

AMERICAN GREETINGS CORP  
Form 8-K  
June 29, 2005

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# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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## FORM 8-K

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### CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (date of earliest event reported): June 24, 2005

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## American Greetings Corporation

(Exact Name of Registrant as Specified in its Charter)

Ohio  
(State or other jurisdiction  
of incorporation)

1-13859  
(Commission File Number)

34-0065325  
(I.R.S. Employer  
Identification No.)

One American Road  
Cleveland, Ohio  
(Address of principal executive offices)

44144  
(Zip Code)

Registrant's telephone number, including area code: (216) 252-7300

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(Former Name or Former Address, if Changed Since Last Report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01 Entry into a Material Definitive Agreement**

On June 24<sup>th</sup>, 2005, the Compensation and Management Development Committee of the Board of Directors approved an amendment to the compensation arrangements for non-employee directors of American Greetings Corporation ( American Greetings ). The principal changes to the arrangements, which will be effective as of June 1, 2005, are as follows:

An increase in the annual stock option grant from options to purchase 4,000 Class A common shares to 6,000 Class A common shares per fiscal year;

The fee for each Board and Committee meeting attended increases by \$500, from \$1,000 per meeting to \$1,500 per meeting, with members of the Audit Committee continuing to receive \$2,000 per meeting;

The annual retainer fee for the respective Chairs of the Nominating and Governance Committee and the Compensation and Management Development Committee increases from \$3,500 to \$7,000; and

The annual retainer fee for the Chair of the Audit Committee increases from \$7,000 to \$10,000.

A description of the compensation policy for non-employee directors, as so amended, is included as Exhibit 10.1.

**Item 9.01 Financial Statements and Exhibits.**

c) Exhibits.

Exhibit 10.1 Description of Compensation Payable to Non-Employee Directors

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereto duly authorized.

**American Greetings Corporation**  
(Registrant)

By: /s/ Catherine M. Kilbane

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Catherine M. Kilbane,

Executive Vice President, General Counsel and  
Secretary

Date: June 29, 2005