

The Allstate Corporation

Audit Committee Charter

I. Purpose

The primary purpose of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities for the Corporation in the following areas: the integrity of financial statements and other financial information; the selection and oversight of the independent registered public accountant including its qualifications and independence; compliance with legal and regulatory requirements; the performance of the internal audit function; and disclosure controls and procedures, internal controls, internal audit, accounting, and financial reporting processes. The Committee prepares an audit committee report as required by the Securities and Exchange Commission (“SEC”) for inclusion in the Corporation’s annual proxy statement. In carrying out its responsibilities, the Committee has the responsibilities and powers provided in this Charter.

II. Membership

The size of the Audit Committee is set from time to time by the Board, but will always consist of at least three directors. The Chair and other members of the Committee are appointed by the Board upon the recommendation of the Nominating and Governance Committee in accordance with the independence and experience requirements of the New York Stock Exchange, the SEC and the provisions of the Director Independence Standards adopted by the Board. The Chair and other members of the Committee may be removed by the Board. Each member of the Committee shall be, in the Board’s judgment, “financially literate” or shall become financially literate within a reasonable period of time after his or her appointment and at least one member shall be an “audit committee financial expert” in accordance with the rules and regulations of the SEC, as determined by the Board.

III. Meetings

The Committee Chair determines the number, time, place and agenda of the Audit Committee meetings. The Committee meets not less than four times a year. At least quarterly, the Committee meets separately with management, with the internal auditors and with the independent registered public accountant and may meet with the Corporation’s internal auditors and/or independent registered public accountant without management present whenever the Committee deems it appropriate. After each meeting, the Committee reviews with the Board any issues that arose with respect to the quality or integrity of the Corporation’s financial statements, the Corporation’s compliance with legal or regulatory requirements, the performance and independence of the independent registered public accountant or the performance of the internal audit function.

IV. Powers and Responsibilities

Selection of Independent Registered Public Accountant

The Audit Committee is responsible for the selection, appointment, compensation and oversight of the work of the independent registered public accountant in preparing or issuing an audit report or related work. The Committee has sole authority and responsibility to retain and terminate the Corporation's independent registered public accountant, to pre-approve all auditing and all permitted non-auditing services to be provided by the independent registered public accountant and to approve the terms of and fees for such services, subject to *de minimis* exceptions allowed by law. The Audit Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of all auditing and all permitted non-auditing services, provided that decisions of such subcommittee to grant pre-approvals shall be presented to the full Committee at its next scheduled meeting.

The Audit Committee may not retain as the Corporation's independent registered public accountant any firm in which the Chief Executive Officer, Chief Financial Officer, Controller or any person serving in an equivalent position for the Corporation, was employed and participated in any capacity in an audit of the Corporation during the one year period prior to the date of initiation of the audit for which the retention is being made. The Audit Committee maintains a hiring policy for employees or former employees of the independent registered public accountant who participated in any capacity in an audit of the Corporation.

At least annually, the Audit Committee reviews and evaluates the qualifications, performance and independence of the Corporation's independent registered public accountant, including a review and evaluation of the lead audit partner. As part of its evaluation, the Committee obtains and reviews a report by the independent registered public accountant that describes the firm's internal quality-control procedures, including any material issues raised by the firm's most recent internal quality-control review, or peer review, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, relating to one or more independent audits conducted by the firm and any steps taken to deal with any such issues. Annually, the Committee requests a written report from the independent registered public accountant regarding their independence and all relationships between them and the Corporation consistent with Independence Standards Board Standard No. 1 and such other requirements as may be established by the Public Company Accounting Oversight Board. The Committee discusses with the independent registered public accountant any such disclosed relationships and their impact on the auditor's independence. If any concerns regarding the auditor's independence are identified, the Committee takes such action as it deems appropriate or necessary.

Review of Financial Reports and Information

The Audit Committee reviews and discusses with management, its internal auditors and the independent registered public accountant, the Corporation's annual audited and quarterly unaudited financial statements, including matters required to be discussed by Statement of Auditing Standards No. 61. In addition throughout the year, the Audit Committee review includes a discussion of:

- management's discussion and analysis of financial condition and results of operations ("MD&A")
- financial statement presentations, including any significant changes in the Corporation's selection or application of accounting principles;

- any major issues regarding accounting and auditing principles and practices;
- critical accounting estimates;
- the comparison of the Corporation's critical accounting estimates with those in the industry;
- significant items impacting the Corporation's financial statements, risk factors and forward-looking statements contained in the Corporation's disclosures under MD&A;
- the effect of regulatory and accounting initiatives on the Corporation's financial statements;
- analyses prepared by management and/or the independent registered public accountant setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements; and
- the adequacy of internal controls that could significantly affect the Corporation's financial statements or MD&A and any special audit steps adopted in light of material control deficiencies.

The Audit Committee reviews disclosures made to the Committee by the Corporation's CEO and CFO during their certification process for the annual and quarterly financial reports about any significant deficiencies in the design or operation of internal controls or material weaknesses in such controls and any fraud involving management or other employees who have a significant role in the Corporation's internal controls.

The Audit Committee recommends to the Board whether the audited financial statements should be included in the Corporation's annual report on Form 10-K.

The Audit Committee reviews with the General Counsel of the Corporation the status of legal matters that may have a material impact on the Corporation's financial statements.

The Audit Committee discusses the Corporation's process for developing and preparing earnings releases, as well as its processes for providing financial information and earnings guidance to analysts and rating agencies, generally (including the types of information to be disclosed and types of presentations to be made).

While the Audit Committee has the responsibilities and powers set forth in this Charter, the Committee is not required to plan or conduct audits, which is the responsibility of the independent registered public accountant, or to determine that the Corporation's financial statements are complete and accurate and are in accordance with generally accepted accounting principles, which is the responsibility of management.

Review of Independent Registered Public Accountant Reports

The Audit Committee reviews the independent registered public accountant reports on the Corporation's financial statements. The Committee discusses with the independent registered public accountant judgments about the quality (not just the acceptability) of the accounting principles used in the Corporation's financial reporting. The Committee also reviews the scope of audits conducted by the Corporation's independent registered public

accountant. The Committee reviews with the independent registered public accountant any difficulties encountered in the audit work, including any restrictions on the scope of the independent registered public accountant's activities or on access to requested information, any significant disagreements with management and management's response, and addresses those as the Committee deems appropriate. The Committee may review with the auditor: any accounting adjustments that were noted; any significant communications between the audit team and the auditor's national office respecting auditing or accounting issues presented by the engagement; any "management" or "internal control" letter issued or proposed by the auditor to the Corporation; and any other issues regarding the auditor report that the Committee may deem appropriate.

Retention of Outside Experts

The Audit Committee has the power to conduct or authorize special projects or investigations related to any matters brought to its attention with full access to all books, records, facilities and personnel of the Corporation as the Committee considers necessary to discharge its responsibilities. It has the authority, without seeking Board approval, to retain independent outside counsel, accountants or others to assist it with such projects, investigations or other matters in the conduct of its business. The Committee may seek advice from the Corporation's internal counsel or regular outside counsel and may also use the Corporation's internal auditors for such purposes. The Corporation shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to any advisors employed by the Committee and payment of the Committee's ordinary administrative expenses in carrying out its duties.

Oversight of Internal Audit

The Audit Committee reviews the appointment and performance of the senior internal auditing executive. The Committee also reviews the internal audit plan and significant findings from the internal auditing department. The Committee discusses with the independent registered public accountant and management the internal audit department responsibilities, audit plan, budget and staffing. The Audit Committee maintains functional oversight of the internal audit department to ensure its objective operations.

Risk Management

The Audit Committee discusses with management policies with respect to the Corporation's processes of risk assessment and risk management, including the Corporation's major financial risk exposures and the steps management has taken to monitor and control them.

Compliance and Ethics Programs

Periodically, the Audit Committee reviews and discusses with the General Counsel and/or Chief Ethics and Compliance Officer, and other compliance personnel as may be appropriate, the overall adequacy and effectiveness of the Corporation's legal, regulatory, and ethical compliance programs. This includes any legal, regulatory, or ethical matters that may have a material impact on the Corporation's operations, financial condition, results of operations, or cash flows. In addition, the Audit Committee reviews any significant recommendations from the Corporation's

independent registered public accountant and internal auditors concerning legal, regulatory, or ethical compliance and compliance with the Company's policies relating to ethics, conflicts of interest, perquisites and use of corporate assets.

Self-Evaluation and Charter Review

The Audit Committee at least annually 1) evaluates its own performance and reports to the Board on such evaluation and 2) reviews and assesses the adequacy of its Committee Charter and recommends any proposed changes to the Board.

Code of Ethics and Complaint Resolution

The Audit Committee reviews and approves the Corporation's Code of Ethics applicable to the Board of Directors and all Corporation employees, including the Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer or Controller, executive and senior financial officers, and other employees performing similar functions, and periodically assesses the adequacy of the Code of Ethics. The Committee has the sole authority to grant waivers under, or changes to the Code of Ethics for directors, executive officers and senior financial officers. The Committee establishes procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls and auditing matters and also for the confidential and anonymous submission by employees of related concerns, as required by the rules and regulations of the SEC.