in a broadly diversified portfolio of primarily passive investment funds comprised of U.S. and international stocks, inflation sensitive securities, and U.S. bonds.

Investment Object (Asset Class)	Underlying Component Fund
Growth: U.S. Equity	Northern Trust Collective US IMI Index Fund
Growth: International	Northern Trust Collective ACWI ex-US IMI Index Fund
Growth: U.S. High Yield	Northern Trust Collective High Yield Fixed Income
Inflation Sensitive: Global Real Estate	Northern Trust Collective Global Real Estate Index Fund
Inflation Sensitive: Global Infrastructure	Northern Trust Collective Global Infrastructure Index Fund
Inflation Sensitive: Natural Resources	Northern Trust Collective Natural Resources Index Fund
Inflation Sensitive: TIPS	Northern Trust Collective 1 – 10 Year TIPS Index Fund
Income: U.S. Intermediate	Northern Trust Collective Aggregate Bond Index

3. Combining the asset classes and the glidepath, a more detailed breakdown of the allocations by Target Retirement Date Fund is shown below. These represent targeted allocations as of January 1, 2019. Actual allocations may vary due to changing market valuations. Broad fund allocations may also change in the future, based on the guidance of Northern Trust investment professionals.



Target Asset Allocation*			
Target Retirement Date Fund	Growth	Inflation Sensitive	Income
2060	80%	12%	7%
2055	81%	12%	7%
2050	82%	12%	6%
2045	82%	12%	5%
2040	83%	12%	5%
2035	79%	13%	9%
2030	60%	14%	27%
2025	46%	14%	39%
2020	39%	15%	46%
2015	35%	15%	50%
2010	33%	15%	52%
Income	33%	15%	52%

* The asset allocation shown in the table above reflects the portfolio's approximate targeted asset allocation under normal market conditions between rebalances. Asset allocation does not guarantee a profit, nor does it protect against loss.

IMPORTANT DISCLOSURE CONCERNING THE TARGET RETIREMENT DATE FUNDS

- The investment risks of the Funds change over time as their allocation changes.
- All Funds are subject to the volatility of the financial markets including equity and fixed income investments in the U.S. and abroad, and may be subject to risks associated with investing in high yield, small cap and foreign securities.
- Principal invested is not guaranteed at any time, including at or after the target date. Unit price and return will vary.
- The Fund's holdings and asset allocation are subject to change. Asset allocation does not ensure a profit or guarantee against a loss in a declining market.
- There is no guarantee that investing in any of the Target Retirement Date Funds will provide adequate retirement income.

Restrictions apply to reallocations or transfers of money into the Target Retirement Date Funds. Refer to "Trading Restrictions" on page 34. In addition, refer to the "Create a New Investment Mix" section on page 35 and the "Move Money Between Funds" section on page 35 for additional information on the reallocation or transfer process.

Single Asset Class Funds

For participants who want to take the time to actively select and reallocate their mix of investments, the Plan offers a number of single asset class funds.

Stable Value Fund

The Stable Value Fund, managed by Invesco Advisers, Inc., (Invesco) includes a number of investment contracts issued by a diversified group of high quality insurance companies, banks, and other financial institutions (excluding Allstate companies), each backed by one or more diversified bond portfolios. This Stable Value Fund is an actively managed portfolio. The fund's investment contracts are designed to provide for daily book value (principal plus interest) accounting, plus book value withdrawals and transfers by participants in accordance with Plan and investment contract provisions.

The investment contracts are supported by allocations to collective investment funds holding a diversified mix of high quality fixed income securities. The dollar-weighted average credit quality of all of the fixed income securities backing the Stable Value Fund contracts is currently AA+/AA1 or better as measured by Standard & Poor's ("S&P") or Moody's credit rating services. The credit quality of the issuers of investment contracts utilized in the fund ranges from A to AA- using S&P ratings, and A2 to Aa3 using Moody's ratings. To provide some diversification in the fund by style of fixed income management, Invesco may from time to time select one or more fixed income sub-advisors to manage portions of the fund consistent with the fund's overall objectives. As of September 30, 2018, the fund included five fixed income sub-advisors in addition to Invesco. To reduce risk of default of investment contracts or fixed income securities, Invesco selects only contract issuers that are rated investment grade by national rating agencies (typically BBB/Baa or above), and Invesco and any sub-advisors buy only fixed income securities that are rated A and above by such national rating agencies. Invesco and any sub-advisors conduct their own in-depth securities analysis of fixed income securities and financial institutions, and manage the fund in accordance with strict credit and diversification guidelines. Derivative securities may be used for hedging and replication purposes only. U.S. Treasury securities and U.S. Treasury futures may be used to manage interest rate risk.

As with any non-Government-backed investment portfolio, there is some modest risk of loss of principal or earned income in the Stable Value Fund. The fund's investment contracts and underlying fixed income securities are not guaranteed by the U.S. Government (except for U.S. Government issued or backed debt), Allstate, the Participating Employers, the Plan, the investment manager, or any sub-advisers. Economic losses in the fund, though not expected, could occur if the issuer of an investment contract or issuer of a fixed income security defaults on its obligations. Investment contracts may not provide book value coverage for redemptions following certain plan-level actions such as early retirement programs, layoffs, plan termination or bankruptcy of the plan sponsor. In addition, in the event that a wrap contract is terminated there is no guarantee that the fund will be able to obtain a replacement contract. Within these parameters of potential risk, the Stable Value Fund is generally considered the most conservative investment option in the Plan and it carries relatively low risk.

The Stable Value Fund's objective is to seek preservation of capital, provide liquidity for plan permitted participant withdrawals and transfers from the fund, and to provide a reasonably predictable return that moves gradually toward the current short- to intermediate- term market interest rates. As the fund seeks to preserve principal value, Invesco controls risk by diversifying the fund among a variety of high quality fixed income investments, fixed income sub-advisors, and investment contracts. Credit quality is the foundation on which investment decisions for the portfolio are based.

The credited rate of interest of the Stable Value Fund is the average return of all investments held in the fund. As new investments are made with new fund contributions and maturing proceeds from older investments, the average return (i.e., the credited rate of interest) may change. In general, this means the fund's credited rate is expected to change over time in the direction of the new market investment rates. However, the fund's crediting rate will change more slowly than those new market investment rates depending on the relationship between the size of the fund and the amount of the new investments being made as well as the performance of the underlying investments. Over time, Stable Value Fund returns are expected to be consistent with returns generated by intermediate-term, high quality fixed income securities, but with a lower level of return volatility consistent with money market funds.

If you seek an investment option designed for stability in day-to-day principal balances, along with an expectation of modest returns, the Stable Value Fund might be an appropriate investment. For more information, see the Lipper page for the Stable Value Fund on Your Benefits Resources™ at www.allstategoodlife.com/benefits.

Bond Fund

The Bond Fund invests in the U.S. Bond Index Non-Lending Series Fund – Class A, a collective fund managed by State Street Global Advisors Trust Company (SSGA). The fund seeks to offer broadly diversified, low cost exposure to the overall U.S. bond market. The fund's objective is to approximate as closely as practicable, before expenses, the performance of the Bloomberg Barclays U.S. Aggregate Bond Index (the "Bond Index") over the long term. The Bond Index is an index representative of well-diversified exposure to the overall U.S. bond market. More specifically, it covers the dollar-denominated investment-grade fixed-rate taxable bond market, including U.S. Treasuries, government-related and corporate securities, mortgaged pass-through securities, asset-backed securities and commercial mortgage-backed securities. The fund may attempt to invest in the securities comprising the Bond Index in the same proportions as they are represented in the Bond Index. However, due to the diverse composition of securities in the Bond Index and the fact that many of the securities comprising the Bond Index may be unavailable for purchase, it may not be possible for the fund to purchase some of the securities comprising the Bond Index. In such a case, SSGA will select securities for the fund comprising a portfolio that SSGA expects will provide a return comparable to the characteristics of the Bond Index. The fund's returns may vary from the returns of the Bond Index. This is a passively managed portfolio.

The rate of return on the Bond Fund is influenced by, among other things, changes in interest rates, the market price of bonds and the financial stability of the issuers. The returns in the Bond Fund can be more volatile than the Stable Value Fund due to the different risk profile associated with each investment option. However, over time, the Bond Fund is expected to earn a higher rate of return than the Stable Value Fund.

If you seek a low-cost way to participate in the U.S. investment-grade bond market through a fund that tracks a well-known benchmark, the Bond Fund might be an appropriate investment. For more information, see the Lipper page for the Bond Fund on Your Benefits Resources™ at www.allstategoodlife.com/benefits.

S&P 500 Fund*

The S&P 500 Fund invests in the S&P 500 Index Non-Lending Series Fund – Class A, a collective fund managed by State Street Global Advisors Trust Company (SSGA). The fund seeks to offer broad, low cost exposure to the stocks of large U.S. companies. The fund's objective is to approximate as closely as practicable, before expenses, the performance of the S&P 500 (the "S&P 500 Index") over the long term. The S&P 500 Index is comprised of approximately 500 leading companies in leading industries of the U.S. market with approximately 75% coverage of the U.S. stock market capitalization. The fund seeks to maintain the returns of the S&P 500 Index by investing in a portfolio that replicates the index by owning securities in approximately the same proportions as they are represented in the S&P 500 Index. In some cases, it may not be possible or practicable to purchase all the securities comprising the S&P 500 Index or to hold them in the same weightings as they represent in the S&P 500 Index. In those circumstances, SSGA may employ a sampling or optimization technique to construct a portfolio that SSGA believes will reasonably track the characteristics of the S&P 500 Index. Consequently, the fund's returns may vary from the returns of the S&P 500 Index. This is a passively managed portfolio.

The rate of return on the S&P 500 Fund is influenced by the market price and dividends of the stocks held in the fund. Because it is invested in stocks, the volatility of returns for the S&P 500 Fund is expected to be greater than the Stable Value Fund and the Bond Fund over time due to the different risk profile associated with each investment option. However, this fund is also expected to provide a higher rate of return over longer periods of time than those other funds.

If you seek a relatively low-cost way of participating in the U.S. equity markets through a passively managed portfolio, the S&P 500 Fund might be an appropriate part of your overall investment strategy. The S&P 500 Index is widely regarded as the best single gauge of large-cap U.S. equities. If you want to closely match the performance of the mostly large-cap stocks in this index, with the same level of risk, the S&P 500 Fund might be the appropriate choice. For more information, see the Lipper page for the S&P 500 Fund on Your Benefits Resources™ at www.allstategoodlife.com/benefits.

* The S&P 500 Index is a product of S&P Dow Jones Indices LLC (SPDJI) and has been licensed for use by SSGA. Standard & Poor's and S&P are registered trademarks of Standard & Poor's Financial Services LLC, (S&P); The product is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates and none of the parties make any representation regarding the advisability of investing in this product.

Real Asset Fund

The Real Asset Fund is a collection of real asset investments in commodities, real estate and inflation-protected bonds. The fund invests in the Real Return ex-Natural Resource Equities Non-Lending Class C Series Fund, a collective fund managed by State Street Global Advisors Trust Company (SSGA). The fund seeks to offer liquid, cost-effective exposure to three asset classes (see table below) via a disciplined, strategic asset allocation approach. The fund's objective is to provide an investment return that approximates as closely as practicable, before expenses, the performance of its custom index (the "Real Asset Index") over the long term.

The Real Asset Index is comprised of:

Target**	Fund's Exposure	Real Asset Index
20%	Commodities Futures Market	Bloomberg Roll Select Commodity Index
35%	Global Development Real Estate Investment Trusts (REITSs)	FTSE EPRA/NAREIT Developed Liquid Index
45%	U.S. Treasury Inflation-Protected Securities (TIPS)	Bloomberg Barclays U.S. TIPS Index

Real assets may help diversify your portfolio because they often perform independently from traditional assets such as stocks and bonds; over longer time horizons (e.g., 10 years), real assets may also provide some protection against loss of value due to inflation. Since real assets tend to rise in price as the costs of everyday goods and services increase, a real asset fund may help your savings maintain their value.

Real assets may be used to diversify your current investment strategy beyond traditional stock and bond funds. The Real Asset Fund is similar to the inflation sensitive sleeve within the Target Retirement Date Funds. As a guideline to help determine how much to invest, you may want to look at the allocation in the Target Retirement Date Funds, which varies depending on your proximity to retirement.

SSGA allocates the Fund's assets among the asset classes represented in the custom benchmark (the "Real Asset Index"), rebalancing the Fund's exposures quarterly. Asset class misweights and increased portfolio risk relative to the Real Asset Index may occur as a result of intra-quarter market movements. SSGA implements the Fund's asset allocations through investments in passive funds, which typically attempt to replicate the returns of the underlying indices. The Fund may hold a portion of its assets in cash and cash instruments, including short-term investment vehicles managed by SSGA or an affiliate. SSGA will not normally enter into foreign currency exchange transactions for the Fund. The Fund's returns may not match the return of the Real Asset Index.

There are risks involved with investing in asset classes that sometimes are quite volatile, including possible loss of principal. Asset allocation is a method of diversification which positions assets among major investment categories. Asset allocation may be used in an effort to manage risk and enhance returns. It does not, however, guarantee a profit or protect against loss. The value of the Fund's portfolio holdings is affected by factors particular to the commodities markets. Commodity prices can be extremely volatile and are affected by many factors, including: market movements, inflationary trends, commodity index volatility, interest rate or currency exchange rate changes, etc.

The Real Asset Fund might be an appropriate investment option for those seeking diversification benefits and some long-term inflation protection. The Fund is designed to complement existing investments, and is not meant to be a replacement for either stocks or bonds. For more information, see the Lipper page for the Real Asset Fund on Your Benefits Resources™ at www.allstategoodlife.com/benefits.

** These represent targeted allocations as of September 30, 2018. Actual allocations may vary. Fund allocations may change in the future, based on the guidance of SSGA, the manager of the Fund.

Mid-Cap Fund***

The Mid-Cap Fund invests in the S&P Mid-Cap Index Non-Lending Series Fund – Class A, a collective fund managed by State Street Global Advisors Trust Company (SSGA). The fund seeks to offer broad, low cost exposure to the stocks of medium sized U.S. companies. The fund's objective is to approximate as closely as practicable, before expenses, the performance of the S&P Mid-Cap 400™ Index (the "S&P 400 Index") over the long term. The S&P 400 Index is comprised of approximately 400 U.S. mid-cap securities and accounts for approximately 7% coverage of the U.S. stock market capitalization. The fund seeks to match the return of the index by owning securities in approximately the same proportions as they are represented in the S&P 400 Index. In some cases, it may not be possible or practicable to purchase all the securities comprising the S&P 400 Index or to hold them in the same weightings as they represent in the S&P 400 Index. In those circumstances, SSGA may employ a sampling or optimization technique to construct a portfolio that SSGA believes will reasonably track the characteristics of the S&P 400 Index. Consequently, the fund's returns may vary from the returns of the S&P 400 Index. This is a passively managed portfolio.

The rate of return on the Mid-Cap Fund is influenced by the market price and dividends of the stocks held in the fund. Because it is invested in stocks, the volatility of returns for the Mid-Cap Fund is expected to be greater than the Stable Value Fund and the Bond Fund due to the different risk profile associated with each investment option. However, this fund is also expected to provide a higher rate of return over longer periods of time than those other funds.

If you seek a relatively low-cost way of participating in the U.S. equity markets through a passively managed portfolio, the Mid-Cap Fund might be an appropriate part of your overall investment strategy. The S&P 400 Index is one of the most widely tracked stock indices in the world. If you want to closely match the performance of the mostly mid-cap stocks in this index, with the same level of risk, the Mid-Cap Fund might be the appropriate choice. For more information, see the Lipper page for the Mid-Cap Fund on Your Benefits Resources™ at www.allstategoodlife.com/benefits.

*** S&P MidCap 400™ Index is a product of S&P Dow Jones Indices (SPDJI) and has been licensed for use by SSGA. The product is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any error, omissions, or interruptions of the S&P MidCap 400 Index.

Russell 2000 Fund**

The Russell 2000 Fund invests in the Russell Small Cap Index Non-Lending Series Fund – Class A, a collective fund managed by State Street Global Advisors Trust Company (SSGA). The fund seeks to offer broad, low cost exposure to stocks of small U.S. companies. The fund's objective is to approximate as closely as practicable, before expenses, the performance of the Russell 2000® Index (the "Russell 2000 Index") over the long term. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. It is a subset of the Russell 3000® Index and includes approximately 2,000 of the smallest securities based on a combination of their market capitalization and current index memberships. The fund seeks to match the return of the index by investing in a portfolio that holds the securities of the Russell 2000 Index in approximately the same proportions as they are represented in the Russell 2000 Index. In some cases, it may not be possible or practicable to purchase all the securities comprising the Russell 2000 Index or to hold them in the same weightings as they represent in the Russell 2000 Index. In those circumstances, SSGA may employ a sampling or optimization technique to construct a portfolio that SSGA believes will reasonably track the characteristics of the Russell 2000 Index. Consequently, the fund's returns may vary from the returns of the Russell 2000 Index. This is a passively managed portfolio.

The rate of return on the Russell 2000 Fund is influenced by the market price and dividends of the stocks held in the fund. The Russell 2000 Fund's risk profile is moderately aggressive. Because it is invested in small cap stocks, the volatility of returns for the Russell 2000 Fund is expected to be greater than the Stable Value Fund and the Bond Fund. However, this fund is also expected to provide a higher rate of return over longer periods of time than those other funds.

If you seek an aggressive, long-term approach to capital growth through small-company stocks, the fund might be an appropriate part of your overall investment strategy. For more information, see the Lipper page for the Russell 2000 Fund on Your Benefits Resources™ at www.allstategoodlife.com/benefits.

** Frank Russell Company is the source and owner of the trademarks, service marks and copyrights relating to the Russell Indexes. Russell 2000® Index is a trademark of the Frank Russell Company.

International Equity Fund

The International Equity Fund invests in the Global All Cap Equity ex U.S. Index Non-Lending Series Fund – Class A, a collective fund managed by State Street Global Advisors Trust Company (SSGA). The fund seeks to offer broad, low cost exposure to stocks of companies, ranging from small to large cap, in developed and emerging countries excluding the United States. The fund's objective is to approximate as closely as practicable, before expenses, the performance of the Morgan Stanley Capital International (MSCI) ACWI ex-USA Investable Market Index (IMI) (the "International Equity Index") over the long term. The International Equity Index is a free float-adjusted market capitalization weighted index that captures large, mid and small cap equity representation across 22 of 23 developed market countries (excluding the United States) and 24 emerging market countries. With approximately 6,472 constituents, the International Equity Index covers approximately 99% of the global equity opportunity set outside the United States. The fund seeks to maintain the returns of the International Equity Index by investing in a portfolio that replicates the index by owning securities in approximately the same proportions as they are represented in the International Equity Index. In some cases, it may not be possible or practicable to purchase all the securities comprising the International Equity Index or to hold them in the same weightings as they represent in the International Equity Index. In those circumstances, SSGA may employ a sampling or optimization technique to construct a portfolio that SSGA believes will reasonably track the characteristics of the International Equity Index. Consequently, the fund's returns may vary from the returns of the International Equity Index. This is a passively managed portfolio.

The rate of return on the International Equity Fund is influenced by the market price of the stocks held in the fund, dividends and other income and foreign currency exchange rates. The International Equity Fund's risk profile is moderately aggressive. Because it is invested in international stocks, the volatility of returns for the International Equity Fund is expected to be greater than the Stable Value Fund and the Bond Fund. In addition, the international marketplace may at times be more volatile than the domestic stock market. As a consequence, the International Equity Fund has the potential to generate higher returns over time, but is also subject to the risk of higher losses.

If you seek an aggressive, long-term approach to capital growth through foreign stocks and emerging markets, the fund might be an appropriate part of your overall investment strategy. For more information, see the Lipper page for the International Equity Fund on Your Benefits Resources™ at www.allstategoodlife.com/benefits.

Restrictions apply to reallocations or transfers of money into the International Equity Fund. Reallocations or transfers of money out of the International Equity Fund are allowed at any time, using the “Create a New Investment Mix” or “Move Money Between Funds” provisions. The restriction applies only to reallocations or transfers into the International Equity Fund.

Refer to “Trading Restrictions” on page 34. In addition, refer to the “Create a New Investment Mix” section on page 35 and the “Move Money Between Funds” on page 35 for additional information on the reallocation or transfer process.

In order to ensure equitable treatment for participants in the International Equity Fund and in accordance with SSGA’s fair value procedures, SSGA may adjust security valuations to estimate a security’s fair value if market quotations are not readily available for a security or if subsequent events suggest that a market quotation is not reliable. The effect of fair value pricing is that securities may not be priced on the basis of quotations from the primary market in which they are traded or on recent or closing market prices, but rather may be priced by another method that SSGA believes reflects fair value. SSGA may use a number of factors to calculate the fair value of a security or may employ a third-party service to estimate fair value adjustments to the local closing prices. By its nature, a fair value price is a good faith estimate of the valuation in a current sale and may differ from the market price realized in an actual sale.

Emerging Markets Fund

The Emerging Markets Fund invests in the Northern Trust Collective Emerging Markets Index Fund—Non-Lending managed by Northern Trust Investments. The fund’s objective is to approximate the risk and return characteristics of the MSCI® Emerging Markets Equity Index (the “Emerging Markets Index”). The Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The Emerging Markets Index captures large and mid-cap representation across 24 emerging market countries. With more than 1,100 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. The fund will attempt to meet its objectives by including the common stocks of one of more companies included in the Emerging Markets Index. Statistical methods will be employed to select securities that comprise or will comprise the Emerging Markets Index without necessarily buying all the relevant Emerging Markets Index equities. Such securities will be selected, acquired, held and liquidated solely on the basis of such methods and not on the basis of any economic, financial, market timing, or other analysis. The fund may make limited use of futures and/or options for the purpose of maintaining equity exposure. The fund will be rebalanced from time to time in order to minimize the expected or predicted deviation between the performance of the fund and the performance of the Emerging Markets Index or to reflect changes in the composition of the Emerging Markets Index. This is a passively managed portfolio.

The rate of return on the Emerging Markets Fund is influenced by the market price of the stocks held in the fund, dividends and other income and foreign currency exchange rates. Because it is invested in emerging markets, the volatility of returns for the Emerging Markets Fund is expected to be greater than the Stable Value Fund and the Bond Fund. In addition, the Emerging Markets Fund’s risk profile is more aggressive than the International Equity Fund because it carries additional economic, political, liquidity and currency risks not associated with more developed foreign countries. The emerging markets may be more volatile than the domestic and foreign developed stock markets. As a consequence, there is the potential for large profits and the risk of larger losses when compared to the International Equity Fund.

If you seek an aggressive, long term approach to capital growth through exposure solely to emerging markets, then this fund might be an appropriate part of your overall investment strategy. For more information, see the Lipper page for the Emerging Markets Fund on Your Benefits Resources™ at www.allstategoodlife.com/benefits.

Restrictions apply to reallocations or transfers of money into the Emerging Markets Fund. Reallocations or transfers of money out of the Emerging Markets Fund are allowed at any time, using the “Create a New Investment Mix” or “Move Money Between Funds” provisions. The restriction applies only to reallocations or transfers into the Emerging Markets Fund.

Refer to “Trading Restrictions” on page 34. In addition, refer to the “Create a New Investment Mix” section on page 35 and the “Move Money Between Funds” section on page 35 for additional information on the reallocation or transfer process.

Allstate Stock Fund

The Allstate Stock Fund is a unitized fund that invests in the common stock of the Company with a small portion of the fund invested in short-term securities to provide liquidity to process transactions in the fund. You do not directly own Allstate common stock but rather units of the fund. Since the Allstate Stock Fund invests primarily in a single stock, it is not a diversified fund. The Company is primarily engaged in the personal property and casualty insurance business and the life insurance business, and is subject to significant risks and uncertainties including significant losses from catastrophes and severe weather events that cannot be predicted. Catastrophe losses and unanticipated increases in the severity or frequency of claims may adversely affect the Company's profitability, stock price, and the returns in the Allstate Stock Fund. Volatility in the capital and credit markets may also have a significant impact on the Company as well as other insurers and the financial sector which also may adversely affect the Company's investments, profitability, stock price, and the returns in the Allstate Stock Fund. Given the risks outlined above, you should expect volatility in the value of the Allstate Stock Fund that may exceed 20% or more in a single day. For additional information on risk factors faced by the Company, you should refer to the Company's Form 10-K SEC filings. You may obtain a copy of the filing by contacting Investor Relations at (800) 416-8803 or go to www.allstate.com.

The Allstate Stock Fund is maintained by The Northern Trust Company, the Plan's trustee. Purchases and/or sales are made at fair market value and will reflect broker's fees and other related expenses. Participants in this fund will have an undivided interest in the total value of the Allstate Stock Fund based upon their proportionate interest in the value of all shares and short-term securities held in the Allstate Stock Fund. This is a passively managed portfolio.

Restrictions apply to reallocations or transfers of money into the Allstate Stock Fund. Reallocations or transfers of money out of the Allstate Stock Fund are allowed at any time, using the "Create a New Investment Mix" or "Move Money Between Funds" provisions. The restriction applies only to reallocations or transfers into the Allstate Stock Fund.

Refer to "Trading Restrictions" on page 34. In addition, refer to the "Create a New Investment Mix" section on page 35 and the "Move Money Between Funds" section on page 35 for additional information on the reallocation or transfer process.

The rate of return on the Allstate Stock Fund will be influenced by the market price of the Company stock, performance of short-term securities held for liquidity and dividends on the Company stock (if the dividends paid on your balance in the Allstate Stock Fund are automatically reinvested in the fund). Due to the above, the rate of return on the Allstate Stock Fund will not match the returns of Allstate stock. For more information about dividends payable on Allstate stock, please refer to the "How Your Allstate Stock Fund Dividends Are Distributed to You" section on page 32.

The Company Contribution is allocated to Participant's Company Accounts and is invested in the Allstate Stock Fund. Participants may immediately diversify their Company Contribution into other investment options available under the Plan—please see "Investment Fund Elections / Move Money Between Funds" on page 34.

Voting and Tendering of Allstate Shares

You are entitled to direct the Trustee as to the voting of the proportion of the Allstate stock credited to your Accounts in the Plan. Shares for Participants who forward voting instructions, within the time and in the manner specified, are voted in accordance with their instructions. Shares as to which instructions are not received within the time and manner specified, as well as unallocated shares, will be voted in the same proportion as all shares for which directions are received by the Trustee, as long as at least 50% of the allocated shares are "voted" by Participants. If fewer than 50% of the allocated shares are "voted," the Trustee must vote the undirected and unallocated shares, at its discretion, in the best interest of Plan Participants.

In the event of a tender or exchange offer for shares of Allstate stock, shares as to which Participants' instructions to tender or exchange are received within the specified time by the Trustee will be tendered or exchanged, and shares as to which instructions are not received within the specified time will not be tendered or exchanged. The Trustee will tender or exchange unallocated shares at its sole discretion.

You do not have any voting, tender or similar rights for your other Plan investments.

How Your Allstate Stock Fund Dividends Are Distributed to You

If you are vested in your Company Contribution Account, you can elect either to have 100% of your Allstate Stock Fund dividends paid directly to you or continue to have them automatically reinvested in the Allstate Stock Fund. If you do not make an election or if you are not vested, dividends paid on your Allstate stock in the Plan will continue to be automatically reinvested in the Allstate Stock Fund.

If you wish to receive your dividends as a direct cash payment to you, you must make an election online via Your Benefits Resources™ at www.allstategoodlife.com/benefits. Elections on file before 12 midnight Central time the day before each quarterly ex-dividend date for Allstate will determine whether your dividends will be paid directly to you or reinvested in the Allstate Stock Fund. If you elect to receive cash payment of your dividends, a payment confirmation statement will be sent to you from the Plan's record keeper within 10 days after the payable date. The amount of your dividend payment will be posted after the ex-dividend date on the website. You can change your election with respect to future dividend payments at any time. Your election will apply to all future dividends until you change it.

INVESTMENT FUND PERFORMANCE AND EXPENSE INFORMATION

This section provides recent investment performance and expense information for Plan investment options. You should read this information carefully and retain it for future reference. Past investment performance is not indicative of future investment performance.

Investment Fund Performance

Investment returns presented are for the years ended September 30. You can also log on to Your Benefits Resources™ at www.allstategoodlife.com/benefits or call the Allstate Benefits Center at (888) 255-7772 for more recent investment performance of each investment fund.

Investment Fund	Average Annual Total Return as of 9/30/18				
	1 yr.	2 yr.	3 yr.	5 yr.	10 yr.
Target Retirement Income Fund	2.2%	3.7%	5.0%	4.1%	N/A
2010 Target Retirement Date Fund	2.4%	3.9%	5.2%	4.2%	N/A
2015 Target Retirement Date Fund	2.6%	4.2%	5.6%	4.4%	N/A
2020 Target Retirement Date Fund	3.1%	4.9%	6.2%	4.6%	N/A
2025 Target Retirement Date Fund	4.0%	6.1%	7.2%	5.1%	N/A
2030 Target Retirement Date Fund	5.6%	8.5%	9.0%	6.1%	N/A
2035 Target Retirement Date Fund	7.4%	10.9%	10.8%	7.0%	N/A
2040 Target Retirement Date Fund	8.0%	11.7%	11.4%	7.3%	N/A
2045 Target Retirement Date Fund	8.0%	11.5%	11.3%	7.2%	N/A
2050 Target Retirement Date Fund	7.8%	11.4%	11.3%	7.2%	N/A
2055 Target Retirement Date Fund	7.8%	11.3%	11.2%	7.1%	N/A
2060 Target Retirement Date Fund	7.7%	N/A	N/A	N/A	N/A
Stable Value Fund	2.4%	2.2%	2.2%	2.1%	2.7%
Bond Fund	-1.3%	-.7%	1.2%	2.1%	3.7%
S&P 500 Fund	17.8%	18.2%	17.3%	13.9%	11.9%
Real Asset Fund*	2.0%	1.1%	3.4%	2.3%	N/A
International Equity Fund**	2.0%	10.5%	10.4%	4.6%	4.5%

Investment Fund	Average Annual Total Return as of 9/30/18				
	1 yr.	2 yr.	3 yr.	5 yr.	10 yr.
Russell 2000 Fund	15.2%	17.9%	17.1%	11.0%	11.1%
Mid-Cap Fund	14.1%	15.8%	15.6%	11.8%	12.4%
Emerging Markets Fund***	-1.2%	9.8%	11.6%	3.1%	N/A
Allstate Stock Fund	9.3%	21.3%	21.2%	16.2%	10.0%

Note: The Target Retirement Date Funds were established October 2009; there are no 10-year returns. The 2060 Target Retirement Date Fund was added in January 2017; there are no 2, 3, 5, or 10-year returns.

* The Real Asset Fund was established February 2012; there are no 10-year returns.

** Effective January 1, 2015, the International Equity Fund moved to investing in the Global All Cap Equity ex U.S. Index. Prior to that, the fund invested in the MSCI All Country World Ex-U.S. (MSCI ACWI ex-USA) Index from January 1, 2011 to December 31, 2014, and prior to that in the MSCI EAFE Index. As a result, average annual total returns reflected in the chart above are a blend of 45 months of Global All Cap Equity ex U.S. Index, 48 months of MSCI ACWI ex-USA and the remainder is the MSCI EAFE returns.

*** The Emerging Markets Fund was established July 2009; there are no 10-year returns.

Investment returns shown are net of expenses, including transaction costs, investment management fees and plan administrative expenses.

Expenses of Administering the Plan

All costs, charges and expenses reasonably incurred on behalf of the Plan by the Administrative Committee and the Investment Committee (including, to the extent permitted by law, all direct and necessary expenses incurred by the Company or any Employer in providing administrative and asset management services to the Plan or otherwise incurred by them in connection with the Plan) will be paid from the Plan to the extent not paid by the Employers in such proportions as the Company may direct. No compensation will be paid from the Plan to an Administrative Committee or Investment Committee member as such. Judgments or decrees rendered against the Plan, the Trustee or other fiduciaries which are not based upon a breach of fiduciary responsibility are to be satisfied from the Plan assets and not from assets of the Trustee or other fiduciaries.

The expenses of administering the Plan, except those paid for by the Company and individual fees charged directly to your account, are shared by all Plan Participants. Asset-based fees are fees that you won’t see directly because they are charged to the Plan investment options and reduce your investment earnings. They include:

- Administrative expenses: fees and expenses related to online investment advisory services and the on-going administration, governance and legal compliance of the Plan including trustee, record keeping, and other administrative expenses. These fees are charged proportionately to each investment fund.
- Investment management fees: fees paid to the investment manager for selecting and managing the investments in an investment option. These fees may also include costs such as custody, audit, transaction costs, sub-advisory services, wrap fees, administration and other related services associated with each investment option and are charged against the respective investment fund.

These asset-based fees ranged from .05% to .36% in 2017 with an average fee of .12%.

Individual fees may be charged directly to your account due to activity you have requested such as professional management or a loan origination fee.

All investment performance is reported net of all asset-based fees charged to the Plan. For the most up-to-date fees and performance you can log on to Your Benefits Resources™ at www.allstategoodlife.com/benefits and view the Annual Fee Disclosure, the Lipper page for each investment option or call the Allstate Benefits Center at (888) 255-7772.

INVESTMENT FUND ELECTIONS / MOVE MONEY BETWEEN FUNDS

Investment Elections—Future Deposits

When you enroll in the Plan, you must choose how you want your deposits (Pre-Tax Deposits, Roth 401(k) Deposits, Catch-Up Deposits, After-Tax Deposits, Rollover Deposits, and Roth Rollover Deposits, if any) to be invested within the Plan. You may elect among any one or more of the Plan's investment options. Your investment option allocation must be made in 1% increments, must total 100% and will apply to all of your future deposits. If you choose, you may use the Quick Enrollment feature which will set your pre-tax contribution rate at 5% of Eligible Compensation and select the Target Retirement Date Fund that corresponds with your date of birth, assuming retirement (and account distribution) at age 65. Once you make an investment election for your deposits, it will remain in effect until you change or revoke it by a subsequent election. Please note, if you fail to make an investment election, your deposits will be invested in the Target Retirement Date Fund that corresponds with your date of birth, assuming retirement (and account distribution) at age 65.

You may change your investment election for future deposits by logging on to Your Benefits Resources™ at www .allstategoodlife.com/benefits or by calling the Allstate Benefits Center at (888) 255-7772. Changes to your investment elections will be posted immediately and are effective the next business day. An election to change the investment of your future deposits will not change the investment of your existing Account balances (see the following "Create a New Investment Mix" section). Company Contributions are automatically invested in the Allstate Stock Fund in your Company Account until you transfer them or take a distribution.

Trading Restrictions

Participants are prohibited from using the reallocation or transfer feature to move money into the Allstate Stock Fund, any Target Retirement Date Fund, or the International Equity Fund within any 30-calendar day period following the date money is moved out of the same fund through reallocation or transfer. Any subsequent transfer or reallocation of money out of these funds during a 30-calendar day restriction period will start a new 30-day restriction period. For purposes of this trading restriction, the restriction treats all of the Target Retirement Date Funds as one "block" of funds.

Participants are prohibited from using the reallocation or transfer feature to move money into the Emerging Markets Fund within any 90-calendar day period following the date money is moved out of the Emerging Markets Fund through reallocation or transfer. Any subsequent transfer or reallocation of money out of the Emerging Markets Funds during a 90-calendar day restriction period will start a new 90-day restriction period.

These restrictions do not apply to employee deposits, loan repayments, rollovers, or In-Plan Roth Conversions into these funds, or to loans or partial or hardship withdrawals from these funds.

Reallocations or transfers of money out of these funds are allowed at any time, using the "Create a New Investment Mix" or "Move Money Between Funds" provisions. The restriction applies only to reallocations or transfers into the funds.

Redemption Fees

Effective April 1, 2016, a 2% redemption fee has been added to the Emerging Markets Fund. Redemption fees are designed to benefit long-term investors by discouraging excessive in-and-out trades and reimbursing the fund for costs incurred from such market-timing practices. The 2% redemption fee will be applied to balance transfers, including automatic rebalancing out of the Emerging Markets Fund if you transferred money into the Emerging Markets Fund within the preceding 30 days. The redemption fee will not apply to employee deposits, loan repayments, rollovers, or In-Plan Roth Conversions into the Emerging Markets Fund, or to loans or partial or hardship withdrawals from the fund. The redemption fee will be deducted from the amount you transfer out of the Emerging Markets Fund and deposited back into the fund to benefit all other participants in the Emerging Markets Fund.

Reallocations or transfers of money out of this fund are allowed at any time, using the "Create a New Investment Mix" or "Move Money Between Funds" provisions. The redemption fee applies only to monies that were transferred into the Emerging Markets Fund and then transferred out within 30 days.

Automatic Rebalancing

Automatic rebalancing allows participants to elect to have their account balance automatically reallocated to their investment elections on a periodic basis.

For example, if a participant elects to have 50% in Fund A, 30% in Fund B, and 20% in Fund C, due to gains and losses over time the participant's balance will drift away from these percentages. Automatic rebalancing will automatically reallocate the participant's account back to these percentages based on the elected frequency (i.e., every 90 days, 180 days or annually).

Automatic rebalancing will reallocate the participant's account balance periodically and will set future contributions to be invested in the same manner.

Participants can stop automatic rebalancing at any time.

Create a New Investment Mix

You may also change the manner in which your current Account balances (Pre-Tax Account, Roth 401(k) Account, After-Tax Account, Company Account, Rollover Account, and Roth Rollover Account, if any) are to be invested within the Plan. You may elect to reallocate these Account balances among any one or more of the Plan's investment options, except that you may not transfer or reallocate into the Allstate Stock Fund, any Target Retirement Date Fund, the International Equity Fund, or the Emerging Markets Fund at certain times, as described in "Trading Restrictions" on page 34. Your reallocation election must be made in 1% increments and will apply to all of your Accounts. If you do not wish to move money out of the Company Account, use the "Move Money Between Funds" process, as described in the next section, to transfer your selected Account balances.

To reallocate your Account balances, log on to Your Benefits Resources™ at www.allstategoodlife.com/benefits or call the Allstate Benefits Center at (888) 255-7772. Your reallocation will be effective the same business day for requests made before 3:00 p.m. Central time, and the next business day for requests made after 3:00 p.m. Central time (or when the stock market is next open). Plan balance reallocations do not change the investment of your future deposits.

Move Money Between Funds

You may transfer money directly from one or more of your current Account balances (Pre-Tax Account, Roth 401(k) Account, After-Tax Account, Company Account, Rollover Account, and Roth Rollover Account, if any) to any one or more of the Plan's investment options, except you may not transfer money into the Allstate Stock Fund, any Target Retirement Date Fund, the International Equity Fund, or the Emerging Markets Fund at certain times, as described in the "Trading Restrictions" section. You have the option of transferring your employee contributions, employer contributions, or both.

To transfer your Account balances, go to Your Benefits Resources™ at www.allstategoodlife.com/benefits or call the Allstate Benefits Center at (888) 255-7772 to speak with a representative. Your transfer will be effective the same business day for requests made before 3:00 p.m. Central time, and the next business day for requests made after 3:00 p.m. Central time (or when the stock market is next open).

Participants can transfer all or part of their Company Contributions, within their Company Account, to any investment option within the Plan at any time after the Company Contributions are made.

Impact of Reallocations and Transfers on Cost Basis in the Allstate Stock Fund

Any changes in your Allstate Stock Fund, which includes any changes as a result of a reallocation, transfer, or In-Plan Roth conversion, may affect your "cost basis" in the Allstate Stock Fund. When you take a lump sum distribution from the Plan, your cost basis for any stock distribution you receive (i.e., not a rollover to another qualified plan or IRA) would be used to calculate the net unrealized appreciation on that stock (if applicable), which may afford you special tax treatment. You should contact a qualified tax advisor prior to making any reallocation, transfer, or In-Plan Roth conversion request. Please refer to the Your Benefits Resources™ at www.allstategoodlife.com/benefits for additional information.

The Importance of Diversifying Your Retirement Savings

To help achieve long-term retirement security, you should give careful consideration to the benefits of a well-balanced and diversified investment portfolio. Spreading your assets among different types of investments can help you achieve a favorable rate of return, while minimizing your overall risk of losing money. This is because market or other economic conditions that cause one category of assets, or one particular security, to perform very well often cause another asset category, or another particular security, to perform poorly. If you invest more than 20% of your retirement savings in any one company or industry, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to help you manage investment risk. In deciding how to invest your retirement savings, you should take into account all of your assets, including any retirement savings outside of the Plan. No single approach is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals, and different tolerances for risk. It is also important to periodically review your investment portfolio, your investment objectives, and the investment options under the Plan to help ensure that your retirement savings will meet your retirement goals.

Selecting Your Investment Mix

The Plan offers you a broad range of investments, with different potential risks and returns, from which you can create a diversified investment mix. You should consider your investment goals, your time horizon for achieving them, and your tolerance for risk in choosing your investments.

To help you make investment selections, the Plan provides you access to an independent online investment advisory service provided by Alight Financial Advisors, LLC (“AFA”). You can get customized advice on your Plan deposits and available investment options to help you reach your retirement income goals while you continue to manage your own Account. There is no additional charge for this online advice service. Select Get Advice from the 401(k) Savings tab under the Savings and Retirement tab on Your Benefits Resources™ at www.allstategoodlife.com/benefits.

AFA also offers professional management services for your Accounts including a personalized retirement plan and the ability to talk to an investment advisor representative. If you elect this service, AFA will manage and monitor your Account, and AFA will deduct the associated program fee from your Account on a quarterly basis.

Portion of Account	Per Annum Pricing for Professional Management – Fee Schedule
Less than $100,000	45 basis points
$100,000–$250,000	30 basis points
Over $250,000	25 basis points

You can enroll in the professional management program by selecting Get Advice from the 401(k) Savings tab under the Savings and Retirement tab on Your Benefits Resources™ at www.allstategoodlife.com/benefits or by calling the Allstate Benefits Center at (888) 255-7772, and selecting the Investment Advice prompt from the menu or by visiting http://www.alightfinancialadvisors.com/forallstate. You can cancel at any time without penalty.

Target Retirement Date Funds Provide Diversification Within a Single Fund

The Plan’s 12 Target Retirement Date Funds provide you the opportunity to have a diversified investment portfolio within a single fund, based on your date of birth and assuming you retire (and account distribution) at age 65. Each Target Retirement Date Fund holds a mixture of different asset classes that evolves over time from a more aggressive to a more conservative asset mix as the Fund approaches its target date. In early investing years, allocations are constructed to maximize wealth accumulation with greater allocations to stocks, while in later investing years increased allocations to fixed-income securities add stability and generate income.

Although the Target Retirement Date Funds offer an appropriate mix of investments for a broad range of 401(k) Plan participants, they may not meet your individual investing needs. As with any other investment option, it’s important that you carefully read the fund materials before making your investment selections.

Restrictions on Transactions in Allstate Stock

Except for pre-established periodic contributions pursuant to your payroll deductions and loan repayments, the Company's insider trading policy prohibits you from making an election which increases or decreases your Allstate Stock Fund investments when you are aware of material, nonpublic information about Allstate and when you are subject to a Company imposed blackout period. See Policy on Insider Trading and Questions and Answers.

In addition, if you are an executive officer of the Company, your transactions in Allstate stock are subject to certain rules under Section 16 of the Securities Exchange Act of 1934. Participants who are subject to reporting responsibilities under Section 16 of the Securities Exchange Act of 1934 will be notified of restrictions regarding the ability to move into or out of the Allstate Stock Fund and will be required to pre-clear all such transactions through the Company.

AVAILABILITY OF YOUR ACCOUNT BALANCES

This section describes how you can access your Account balances while you are employed and after you end employment.

Any request for a distribution or loan can be made electronically at Your Benefits Resources™ at www.allstategoodlife .com/benefits. From the Savings and Retirement tab, click on the 401(k) Savings Plan drop down and then click "Loans" or "Withdrawals and Rollovers" to process your distribution or loan. You can also call the Allstate Benefits Center at (888) 255-7772 to speak with a representative to request your distribution or loan.

While You Are Employed

You can access your vested Account balances under the Plan while you are an active employee either through a loan or an in-service withdrawal, as described below. You may also elect to receive your Allstate stock dividends on your vested Company Account balances paid directly to you if you are fully vested. Please refer to the "How Your Allstate Stock Fund Dividends Are Distributed to You" section on page 32 for additional information.

Loans

Although the primary purpose of the Plan is to allow you to save for retirement, you may request a loan from the Plan while you are actively employed by, and receiving compensation from the Employers. You may borrow from certain of your Accounts under the Plan, subject to the terms of the Plan and the loan rules established by the Administrative Committee. Loan requests will be processed as soon as administratively possible. Your loan can be delivered via direct deposit or via U.S. mail.

The following is a summary of the Plan's loan rules:

- On an aggregate basis, you can borrow the lesser of:
  - $50,000 (less the highest outstanding loan balance at any time during the 12 months preceding the date of the loan);
  - 50% of your total vested Account balance minus current outstanding loan balance (i.e. any non-vested balance in your Company Contribution Account will be excluded in determining the available amount for loan); or
  - 100% of the combined balances in your Pre-Tax Account, Roth 401(k) Account, After-Tax Account, Rollover Account and Roth Rollover Account minus current outstanding loan balance.
- Loans are prorated across investment funds and may only be obtained from the balances in your Account, in the following order:
  - Pre-Tax Account,
  - Roth 401(k) Account,
  - Rollover Account,
  - Roth Rollover Account, and
  - After-Tax Account.

- No loans may be made from any portion of your Company Account.
- The minimum loan amount is $1,000 and must be in whole dollar increments.
- You may have a total of only two loans outstanding at any time.
- Each loan will provide for payment of interest at the prime rate plus one percent published in the Wall Street Journal in effect on the 15th day of the month prior to the first day of the quarter in which the loan is requested.
- A $75 loan origination fee will be deducted from your Account and added to your loan for calculation of repayment.
- A general purpose loan will have a repayment period between 6 months and 48 months. A primary residence loan (that is, a loan which is used to acquire your primary residence) will have a repayment period between 49 months and 180 months.
- A primary residence loan requires supporting documentation such as a signed purchase agreement and cannot be approved and issued until you sign and return the Plan's formal loan application. Approval of a primary residence loan is provided as soon as administratively possible. Additionally, a primary residence loan application will not be accepted if it is received after the close of the purchase of your residence. A general purpose loan can be processed without a written application.

IMPORTANT

If you are considering repayment of an existing loan and you intend to request a new loan within 12 months of repayment, the loan amount available to you in any 12-month period will be reduced by any loan amount you have repaid in the last 12 months and/or any outstanding unpaid loan amount.

Loan Repayments

Loan repayments generally must be made by after-tax payroll deductions and will be taken in every pay period.

You may repay the entire loan in one lump sum at any time. Manual loan payments must be made by cashier, certified, or official check; by money order; or by electronic direct debit from your designated financial institution.

Loan deductions will not stop until the lump sum loan repayment amount is received by the Plan. In addition, no early loan payoff requests are permitted in the final 23 days of the term of the loan.

Loan repayments are invested according to your current investment elections for future deposits.

If You Go on a Leave of Absence

Monthly manual loan repayments are permitted for employees who are on an unpaid leave of absence. Manual loan payments must be made by cashier, certified, or official check; by money order; or by electronic direct debit from your designated financial institution.

If You Retire, Become Disabled, or Separate from Service

Monthly manual loan repayments are permitted for employees who retire, become disabled, or separate from service. Manual loan payments must be made by cashier, certified, or official check; by money order; or by electronic direct debit from your designated financial institution. If you take a complete distribution of your Account, any outstanding loan balance will immediately be defaulted. (See "Loan Defaults" on page 39 for additional information.) Once in default, manual loan repayments will no longer be accepted, and any recurring electronic direct debit will be automatically stopped.

Special Military Duty and Military Leave of Absence

If you perform "service in the uniformed services," as defined by USERRA, your ability to make deposits and receive benefits and service credit will be in accordance with section 414(u) of the Code and USERRA.

If your absence is covered by the Special Military Duty policy of your Employer, your loan repayments will continue to be taken from compensation paid by an Employer during the 52-week offset period (when Employer compensation is offset by pay you receive for uniformed service), as described in Employer human resource policy. However, you may choose to have your loan repayments suspended during the 52-week offset period. To suspend your loan repayments please contact the Allstate Benefits Center at (888) 255-7772. If you are on an unpaid Military Leave of Absence, as described in Employer human resource policy, you may (but are not required to) make manual loan repayments. Interest on any loans will continue to accrue while you perform uniformed service at the lower of 6% or your original loan interest rate.

If your loan repayments were suspended, upon your return to work with an Employer directly following your uniformed service:

- your loan term will be extended by the time you were on military duty;
- your remaining loan balance will be reamortized at the lower of 6% or your original loan interest rate; and
- your loan repayments will resume as soon as administratively possible.

Contact the Allstate Benefits Center at (888) 255-7772 for additional information.

Loan Defaults

You will be considered delinquent if any of the following events occur: (i) you fail to make any part of a scheduled repayment; (ii) the loan has not been paid in full by the final payment date; (iii) you become eligible for a distribution from the Plan because of retirement, separation from service, or total and permanent disability; or (iv) your death.

If a loan becomes delinquent for reasons (i) or (ii), a grace period will be granted to allow you to repay any missed payments before a default occurs. The grace period will end on the earlier of the end of the calendar quarter following the quarter in which any payments were missed, or the final payment date. If you fail to make up your missed payments by the end of the grace period, or if you fail to repay the entire outstanding loan balance including any accrued interest by the final payment date, your loan will be treated as a taxable event. The loan will still be considered your obligation and will have to be repaid in full prior to initiating a new loan from the Plan. If a loan becomes delinquent for reason (iii), a grace period will be granted to allow you to repay any missed payments and begin making manual monthly loan repayments before a default occurs. The grace period will end on the earlier of the end of the calendar quarter following the quarter in which any payments were missed, or the final payment date. If you fail to make ongoing payments or to make up your missed payments by the end of the grace period, or if you fail to repay the entire outstanding loan balance including any accrued interest by the final payment date, your loan will be treated as a taxable event. If you request distribution from the Plan, any unpaid loan balance together with accrued interest (if any) will immediately become taxable to you. In addition, the loan will be offset against the amounts in your Account securing the loan. At termination of employment, any previously taxed loan will be immediately foreclosed. A plan loan offset generally is treated as an actual distribution that can be rolled over. Plan offsets due to plan termination and severance of employment can be rolled over until your tax return filing deadline, including extensions

If a loan becomes delinquent for reason (iv), the unpaid balance together with accrued interest (if any) can be repaid in whole or in part within 90 days. If a loan is not paid within that time frame, the entire outstanding balance of the loan will become a taxable distribution to you. In addition, the loan will be offset against the amounts in your Account securing the loan.

Payroll loan repayments will begin automatically if you are reemployed by an Employer and you have an outstanding loan balance at that time.

Impact of Personal Bankruptcy on Loans

As permitted under the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (the "Act"), the Plan has selected to continue loan payments for all participants who have filed for bankruptcy protection under Chapter 13. In addition, the Act also provides that an outstanding loan amount owed to a qualified plan is not dischargeable by an individual in bankruptcy, nor may a Chapter 13 individual bankruptcy reorganization plan materially alter the terms of a qualified plan loan.

In-Service Withdrawals

Partial Withdrawals

You may be eligible to request a partial withdrawal from the Plan of either your non-Roth Accounts or from your Roth Accounts, as described below, while you are employed by an Employer. A partial withdrawal from your non-Roth Account generally will be taxable to you when you receive it and will reduce the amount available to you at retirement. It is not a loan and cannot be repaid to the Plan.

You may elect to receive your balance in the Allstate Stock Fund either in cash or in shares of stock. The cash portion of your withdrawal request can be delivered via electronic funds transfer or will be mailed as soon as administratively possible. Stock distributions come directly from the stock transfer agent in the form of a statement of share holdings. These can be delivered electronically or will be mailed as soon as administratively possible.

If from your non-Roth Accounts, a partial withdrawal may include all or a portion of your balance in the following Accounts and will be reduced in the following order:

- Pre-1987 (i.e., Prior Plan) After-Tax Deposits.
- Your After-Tax Account balance (includes your After-Tax Deposits and earnings). You'll be taxed on any earnings on your After-Tax Deposits, when you take a withdrawal unless you elect to roll over that portion of your distribution.
- Your Rollover Account balance.
- Your vested Company Account balance (excluding Company Contributions allocated to your Account within the past 24 months if you have been a participant in the Plan for less than five years).
- Your Pre-Tax Account balance (excluding Pre-Tax Deposits and Catch-Up Deposits made during the current year), but only if you have attained age 59½.

If from your Roth Account, a partial withdrawal may include all or a portion of your balance in the following Accounts and will be reduced in the following order:

- Your Roth Rollover Account.
- Your Roth 401(k) Account (excluding Roth 401(k) Deposits and Catch-Up Deposits made during the current year), but only if you have attained age 59½.

Partial withdrawals in cash will be prorated across all investment funds within your Accounts in the order listed above.

If you request a partial withdrawal of Allstate stock in the form of shares, that withdrawal will be taken from your Allstate Stock Fund investments within your Accounts in the order listed above.

If you request a partial withdrawal in the form of both cash and shares of Allstate stock, your withdrawal will be treated first as a withdrawal of your Allstate Stock Fund investments within your Accounts in the order listed above. The remaining withdrawal of cash will be prorated across all of your investment funds within your Accounts in the order listed above.

Hardship Withdrawals

You may make a hardship withdrawal of all or a portion (but not less than $500) of your Pre-Tax Deposits, Roth 401(k) Deposits, and Catch-Up Deposits (excluding Pre-Tax Deposits, Roth 401(k) Deposits and Catch-Up Deposits made during the year of withdrawal) before you reach age 59½, provided the amount withdrawn is necessary to meet an immediate and heavy financial need and you have no other reasonably available resources to meet such financial need. An immediate and heavy financial need is one of the following hardships:

- Payment of medical expenses that are not reimbursed or compensated through insurance or otherwise that are incurred by you, your spouse, or any of your dependents;
- Purchase (excluding mortgage payments) of your principal residence;
- Payment of post-secondary tuition, room and board, and education-related fees for the next 12 months for you, your spouse, or your dependents;

- Prevention of eviction from your principal residence or prevention of the foreclosure on the mortgage on your principal residence;
- Payment of funeral expenses for the death of your parents, spouse, children, or dependents; or
- Payment of the uninsured costs of repairing your principal residence that qualify for the casualty deduction under Section 165 of the Code.

You may withdraw only the amount necessary to meet your immediate and heavy financial need, plus amounts needed to pay any income taxes or penalties reasonably expected to result from the withdrawal. You may not obtain a hardship withdrawal if your immediate and heavy financial need could be satisfied from other sources reasonably available to you. You must provide documentation of your financial hardship.

Before making a hardship withdrawal, you must obtain all other withdrawals and loans available to you from the Plan. If you make a hardship withdrawal, you will be suspended from making any deposits to the Plan for the following six months. In addition, your Pre-Tax Deposits, Roth 401(k) Deposits, Catch-Up Deposits, After-Tax Deposits and all other deferrals and contributions you make under any other deferred compensation plan of any employer in the Allstate controlled group of companies must be discontinued during this period.

Hardship withdrawals are made in cash only.

Military Withdrawals

If you are on an unpaid Military Leave of Absence as described in the Employer human resources policy, you may be eligible to request a military withdrawal from the Plan of either your non-Roth Accounts or your Roth Account. A military withdrawal from your non-Roth Account generally will be taxable to you when you receive it and will reduce the amount available to you at retirement. It is not a loan and cannot be repaid to the Plan.

You may elect to receive your balance in the Allstate Stock Fund either in cash or in shares of stock. The cash portion of your withdrawal request can be delivered via electronic funds transfer or will be mailed as soon as administratively possible. Stock distributions come directly from the stock transfer agent in the form of a statement of share holdings. These can be delivered electronically or will be mailed as soon as administratively possible.

If from your non-Roth Account, a military withdrawal may include all or a portion of your balance in the following Accounts and will be reduced in the following order:

- Pre-1987 (i.e., Prior Plan) After-Tax Deposits.
- Your After-Tax Account balance (includes your After-Tax Deposits and earnings). You'll be taxed on any earnings on your After-Tax Deposits, when you take a withdrawal unless you elect to roll over that portion of your distribution.
- Your Rollover Account balance.
- Your vested Company Account balance (excluding Company Contributions allocated to your Account within the past 24 months if you have been a participant in the Plan for less than five years).
- Your Pre-Tax Account balance (excluding Pre-Tax Deposits and Catch-Up Deposits made during the current year).

If from your Roth Account, a military withdrawal may include all or a portion of your balance in the following Accounts and will be reduced in the following order:

- Your Roth Rollover Account.
- Your Roth 401(k) Account (excluding Roth 401(k) Deposits and Catch-Up Deposits made during the current year).

Military withdrawals in cash will be prorated across all investment funds within your Accounts in the order listed above.

If you request a military withdrawal of Allstate stock in the form of shares, that withdrawal will be taken from your Allstate Stock Fund investments within your Accounts in the order listed above.

If you request a military withdrawal in the form of both cash and shares of Allstate stock, your withdrawal will be treated first as a withdrawal of your Allstate Stock Fund investments within your Accounts in the order listed above. The remaining withdrawal of cash will be prorated across all of your investment funds within your Accounts in the order listed above.

If you make a military withdrawal, you will be suspended from making any deposits to the Plan for the following six months. In addition, your Pre-Tax Deposits, Roth 401(k) Deposits, Catch-Up Deposits, After-Tax Deposits and all other deferrals and contributions you make under any other deferred compensation plan of any employer in the Allstate Controlled Group of companies must be discontinued during this period.

After Employment Ends

When your employment ends with all Employers as well as the other companies in the Allstate controlled group, you will be eligible to receive a distribution of your vested Account balance in the Plan fourteen days after your termination status is received by the record keeper. This timing will ensure that all trailing deposits and other recent account activity will be included in your final distribution amount.

If you terminate employment with an Employer but remain employed with another company in the Allstate controlled group including Esurance Insurance Services, Inc. and Answer Financial, Inc. that does not participate in the Plan, you are not eligible to receive a distribution of your Account until you end employment with all Allstate controlled group companies.

Distribution of Your Vested Accounts

You may defer your distribution as described below, or elect a complete distribution or a partial distribution. Distributions may be taken as a rollover to an IRA or other qualified retirement plan or as a direct payment to you. You should contact a qualified tax advisor prior to making any distribution request.

Refer to the “Withholding Notice (Applies to the Portion of a Payment that Is Not Eligible for Rollover)” on page 55 and if you made Pre-Tax or After-Tax Deposits, see the “Special Tax Notice Regarding Plan Payments Not From a Designated Roth Account (Applies to the Portion of a Payment that Is Eligible for Rollover)” on page 55. If you made Roth 401(k) Deposits, see the “Special Tax Notice Regarding Plan Payments From a Designated Roth Account (Applies to the Portion of a Payment that Is Eligible for Rollover)” on page 61.

If you made both Pre-Tax and Roth 401(k) Deposits, both special tax notices will be applicable to you. These notices are also available on Your Benefits Resources™ at www.allstategoodlife.com/benefits and from the Allstate Benefits Center.

Deferral of Distribution

If the value of your vested Account balance at termination exceeds $1,000, you may defer distribution of your vested Account. Account balances will be reviewed periodically and if the value of your vested Account balance no longer exceeds $1,000, you will automatically receive a lump sum cash payment of your vested Accounts after receiving 60 days notice.

If you choose to defer your distribution, you will remain eligible to transfer or reallocate your vested Account balance, take partial distributions, or receive a complete distribution.

However, you must begin to receive annual distributions from your Account in accordance with federal minimum distribution rules. See “Age 70½ Mandatory Distributions” rules on page 43.

Complete Distribution

Under a complete distribution, you will receive a lump sum payment of the full value of your vested Account in the Plan. You may elect to receive your balance in the Allstate Stock Fund either in cash or in shares of stock. The cash portion of your withdrawal request can be delivered via electronic funds transfer or will be mailed as soon as administratively practicable. Stock distributions come directly from the stock transfer agent in the form of a statement of share holdings. These can be delivered electronically or will be mailed as soon as administratively practicable.

If you are eligible for a Company Contribution when your employment ends, the Company Contribution will be paid to you as described in “Company Contributions” on page 19. The Company Contribution is paid in the first quarter of the year following the year in which your employment ends, regardless of whether you received a complete distribution of all your Plan Accounts.

Partial Distributions

Instead of a single lump sum payment, you may elect one or more partial distributions from your vested Account in the Plan. Partial distributions are based on the same hierarchy as partial withdrawals and are prorated across all of your investment funds within your Accounts.

Partial distributions from the Allstate Stock Fund may be made either in cash or in shares of stock. The cash portion of your withdrawal request can be delivered via electronic funds transfer or will be mailed as soon as administratively practicable. Stock distributions come directly from the stock transfer agent in the form of a statement of share holdings. These can be delivered electronically or will be mailed as soon as administratively practicable.

Mandatory Distributions

Automatic Force-Out

If the value of your vested Account balance at termination does not exceed $1,000, you will automatically receive a lump sum cash payment of your vested Accounts 90 days following your termination of employment with all Allstate controlled group companies. If you wish to receive your distribution as a rollover, you must log on to Your Benefits Resources™ at www.allstategoodlife.com/benefits or contact the Allstate Benefits Center at (888) 255–7772, within the 90-day period following your termination of employment with all Allstate controlled group companies.

Age 70½ Mandatory Distributions

Required Minimum Distributions (RMD) generally are minimum amounts that you must withdraw annually starting the year that you reach age 70½ (unless you are an active employee) or the year you retire if you continue employment beyond age 70½. You must take your first RMD for the year in which you turn age 70½ or retire. However, the first payment can be delayed until April 1 of the year following the year in which you turn 70½ or retire. For all subsequent years, including the year in which you were paid the first RMD by April 1, you must take the RMD by December 31.

The RMD is calculated by dividing the prior December 31 balance of your Account by a life expectancy factor from the IRS Uniform Lifetime Table. If you do not take any distribution, or if the distribution is not large enough, you may have to pay a 50% excise tax on the amount not distributed as required. Contact the Allstate Benefits Center at (888) 255-7772 for additional information.

Tax Treatment of Mandatory Distributions at Age 70½

If, when you end employment with all Allstate controlled group companies, you are age 70½ or over, or will reach age 70½ in the year you terminate employment, then a portion of your complete distribution is considered a “minimum distribution” under the Code and as a result is not eligible for rollover.

The taxable portion of a payment that is not eligible for rollover is subject to federal income tax withholding unless you elect not to have withholding apply. Refer to “Withholding Notice (Applies to the Portion of a Payment that Is Not Eligible for Rollover)” on page 55, for further taxation information on distributions and withdrawals.

CHOOSING YOUR BENEFICIARIES

You may designate, in writing on the Plan’s Beneficiary Authorization Form, one or more beneficiaries to receive your vested account balance if you die before receiving a complete distribution of your vested Plan balance. You may designate any person or persons, including a trustee or other legal representative (acting in a fiduciary capacity) as your beneficiary.

You may choose one or more primary beneficiaries. You may also choose one or more contingent beneficiaries. Your designated primary beneficiary, who is living at your death, will be eligible to receive your Plan benefit upon your death. Your living contingent beneficiary is eligible only if no primary beneficiary is living at your death. If you designate multiple primary beneficiaries and a primary beneficiary predeceases you, the deceased primary beneficiary’s share will be allocated on a pro rata basis to the surviving primary beneficiaries. This same pro rata approach applies to multiple contingent beneficiaries.

If you are married at the time of your death, and you have not received a complete distribution, your vested Plan account balance will be paid to your surviving spouse, unless you have designated another beneficiary and your spouse has given written notarized consent to the designation on the Beneficiary Authorization Form. Your spouse cannot revoke his or her consent to your beneficiary designation unless you file with the Plan a new Beneficiary Authorization Form with spousal consent.

If you marry after you have filed a Beneficiary Authorization Form with the Plan, your marriage will automatically invalidate that Beneficiary Authorization Form. It will be necessary to file a new Beneficiary Authorization Form with spousal consent if required, to have a valid beneficiary designation on file with the Plan.

Your vested Account balance in the Plan will be distributed among your beneficiaries as you have directed on the Beneficiary Authorization Form.

To designate or change your beneficiaries, log on to Your Benefits Resources™ at www.allstategoodlife.com/benefits. You may, if you don't have Internet access, call the Allstate Benefit Center at (888) 255-7772 to speak to a representative to designate or change your beneficiary. You will need to provide the following information for each beneficiary:

- Name
- Social Security Number
- Birth date
- Gender
- Relationship to you
- Address

IMPORTANT

Once you log on to Your Benefits Resources™, you will enter your beneficiary designation information and submit your request. A printed Beneficiary Authorization Form will be sent to you, unless you designate your spouse as 100% primary beneficiary. Once you receive your Beneficiary Authorization Form you should review it to make certain that your beneficiary designation is stated accurately on the form. After you have determined that the designation is accurate, and for your designation to be considered valid, follow the instructions on the form carefully.

In order for your beneficiary designation to be valid:

- you must certify your marital status on the form by signing and dating the form;
- if you are married and choose anyone other than your spouse as a primary beneficiary, your spouse must also sign and date the form and your spouse's signature must be witnessed by a notary public;
- you must sign and date the Beneficiary Authorization Form (do not mark or change the form); and
- the Allstate Benefits Center must receive the Beneficiary Authorization Form by the deadline printed on the form (90 days from the date you submit your request).

You should check Your Benefits Resources™ to ensure your beneficiary designation has been recorded correctly.

Your beneficiary designation will not be valid if:

- any written changes are made to the Beneficiary Authorization Form; or
- the Beneficiary Authorization Form is not properly signed and dated, with notarized spousal consent, if applicable; or
- the Beneficiary Authorization Form is received by the Allstate Benefits Center after the deadline printed on the form (90 days from the date you submit your request).

Your new Beneficiary Authorization Form will be effective only when the form is received by the Plan while you are alive, and will cancel all previous beneficiary designations you have made.

If you die without a valid designated beneficiary, your vested Plan balance will be paid in the following order:

- to your spouse; or, if no surviving spouse,
- to your estate; or, if no estate, then
- according to Illinois laws of descent and distribution.

A spousal beneficiary may defer distribution until the end of the month in which you would have reached age 69. Spousal beneficiaries are eligible to transfer or reallocate vested Account balances, take partial distributions, or receive a complete distribution in cash and/or in shares of stock (if applicable) as a rollover to an IRA or other qualified retirement plan or as direct payment. If a spouse beneficiary dies after you, but before complete payment of your vested Account balance, any remaining benefits will be distributed as provided in the spousal beneficiary's properly completed beneficiary form, if any, or to the beneficiary's estate if no properly completed beneficiary form exists.

A nonspouse beneficiary will receive a lump sum cash payment no later than 90 days after an Account is established in his or her own name. Rollover-eligible payments made to nonspouse beneficiaries may be eligible for direct rollover into an IRA. Contact the Allstate Benefits Center for additional information. If a nonspouse beneficiary dies after you, but before complete payment of your vested Account balance, any remaining benefits will be distributed to the nonspouse beneficiary's estate.

Your beneficiary may disclaim all or any portion of your Plan benefit provided that the disclaimer meets the requirements for a qualified disclaimer under the Internal Revenue Code and any applicable state law, is in writing in a form acceptable to the Plan, and is executed before the beneficiary receives the benefit. A disclaimer is a voluntary waiver of rights to a benefit. The person who disclaims is treated as having predeceased the Participant in the Plan. If there is no other designated primary or contingent beneficiary(ies) on the Beneficiary Authorization Form in effect at the time of your death, your vested Plan benefit will be paid as if there were no valid designated beneficiary.

TAXATION OF CONTRIBUTIONS AND BENEFITS

The following is a general description of the federal income tax treatment of contributions to and distributions from the Plan. When you request a distribution from the Plan, you will be furnished with a "Payment Rights Notice," explaining the tax rules relating to your distribution. The Payment Rights Notice appears on Your Benefits Resources™ when you model or request a distribution. You may request a hard copy of the notice from the Allstate Benefits Center. A copy of the "Payment Rights Notice" also is included in this Summary Plan Description, beginning on page 52. Subject to Internal Revenue Code limitations, Company Contributions, Participant Pre-Tax Deposits, Roth 401(k) Deposits, Catch-up Deposits, and dividends on Allstate stock (either credited to your Plan Account or used to service ESOP debt) are deductible by the Company for federal income tax purposes.

Under federal tax law in effect when this Summary Plan Description was prepared, Company Contributions, participant Pre-Tax Deposits, and Participant Catch-Up Deposits to the Plan are not subject to federal income tax when made, and investment income on contributions and deposits is not taxed to you when earned while in the Plan. However, withdrawals and distributions to you or your beneficiary (other than a return of your Roth 401(k) Deposits and After-Tax Deposits) generally are taxed when received. A 10% penalty tax usually applies to in-service withdrawals and distributions taken before age 59½. In some situations, you may be eligible to defer income to a later date by rolling over a distribution to a traditional IRA or to another employer's tax qualified plan (if that plan accepts rollover contributions). You may elect to have the cash in your Account rolled over to one institution and the stock to a second institution. 100% of the taxable value of your Account can be rolled over. Roth 401(k) Deposits are subject to federal income tax when made. However, deposits and earnings are not taxable when withdrawn if the Roth Account is at least 5 years old and you are at least 59½ years old, disabled, or in event of death. Roth 401(k) Deposits are eligible for rollover to a Roth IRA or a designated Roth account in an employer plan. After-Tax Deposits are eligible for rollover to IRAs and certain 401(a), 403(b), or 457 plans that will accept the rollover.

In general, if you receive a complete distribution from the Plan, any employer stock received in the distribution will be taxed on the cost to the Plan of the stock and not on the amount of any appreciation in the stock (referred to as the net unrealized appreciation). For tax purposes at withdrawal, shares of Allstate stock will be valued at the lower of either their respective average acquisition cost or respective market value on the date of distribution. When you later sell the stock, you will be taxed on the difference between the sale price and the value at withdrawal. This rule generally applies only if your distribution is a complete distribution of your entire benefit from the Plan. Otherwise, you may be taxed on the net unrealized appreciation at the time of your distribution.

For further taxation information on distributions and withdrawals, refer to the "Withholding Notice (Applies to the Portion of a Payment that Is Not Eligible for Rollover)" section on page 55, and if you made Pre-Tax or After-Tax Deposits, see the "Special Tax Notice Regarding Plan Payments Not From a Designated Roth Account (Applies to the Portion of a Payment that Is Eligible for Rollover)" section on page 55. If you made Roth 401(k) Deposits, see the "Special Tax Notice Regarding Plan Payments From a Designated Roth Account (Applies to the Portion of a Payment that Is Eligible for Rollover)" on page 61. If you made both Pre-Tax and Roth 401(k) Deposits, both special tax notices will be applicable to you.

IMPORTANT
Since the taxation of distributions from the Plan and the rollover of such distributions are complicated matters and are subject to changes in federal (and state) tax law, you are strongly encouraged to consult a tax advisor regarding any distributions you may receive from the Plan.

ASSIGNMENT OF BENEFITS AND QUALIFIED DOMESTIC RELATIONS ORDERS

The Plan is intended to pay benefits only to you or your eligible survivors. Benefits under the Plan are not subject to your debts or other obligations and cannot be used as collateral for loans or assigned in any other way, except as may be required by federal or state income tax provisions or pursuant to a Qualified Domestic Relations Order (QDRO). If a QDRO is entered against you, the Plan may be required to pay all or part of your vested benefit to someone else sooner than the earliest date you would be eligible to receive your benefit under the Plan.

A domestic relations order is a court-ordered judgment or decree under state law that requires you to pay alimony, child support or other property rights (which could include all or a portion of your vested benefit from this Plan) to a spouse, former spouse, child or other dependent (defined as an "Alternate Payee"). A domestic relations order must be qualified by the Plan. You will be notified if such an order is received against you.

Unless a QDRO provides otherwise, the Alternate Payee's benefits will be paid as a cash lump sum amount no later than 90 days after the date on which a separate Account is established in the Plan for the Alternate Payee.

Participants and beneficiaries can obtain, without charge, a copy of the Plan's QDRO procedures and a model domestic relations order by contacting the Allstate Benefits Center at (888) 255-7772. Additional information:

By mail:
Allstate QDRO
P.O. Box 1433
Lincolnshire, IL 60069-1433

Fax: (847) 883-9313

Upload electronic documents via www.QOCenter.com

NOTE
In-service withdrawals, loans, and distributions cannot be made from Accounts for which a Qualified Domestic Relations Order (QDRO) has been received.

PLAN AMENDMENT AND TERMINATION

The 401(k) Committee may amend the Plan from time to time. No amendment to the Plan shall:

- reduce a Participant's benefits to less than those to which the Participant would be entitled if he or she ended employment with all Employers on the day before the amendment;
- substantially change the duties and liabilities of the Plan's Administrative or Investment Committee without that Committee's consent; or
- result in the distribution of the Plan's assets for the benefit of anyone other than those persons entitled to benefits under the Plan, except that contributions may be returned to the Employer in certain instances, provided that the return of such contributions cannot cause any Participant's Account balances to be less than the amount of such balances had the returned contribution not been made.

In the event of termination or partial termination of the Plan, each affected Participant's benefits will be nonforfeitable and will be distributable from the trust to the Participant or beneficiary in accordance with Plan provisions. The Plan will terminate as to all Employers on the date specified by the Company by action of the Board of Directors. The Plan generally will terminate as to an individual Employer on the earliest of the following:

- the date specified by the Employer, as consented to by the 401(k) Committee;
- the date the Employer completely discontinues contributions under the Plan; or
- upon the dissolution, merger, consolidation or reorganization of the Employer or in the event of the Employer's sale of all or substantially all of the Employer's assets.

THE CLAIM REVIEW PROCEDURE

If you or your beneficiary files a Claim for Benefits, your claim must be in writing and filed with the Secretary of the Administrative Committee as the Plan Administrator.

If your claim is based on the failure of the Administrative Committee (or its agents) to follow the proper directions given by you or your beneficiary in accordance with the Plan's provisions, you must submit to the Administrative Committee no later than 120 days after such direction was given a Claim for Benefits. Within 90 days after receiving your claim, the Administrative Committee will either approve or deny the claim and notify you in writing of the decision. If your claim is denied, the notice will include specific reasons for the denial and references to the Plan provisions on which the denial is based. The notice will also include an explanation of the Plan's appeal procedures including time limits for consideration of an appeal, a description of any additional materials or information necessary to review your claim, as well as an explanation of why such additional information is necessary and a statement of your right to bring a civil action under Section 502(a) of ERISA following a denial on review.

If special circumstances arise which require an extension of time for processing your claim, written notice will be given to you before the end of the initial 90-day period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render its final decision. In no event will the extension period exceed a period of 90 days from the initial 90-day period. If notice of the denial of a claim is not furnished within the 90- to 180-day period, you will be deemed to have satisfied all administrative procedures and may bring a civil action under Section 502(a) of ERISA.

You or your duly authorized representative have 60 days after receipt of a claim denial in which to appeal the denied claim in writing to the Administrative Committee and to receive a full and fair review of the claim. As part of the review, you or your duly authorized representative may, upon request and free of charge, obtain reasonable access to, and copies of, documents, records and other information relevant to your Claim for Benefits, as determined in accordance with regulations, and submit written comments, documents, records and other information relating to the claim. If you fail to raise or address any material issue relevant to your claim request for review, the Administrative Committee shall not consider such issue on review and you will have no right to later reopen or resubmit such claim based on such issue.

The Administrative Committee will conduct a review that takes into account all comments, documents, records, and other information submitted by you relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination, and will decide the appeal within 60 days after the request for review is made. If the Administrative Committee determines that special circumstances require an extension of time for processing, in that case a decision will be rendered not later than 120 days after receipt of the request for review and you will be furnished with written notice of the extension before the end of the original 60-day period which explains the reasons for the extension and the date a decision is expected.

The decision on review will be written in clear and understandable language and will include specific reasons for the decision, as well as specific references to the pertinent Plan provisions on which the decision is based, a statement that you are entitled to receive upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claim, and a statement of your right to bring a civil action under Section 502(a) of ERISA.

If the decision on review is not made within the time limits specified above, you will be deemed to have satisfied all administrative procedures and may bring a civil action under Section 502(a) of ERISA. All interpretations, determinations, and decisions of the Administrative Committee with respect to any claim will be final and binding.

If you fail to file a request for review in accordance with the procedures outlined above, you shall have no right to a claim review and shall have no right to bring an action in any court, and the denial of your claim shall be final and binding on all persons for all purposes. No participant or beneficiary shall have any right to bring an action in any court more than 180 days after receiving notice of the decision on appeal of the initial claim review.

Except for actions to which the statute of limitations prescribed by section 413 of ERISA applies, (1) no legal or equitable action under ERISA may start later than one year after you receive a final decision from the Administrative Committee in response to your request for review of a denied claim, and (2) no other legal or equitable action involving the Plan may start later than two years from the time you knew, or had reason to know, of the circumstances giving rise to the action. This provision does not bar the Plan or its fiduciaries from (1) recovering overpayments of benefits incorrectly paid to any person under the Plan at any time, or (2) bringing any legal or equitable action against any party.

Any legal action involving the Plan that is brought by any participant, beneficiary, or other person must be brought in the United States District Court for the Northern District of Illinois and no other federal or state court.

YOUR ERISA RIGHTS

As a Participant in the Allstate 401(k) Savings Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

Examine, without charge, at the Plan Administrator’s office and at other specified locations, such as worksites, all documents governing the Plan and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, copies of the latest annual report (Form 5500 Series), and an updated Summary Plan Description. The Plan Administrator may make a reasonable charge for the copies.

Receive a summary of the Plan’s annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Obtain a statement telling you whether you have a right to receive benefits at normal retirement age (later of age 65 or three years of vesting service) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a benefit, the statement will tell you how many more years you have to work to get a right to a benefit. This statement must be requested in writing and is not required to be given more than once every twelve months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called “fiduciaries” of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your Employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan’s documents or the latest annual report from the Plan and do not receive them within 30 days, you may file a suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court. If it should happen that plan fiduciaries misuse the Plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

OTHER INFORMATION

Plan Document and Trust Agreement

This Summary Plan Description summarizes the main features of the Allstate 401(k) Savings Plan. Although this summary has been written in plain language, the Plan is governed by an official plan document and trust agreement. All of your rights and benefits are governed by the official plan document. This Summary Plan Description does not supersede or modify the plan or Trust in any way. Should there be any unintended inconsistency between this summary and the plan or Trust, the terms of the plan document and trust agreement must govern, and no benefits for employees shall exist under this plan summary unless such benefits exist under the terms of the plan and Trust. Copies of the Plan’s plan document are available for a reasonable charge or may be examined at your local Human Resource Department.

Furnish Information/Missing Participants and Beneficiaries

You must furnish evidence, including updating your current post office address, data and information as may be required under the Plan. If the Administrative Committee cannot locate you, your designated beneficiary, or a relative, benefits may be forfeited, provided that such benefit shall be reinstated if you or your beneficiary makes a claim for the forfeited benefits. Forfeitures will be applied, at the Plan Administrator’s discretion, against expenses of the Plan or to reduce the amount of required Employer contributions.

Sharing of Participant Data

The Plan may provide participant data to third-party business associates that perform various activities for the Plan.

Top-Heavy Rules

Special rules apply should the Plan ever become top-heavy. The Plan would be top-heavy if the Account balances of key employees (e.g., certain officers) under all plans maintained by the Company exceeded 60 percent of the Account balances of all Plan participants. If the Plan were to become top-heavy, a minimum contribution would be made on behalf of non-key employees.

ERISA

The Plan is subject to certain provisions of Titles I and II of ERISA relating to reporting and disclosure, participation and vesting, and fiduciary responsibility. The Plan is not subject to the minimum funding standards of Titles I and II and the provisions of Title IV of ERISA, which provide for insurance of benefits payable on termination of a defined benefit pension plan. Consequently, benefits under the Plan are not insured under Title IV of ERISA.

Legal Fees

Any award of legal fees against the Plan, the Company or any of its affiliates, any of the Plan committees or their members, the Board of Directors, any Plan fiduciary, or any officers, directors, employees, or agents (collectively, the "Plan Parties") in connection with an action involving the Plan shall be calculated pursuant to a method that results in the lowest amount of fees being paid, which amount shall be no more than the amount that is reasonable. In no event shall legal fees be awarded against Plan Parties for work related to (a) administrative proceedings under the Plan, (b) unsuccessful claims brought by a Participant, beneficiary or any other person, or (c) actions that are not brought under ERISA.

IDENTIFYING INFORMATION

The Department of Labor and the Securities Act of 1933 require that the following additional information be given to you:

Name of Plan:

Allstate 401(k) Savings Plan

Plan Number:

001

Type of Plan:

Defined contribution

Plan Year:

The 12-month period beginning on January 1 and ending on the following December 31

Plan Sponsor:

The Allstate Corporation
2775 Sanders Road, Suite A1E
Northbrook, Illinois 60062-6127

Employer Identification Number:

36-3871531

Participating Employers:

- Allstate Insurance Company
- Allstate New Jersey Insurance Company

Name of Trust:

Allstate 401(k) Savings Plan Trust (plan benefits are funded through the Trust)

Trustee:

The Northern Trust Company
50 South LaSalle Street
Chicago, Illinois 60675

Plan Administrator and Agent for Service of Legal Process:

Secretary, Administrative Committee
Allstate 401(k) Savings Plan
2775 Sanders Road, Suite A1E
Northbrook, Illinois 60062-6127
(847) 402-8827

Service of legal process may also be made upon the Trustee

Administrative Committee:

Secretary, Administrative Committee
Allstate 401(k) Savings Plan
2775 Sanders Road, Suite A1E
Northbrook, Illinois 60062-6127
(847) 402-8827

Investment Committee:

In the buying and selling of Plan investments for the benefit of Participants' Accounts, provisions of the Plan require the Trustee to follow the directions of the Investment Committee or an investment manager appointed by the Investment Committee.

The Investment Committee's mailing address is:

Secretary, Investment Committee
Allstate 401(k) Savings Plan
2775 Sanders Road, Suite A1E
Northbrook, Illinois 60062-6127

The Investment Committee has the sole right under the Plan to choose investment managers and to delegate to any such investment manager the power and authority to manage plan assets.

Investment Managers:

State Street Bank and Trust Company has been selected by the Investment Committee to serve Participants as the professional investment manager for plan assets in the Bond Fund, Real Asset Fund, S&P 500 Fund, International Equity Fund, Russell 2000 Fund and the Mid-Cap Fund. The Investment Committee has directed State Street Bank and Trust Company to invest these fund assets in certain identified investment funds managed by State Street Global Advisors Trust Company ("SSGA"). SSGA is a registered investment advisor under the Investment Advisors Act of 1940. The Investment Committee reviews the performance of SSGA on a continuing basis.

Invesco Advisers, Inc., ("Invesco") has been selected by the Investment Committee to serve Participants as the professional investment manager for plan assets in the Stable Value Fund. Invesco is a registered investment advisor under the Investment Advisors Act of 1940. The Investment Committee reviews the performance of Invesco on a continuing basis.

Northern Trust Investments ("NTI") has been selected by the Investment Committee to serve Participants as the professional investment manager for plan assets in the Emerging Markets Fund and the Target Retirement Date Funds. NTI is a registered investment advisor under the Investment Advisors Act of 1940. The Investment Committee reviews the performance of NTI on a continuing basis.

Investment Advisory Services:

Alight Financial Advisors, LLC ("AFA") has been selected by the Investment Committee to provide Participants advisory services, including an online advice service and a professional management program. AFA is a federally registered investment advisor. AFA does not sell investments or receive commissions in connection with providing its advisory services to Participants.

Record Keeper for Participant Services:

Alight Solutions LLC is the Plan's record keeper for Participant services. You may access these services as follows:

- Website:

  Your Benefits Resources™ at www.allstategoodlife.com/benefits

- Toll-free Phone Number:

  (888) 255-7772

- Mailing Address:

  Allstate Benefits Center
  4 Overlook Point
  P.O. Box 1463
  Lincolnshire, Illinois 60069-1463

PAYMENT RIGHTS NOTICE

Federal law requires that you receive information about any rights that you may have associated with a payment from the Allstate 401(k) Savings Plan (the "Plan"). Please review the following information regarding your rights.

You have 30 days, to the extent applicable, to consider whether to:

- Consent to this payment;
- Consent to a form of payment other than the normal form of payment; and
- Elect a direct rollover and the tax consequences of not electing one.

If you are separated from service and your vested balance at that time or any subsequent time does not exceed $1,000, you have 30 days to consider whether to elect a direct rollover and the tax consequences of not electing one.

Refer to the "Withholding Notice (Applies to the Portion of a Payment that Is Not Eligible for Rollover)" section on page 55. If you made Pre-Tax or After-Tax Deposits see the "Special Tax Notice Regarding Plan Payments Not From a Designated Roth Account (Applies to the Portion of a Payment that Is Eligible for Rollover)" section on page 55. If you made Roth 401(k) Deposits, see the "Special Tax Notice Regarding Plan Payments From a Designated Roth Account (Applies to the Portion of a Payment that Is Eligible for Rollover)" on page 61, which may be applicable to you. If you made both Pre-Tax and Roth 401(k) Deposits, both special tax notices will be applicable to you.

By making and/or confirming a payment request, you are waiving your right to the applicable 30-day notice periods. If you choose not to waive this right, you should not make and/or confirm your request. However, if you wish to receive a payment at any subsequent time, you will be asked again whether you wish to waive your right to the applicable 30-day notice periods. Please note that your decision to waive your right to the applicable 30-day notice periods does not obligate the Plan to make the payment within 30 days.

Also, by making and/or confirming a payment, you are acknowledging that you have received, reviewed, and comprehend the information contained in the following sections of this Notice:

- Notice Regarding Commencement of Benefits;
- Withholding Notice (applies to the portion of a payment that is not eligible for rollover); and
- Special Tax Notice Regarding Plan Payments (applies to the portion of a payment that is eligible for rollover).

Notice Regarding Commencement of Benefits

You may choose to delay the commencement of your benefits until the year in which you reach age 70½ or separate from service, whichever is later. By choosing to take a payment now, instead of deferring commencement or rolling any eligible money into another eligible retirement plan you'll be giving up your right to continue to invest and accumulate earnings on those amounts on a tax-deferred basis or tax-free basis for Roth 401(k) contributions. The taxable amount of your payment will be taxed in the current year. If you receive the payment before you're age 59½, you may also have to pay an additional 10% tax on the taxable amount. You may also lose the ability to receive tax-free earnings on amounts attributable to your Roth 401(k) contribution if you take your payment before you're age 59½ and before your Plan Roth 401(k) account is five years old.

If you made Pre-Tax or After-Tax Deposits see the "Special Tax Notice Regarding Plan Payments Not From a Designated Roth Account (Applies to the Portion of a Payment that Is Eligible for Rollover)" on page 55. If you made Roth 401(k) Deposits, see the "Special Tax Notice Regarding Plan Payments From a Designated Roth Account (Applies to the Portion of a Payment that Is Eligible for Rollover)" on page 61. If you made both Pre-Tax and Roth 401(k) Deposits, both special tax notices will be applicable to you.

Some of the available investment options in the Plan may not be available with similar terms outside the Plan. Fees and expenses (including administrative or investment-related fees) outside the Plan also may be different from the fees and expenses that apply to the Plan. If you choose to delay commencement, you may continue to invest in any of the available investment options under the Plan. For more information about any fees and expenses that apply to your account and the investment options available to you under the Plan, including their general availability outside the Plan, you can access the Your Benefits Resources™ Web site at www.allstategoodlife.com/benefits or call the Allstate Benefits Center.

Explanation of the Optional Forms of Payment

Below are the payment options and a description of each of those options under the Plan. Whether you are eligible for a particular payment option may depend on your employment status, your financial need, and/or your account balance. By choosing to take a payment now, you are giving up your right to continue to invest those amounts on a tax-deferred basis in the Plan.

Payment Options While Employed by Allstate

While you are employed by Allstate, the following payment options may be available to you:

Nonhardship Withdrawal

You may request a nonhardship withdrawal at any time, even if you do not have an immediate and heavy financial need. You can only take money from your Pre-Tax account and Roth 401(k) account if you are age 59½ or older.

You may request to have the portion of your withdrawal that was invested in the Allstate Stock Fund paid to you in shares or cash. If you elect to take shares, the Allstate Stock Fund will be depleted first before all of your other funds.

Hardship Withdrawal

If you have an immediate and heavy financial need, based on plan requirements, and you have no other resources reasonably available to you to meet that need, you may request a hardship withdrawal. A hardship withdrawal will reduce the pre-tax contributions (excluding deposits made during the Plan Year of withdrawal) and any pre-1989 earnings on your pre-tax contributions, which are in your Pre-Tax Account. It will also reduce any Roth 401(k) contributions (excluding deposits made during the Plan Year of withdrawal). Your withdrawal amount cannot exceed the amount that is necessary to satisfy your need, plus any additional amounts necessary to pay any federal, state, and local income taxes or penalties reasonably expected to result from the withdrawal. You must provide the documentation required by the Plan to prove your immediate and heavy financial need and the amount necessary to satisfy that need. A hardship withdrawal will be made only in cash.

Payment Options After Separation from Service with Allstate

If your vested account balance is greater than $1,000 after you have separated from service with Allstate, you may have one or more of the following payment options available to you. The normal form of payment is a lump-sum distribution.

Partial Distribution

You may request to have a portion (flat dollar amount or a percentage) of your vested account balance paid to you, in a single payment, at any time.

You may request to have the portion of your partial distribution that was invested in the Allstate Stock Fund paid to you in shares or cash. If you elect to take shares, the Allstate Stock Fund will be depleted first before all of your other funds.

Lump-Sum Distribution

You may request to have your entire vested account balance paid to you in a single payment. You may request to have the portion of your lump-sum distribution that was invested in the Allstate Stock Fund paid to you in shares or cash. If you have a Roth Account, you will receive a separate check for that amount.

For example, if you had a vested account balance of $100,000, you could take the entire vested balance in a single payment.

Required Minimum Distributions

If you do not elect a payment option, beginning with the year in which you reach age 70½ or separate from service, whichever is later, your vested account balance will be distributed to you in the form of required minimum distributions. Even if you elect one of the payment options above, your payments made throughout the year must meet the required minimum distribution amount that will be calculated each year. If the payments made throughout the year are not sufficient to cover your required minimum distribution that is due for the year, an additional amount will be distributed.

A required minimum distribution payment is an annual payment calculated based on the joint life expectancies of you and an assumed beneficiary ten years younger. The amount calculated is based on the prior year's December 31 adjusted closing balance, divided by the applicable factor.

For example, if you had a prior year's December 31 closing account balance of $100,000 and your whole age attained in the year in which you turn 70½ is 71, your first required minimum distribution would be calculated by dividing $100,000 by the factor associated with age 71, which is 26.5. The first required minimum distribution payment would equal $3,773.58.

Withholding Notice (Applies to the Portion of a Payment that Is Not Eligible for Rollover)

The taxable portion of a payment that is not eligible for rollover is subject to federal income tax withholding unless you elect not to have withholding apply. If you made Pre-Tax or After-Tax Deposits, withholding on the taxable portion of a payment that is eligible for rollover is described in the "Special Tax Notice Regarding Plan Payments Not From a Designated Roth Account (Applies to the Portion of a Payment that Is Eligible for Rollover)" section on page 55. If you made Roth 401(k) Deposits, the "Special Tax Notice Regarding Plan Payments From a Designated Roth Account (Applies to the Portion of a Payment that Is Eligible for Rollover)" on page 61 may be applicable to you. If you made both Pre-Tax and Roth 401(k) Deposits, both special tax notices will be applicable to you.

You may elect not to have federal withholding apply to the taxable portion of your payment that is not eligible for rollover, or change your withholding, by accessing the Your Benefits Resources™ website at www.allstategoodlife.com/benefits or calling the Allstate Benefits Center at (888) 255-7772. Your election will remain in effect for any subsequent payments that are part of the same payment stream until you revoke it. You may make and revoke your election not to have withholding apply as often as you wish. Any election or revocation will be effective as soon as administratively possible after your election or revocation is received.

If the payment is a periodic payment (e.g., required minimum distribution, etc.), withholding will be taken according to the wage withholding tables as if you were married, claiming three allowances, unless you elect otherwise. If the payment is a nonperiodic payment (e.g., hardship withdrawal, etc.), withholding will be taken at a flat 10% rate.

If you elect not to have withholding apply, or if you do not have enough federal income tax withheld, you may be responsible for the payment of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient.

SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS NOT FROM A DESIGNATED ROTH ACCOUNT (APPLIES TO THE PORTION OF A PAYMENT THAT IS ELIGIBLE FOR ROLLOVER)

Your Rollover Options

You are receiving this notice because all or a portion of a payment you are receiving from the Plan is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

This notice describes the rollover rules that apply to payments from the Plan that are not from a designated Roth account (a type of account with special tax rules in some employer plans). If you also receive a payment from a designated Roth account in the Plan, you will be provided a different notice for that payment, and the Plan administrator or the payor will tell you the amount that is being paid from each account. Rules that apply to most payments from a plan are described in "General Information About Rollovers" on page 55. Special rules that only apply in certain circumstances are described in "Special Rules and Options" on page 58.

General Information About Rollovers

How Can a Rollover Affect My Taxes?

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (generally, distributions made before age 59½), unless an exception applies. However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

What Types of Retirement Accounts and Plans May Accept My Rollover?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

How Do I Do a Rollover?

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. Generally, you will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

How Much May I Roll Over?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary);
- Required minimum distributions after age 70½ (or after death);
- Hardship distributions;
- ESOP dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends);
- Cost of life insurance paid by the Plan;
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution; and
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA).

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

If I Don't Do a Rollover, Will I Have to Pay the 10% Additional Income Tax on Early Distributions?

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax applies to the part of the distribution that you must include in income and is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation;
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary);
- Payments from a governmental plan made after you separate from service if you are a qualified public safety employee and you will be at least age 50 in the year of the separation;
- Payments made due to disability;
- Payments after your death;
- Payments of ESOP dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Cost of life insurance paid by the Plan;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments made under a qualified domestic relations order (QDRO);
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year);
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days;
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution;
- Payments for certain distributions relating to certain federally declared disasters; and
- Phased retirement payments made to federal employees.

If I Do a Rollover to an IRA, Will the 10% Additional Income Tax Apply to Early Distributions from the IRA?

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions on the part of the distribution that you must include in income, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- The exception for payments made after you separate from service if you will be at least age 55 in the year of the separation (or age 50 for qualified public safety employees) does not apply.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to $10,000 used in a qualified first-time home purchase, and (3) payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Will I Owe State Income Taxes?

This notice does not describe any State or local income tax rules (including withholding rules).

Special Rules and Options

If Your Payment Includes After-tax Contributions

After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is included in the payment, so you cannot take a payment of only after-tax contributions. However, if you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment. In addition, special rules apply when you do a rollover, as described below. You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and at the same time the rest is paid to you, the portion directly rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of $12,000, of which $2,000 is after-tax contributions. In this case, if you directly roll over $10,000 to an IRA that is not a Roth IRA, no amount is taxable because the $2,000 amount not directly rolled over is treated as being after-tax contributions. If you do a direct rollover of the entire amount paid from the Plan to two or more destinations at the same time, you can choose which destination receives the after-tax contributions. If you do a 60-day rollover to an IRA of only a portion of a payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a distribution of $12,000, of which $2,000 is after-tax contributions, and no part of the distribution is directly rolled over. In this case, if you roll over $10,000 to an IRA that is not a Roth IRA in a 60-day rollover, no amount is taxable because the $2,000 amount not rolled over is treated as being after-tax contributions. You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

If You Miss the 60-day Rollover Deadline

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver from the IRS, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*.

If Your Payment Includes Employer Stock that You Do Not Roll Over

If you do not do a rollover, you can apply a special rule to payments of employer stock (or other employer securities) that are either attributable to after-tax contributions or paid in a lump sum after separation from service (or after age 59½, disability, or the participant's death). Under the special rule, the net unrealized appreciation on the stock will not be taxed when distributed from the Plan and will be taxed at capital gain rates when you sell the stock. Net unrealized appreciation is generally the increase in the value of employer stock after it was acquired by the Plan. If you do a rollover for a payment that includes employer stock (for example, by selling the stock and rolling over the proceeds within 60 days of the payment), the special rule relating to the distributed employer stock will not apply to any subsequent payments from the IRA or employer plan. The Plan administrator can tell you the amount of any net unrealized appreciation.

If You Have an Outstanding Loan that Is Being Offset

If you have an outstanding loan from the Plan, your Plan benefit may be offset by the outstanding amount of the loan, typically when your employment ends. The offset amount is treated as a distribution to you at the time of the offset. Generally, you may roll over all or any portion of the offset amount. Any offset amount that is not rolled over will be taxed (including the 10% additional income tax on early distributions, unless an exception applies). You may roll over offset amounts to an IRA or an employer plan (if the terms of the employer plan permit the plan to receive plan loan offset rollovers).

How long you have to complete the rollover depends on what kind of plan loan offset you have. If you have a qualified plan loan offset, you will have until your tax return due date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employer plan terminates, or because you sever from employment. If your plan loan offset occurs for any other reason, then you have 60 days from the date the offset occurs to complete your rollover.

If You Were Born on or Before January 1, 1936

If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, Pension and Annuity Income.

If You Roll Over Your Payment to a Roth IRA

If you roll over a payment from the Plan to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover). If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to $10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs), and IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs).

If You Do a Roll Over to a Designated Roth Account in the Plan

You cannot roll over a distribution to a designated Roth account in another employer's plan. However, you can roll the distribution over into a designated Roth account in the distributing Plan. If you roll over a payment from the Plan to a designated Roth account in the Plan, the amount of the payment rolled over (reduced by any after-tax amounts directly rolled over) will be taxed. However, the 10% additional tax on early distributions will not apply (unless you take the amount rolled over out of the designated Roth account within the 5-year period that begins on January 1 of the year of the rollover). If you roll over the payment to a designated Roth account in the Plan, later payments from the designated Roth account that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a designated Roth account is a payment made both after you are age 591⁄2 (or after your death or disability) and after you have had a designated Roth account in the Plan for at least 5 years. In applying this 5-year rule, you count from January 1 of the year your first contribution was made to the designated Roth account. However, if you made a direct rollover to a designated Roth account in the Plan from a designated Roth account in a plan of another employer, the 5-year period begins on January 1 of the year you made the first contribution to the designated Roth account in the Plan or, if earlier, to the designated Roth account in the plan of the other employer. Payments from the designated Roth account that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies).

If You Are Not a Plan Participant

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions does not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

If You Are a Surviving Spouse

If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA. An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½. If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½.

If You Are a Surviving Beneficiary Other Than a Spouse

If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

Payments Under a Qualified Domestic Relations Order

If you are the spouse or former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options and the same tax treatment that the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). However, payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

If You Are a Nonresident Alien

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

Other Special Rules

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than $200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover and is not required to withhold federal income taxes. However, you may do a 60-day rollover.

Unless you elect otherwise, a mandatory cashout of more than $1,000 (not including payments from a designated Roth account in the Plan) will be directly rolled over to an IRA chosen by the Plan administrator or the payor. A mandatory cashout is a payment from a plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed $5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information on special rollover rights related to the U.S. Armed Forces, see IRS Publication 3, *Armed Forces' Tax Guide*. You also may have special rollover rights if you were affected by a federally declared disaster (or similar event), or if you received a distribution on account of a disaster. For more information on special rollover rights related to disaster relief, see the IRS website at www.irs.gov.

For More Information

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs); IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 1-800-TAX-FORM.

If you need additional information, access the Your Benefits Resources™ website at www.allstategoodlife.com/benefits or call the Allstate Benefits Center toll-free at (888) 255-7772. Allstate Benefits Center representatives are available between 8 a.m. and 6 p.m., Central time, Monday through Friday. The automated telephone system is available 24 hours a day Monday through Saturday and after 12 a.m., Central time, on Sunday.

SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS FROM A DESIGNATED ROTH ACCOUNT (APPLIES TO THE PORTION OF A PAYMENT THAT IS ELIGIBLE FOR ROLLOVER)

Your Rollover Options

You are receiving this notice because all or a portion of a payment you are receiving from the Plan is eligible to be rolled over to a Roth IRA or designated Roth account in an employer plan. This notice is intended to help you decide whether to do such a rollover.

This notice describes the rollover rules that apply to payments from the Plan that are from a designated Roth account. If you also receive a payment from the Plan that is not from a designated Roth account, you will be provided a different notice for that payment, and the Plan administrator or the payor will tell you the amount that is being paid from each account. Rules that apply to most payments from a designated Roth account are described in the “General Information About Rollovers” section. Special rules that only apply in certain circumstances are described in “Special Rules and Options” on page 58.

General Information About Rollovers

How Can a Rollover Affect My Taxes?

After-tax contributions included in a payment from a designated Roth account are not taxed, but earnings might be taxed. The tax treatment of earnings included in the payment depends on whether the payment is a qualified distribution. If a payment is only part of your designated Roth account, the payment will include an allocable portion of the earnings in your designated Roth account.

If the payment from the Plan is not a qualified distribution and you do not do a rollover to a Roth IRA or a designated Roth account in an employer plan, you will be taxed on the earnings in the payment. If you are under age 59½, a 10% additional income tax on early distributions (generally, distributions made before age 59½) will also apply to the earnings (unless an exception applies). However, if you do a rollover, you will not have to pay taxes currently on the earnings and you will not have to pay taxes later on payments that are qualified distributions.

If the payment from the Plan is a qualified distribution, you will not be taxed on any part of the payment even if you do not do a rollover. If you do a rollover, you will not be taxed on the amount you roll over and any earnings on the amount you roll over will not be taxed if paid later in a qualified distribution.

A qualified distribution from a designated Roth account in the Plan is a payment made after you are age 59½ (or after your death or disability) and after you have had a designated Roth account in the Plan for at least 5 years. In applying the 5-year rule, you count from January 1 of the year your first contribution was made to the designated Roth account. However, if you did a direct rollover to a designated Roth account in the Plan from a designated Roth account in another employer plan, your participation will count from January 1 of the year your first contribution was made to the designated Roth account in the Plan or, if earlier, to the designated Roth account in the other employer plan.

What Types of Retirement Accounts and Plans May Accept My Rollover?

You may roll over the payment to either a Roth IRA (a Roth individual retirement account or Roth individual retirement annuity) or a designated Roth account in an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457 plan) that will accept the rollover. The rules of the Roth IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the Roth IRA or employer plan (for example, no spousal consent rules apply to Roth IRAs and Roth IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the Roth IRA or the designated Roth account in the employer plan. In general, these tax rules are similar to those described elsewhere in this notice, but differences include:

- If you do a rollover to a Roth IRA, all of your Roth IRAs will be considered for purposes of determining whether you have satisfied the 5-year rule (counting from January 1 of the year for which your first contribution was made to any of your Roth IRAs).
- If you do a rollover to a Roth IRA, you will not be required to take a distribution from the Roth IRA during your lifetime and you must keep track of the aggregate amount of the after-tax contributions in all of your Roth IRAs (in order to determine your taxable income for later Roth IRA payments that are not qualified distributions).
- Eligible rollover distributions from a Roth IRA can only be rolled over to another Roth IRA.

How Do I Do a Rollover?

There are two ways to do a rollover. You can either do a direct rollover or a 60-day rollover.

<u>If you do a direct rollover</u>, the Plan will make the payment directly to your Roth IRA or designated Roth account in an employer plan. You should contact the Roth IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

<u>If you do not do a direct rollover</u>, you may still do a rollover by making a deposit (generally within 60 days) into a Roth IRA, whether the payment is a qualified or nonqualified distribution. In addition, you can do a rollover by making a deposit within 60 days into a designated Roth account in an employer plan if the payment is a nonqualified distribution and the rollover does not exceed the amount of the earnings in the payment. You cannot do a 60-day rollover to an employer plan of any part of a qualified distribution. If you receive a distribution that is a nonqualified distribution and you do not roll over an amount at least equal to the earnings allocable to the distribution, you will be taxed on the amount of those earnings not rolled over, including the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

If you do a direct rollover of only a portion of the amount paid from the Plan and a portion is paid to you at the same time, the portion directly rolled over consists first of earnings.

If you do not do a direct rollover and the payment is not a qualified distribution, the Plan is required to withhold 20% of the earnings for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover to a Roth IRA, you must use other funds to make up for the 20% withheld

How Much May I Roll Over?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary);
- Required minimum distributions after age 70½ (or after death);

- Hardship distributions;
- ESOP dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends);
- Cost of life insurance paid by the Plan;
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution; and
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA).

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

If I Don't Do a Rollover, Will I Have to Pay the 10% Additional Income Tax on Early Distributions?

If a payment is not a qualified distribution and you are under age $59\frac{1}{2}$, you will have to pay the 10% additional income tax on early distributions with respect to the earnings allocated to the payment that you do not roll over (including amounts withheld for income tax), unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the earnings not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation;
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary);
- Payments from a governmental plan made after you separate from service if you are a qualified public safety employee and you will be at least age 50 in the year of the separation;
- Payments made due to disability;
- Payments after your death;
- Payments of ESOP dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Cost of life insurance paid by the Plan;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments made under a qualified domestic relations order (QDRO);
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year);
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days;
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution; and
- Payments for certain distributions relating to certain federally declared disasters.

If I Do a Rollover to a Roth IRA, Will the 10% Additional Income Tax Apply to Early Distributions from the IRA?

If you receive a payment from a Roth IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions on the earnings paid from the Roth IRA, unless an exception applies or the payment is a qualified distribution. In general, the exceptions to the 10% additional income tax for early distributions from a Roth IRA listed above are the same as the exceptions for early distributions from a plan. However, there are a few differences for payments from a Roth IRA, including:

- The exception for payments made after you separate from service if you will be at least age 55 in the year of the separation (or age 50 for qualified public safety employees) does not apply.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to a Roth IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to $10,000 used in a qualified first-time home purchase, and (3) payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Will I Owe State Income Taxes?

This notice does not describe any State or local income tax rules (including withholding rules).

Special Rules and Options

If You Miss the 60-day Rollover Deadline

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver from the IRS, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*.

If Your Payment Includes Employer Stock that You Do Not Roll Over

If you receive a payment that is not a qualified distribution and you do not roll it over, you can apply a special rule to payments of employer stock (or other employer securities) that are paid in a lump sum after separation from service (or after age 59½, disability, or the participant's death). Under the special rule, the net unrealized appreciation on the stock included in the earnings in the payment will not be taxed when distributed to you from the Plan and will be taxed at capital gain rates when you sell the stock. If you do a rollover to a Roth IRA for a nonqualified distribution that includes employer stock (for example, by selling the stock and rolling over the proceeds within 60 days of the distribution),you will not have any taxable income and the special rule relating to the distributed employer stock will not apply to any subsequent payments from the Roth IRA or employer plan. Net unrealized appreciation is generally the increase in the value of the employer stock after it was acquired by the Plan. The Plan administrator can tell you the amount of any net unrealized appreciation. If you receive a payment that is a qualified distribution that includes employer stock and you do not roll it over, your basis in the stock (used to determine gain or loss when you later sell the stock) will equal the fair market value of the stock at the time of the payment from the Plan.

If You Have an Outstanding Loan that Is Being Offset

If you have an outstanding loan from the Plan, your Plan benefit may be offset by the outstanding amount of the loan, typically when your employment ends. The offset amount is treated as a distribution to you at the time of the offset. Generally, you may roll over all or any portion of the offset amount. If the distribution attributable to the offset is not a qualified distribution and you do not roll over the offset amount, you will be taxed on any earnings included in the distribution (including the 10% additional income tax on early distributions, unless an exception applies). You may roll over the earnings included in the loan offset to a Roth IRA or designated Roth account in an employer plan (if the terms of the employer plan permit the plan to receive plan loan offset rollovers). You may also roll over the full amount of the offset to a Roth IRA.

How long you have to complete the rollover depends on what kind of plan loan offset you have. If you have a qualified plan loan offset, you will have until your tax return due date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employer plan terminates, or because you sever from employment. If your plan loan offset occurs for any other reason, then you have 60 days from the date the offset occurs to complete your rollover.

If You Receive a Nonqualified Distribution and You Were Born on or Before January 1, 1936

If you were born on or before January 1, 1936 and receive a lump sum distribution that is not a qualified distribution and that you do not roll over, special rules for calculating the amount of the tax on the earnings in the payment might apply to you. For more information, see IRS Publication 575, Pension and Annuity Income.

If You Are Not a Plan Participant

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, whether the payment is a qualified distribution generally depends on when the participant first made a contribution to the designated Roth account in the Plan. Also, the 10% additional income tax on early distributions does not apply, and the special rule described under the section "If you receive a nonqualified distribution and you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

If You Are a Surviving Spouse

If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to a Roth IRA, you may treat the Roth IRA as your own or as an inherited Roth IRA. A Roth IRA you treat as your own is treated like any other Roth IRA of yours, so that you will not have to receive any required minimum distributions during your lifetime and earnings paid to you in a nonqualified distribution before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies). If you treat the Roth IRA as an inherited Roth IRA, payments from the Roth IRA will not be subject to the 10% additional income tax on early distributions. An inherited Roth IRA is subject to required minimum distributions. If the participant had started taking required minimum distributions, from the Plan, you will have to receive required minimum distributions from the inherited Roth IRA. If the participant had not started taking required minimum distributions, you will not have to start receiving required minimum distributions from the inherited Roth IRA until the year the participant would have been age 70½.

If You Are a Surviving Beneficiary Other Than a Spouse

If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited Roth IRA. Payments from the inherited Roth IRA, even if made in a nonqualified distribution, will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited Roth IRA.

Payments Under a Qualified Domestic Relations Order

If you are the spouse or a former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options and the same tax treatment that the participant would have (for example, you may roll over the payment as described in this notice).

If You Are a Nonresident Alien

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

Other Special Rules

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year (only including payments from the designated Roth account in the Plan) are less than $200, the Plan is not required to allow you to do a direct rollover and is not required to withhold federal income taxes. However, you can do a 60-day rollover.

Unless you elect otherwise, a mandatory cashout from the designated Roth account in the Plan of more than $1,000 will be directly rolled over to a Roth IRA chosen by the Plan administrator or the payor. A mandatory cashout is a payment from a plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed $5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information on special rollover rights related to the U.S. Armed Forces, see IRS Publication 3, *Armed Forces' Tax Guide*. You also may have special rollover rights if you were affected by a federally declared disaster (or similar event), or if you received a distribution on account of a disaster. For more information on special rollover rights related to disaster relief, see the IRS website at www.irs.gov.

For More Information

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs); IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 1-800-TAX-FORM.

If you need additional information, access the Your Benefits Resources™ website at www.allstategoodlife.com/benefits or call the Allstate Benefits Center toll-free at (888) 255-7772. Allstate Benefits Center representatives are available between 8 a.m. and 6 p.m., Central time, Monday through Friday. The automated telephone system is available 24 hours a day Monday through Saturday and after 12 a.m., Central time, on Sunday.