

AMERICAN GREETINGS CORP  
Form 8-K  
March 01, 2007

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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): February 26, 2007

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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**

(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:

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- .. 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 February 26, 2007, American Greetings Corporation ( "American Greetings" ) amended its Credit Agreement (the "Credit Agreement" ), dated April 4, 2006, among various lending institutions party thereto, National City Bank, as the global agent, joint lead arranger, joint bookrunner, swing line lender, LC Issuer and collateral agent, UBS Securities LLC, as joint lead arranger, joint bookrunner and syndication agent, and KeyBank National Association, JPMorgan Chase Bank, N.A., and LaSalle Bank National Association, as co-documentation agents. Prior to the amendment, American Greetings was permitted to borrow up to \$300 million under a multiple draw term loan facility under which it may request one or more term loans until April 4, 2007 (the "Term Loan Facility" ). The February 26, 2007 amendment decreased the size of the Term Loan Facility from \$300 million to \$100 million and extended the period that American Greetings can borrow on the Term Loan Facility for an additional year, or until April 4, 2008.

**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  
Catherine M. Kilbane, Senior Vice

President, General Counsel and

Secretary

Date: March 1, 2007

A \$ 31.83 9,337,450 I (1) (2) (3) (4) See footnotes Common Stock07/21/2006 P 900 A \$ 31.84 9,338,350 I (1) (2) (3) (4)  
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Stock07/24/2006 P 7,400 A \$ 32 9,384,850 I (1) (2) (3) (4) See footnotes

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follow
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(A) or  
Disposed  
of (D)  
(Instr. 3,  
4, and 5)

Repor  
Trans  
(Instr

Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SPO ADVISORY CORP 591 REDWOOD HIGHWAY, SUITE 3215 MILL VALLEY, CA 94941		X		
SPO ADVISORY PARTNERS LP 591 REDWOOD HIGHWAY, SUITE 3215 MILL VALLEY, CA 94941		X		
SPO PARTNERS II LP 591 REDWOOD HIGHWAY, SUITE 3215 MILL VALLEY, CA 94941		X		
SCULLY JOHN H 591 REDWOOD HIGHWAY, SUITE 3215 MILL VALLEY, CA 94941		X		
OBERNDORF WILLIAM E 591 REDWOOD HIGHWAY, SUITE 3215 MILL VALLEY, CA 94941		X		
PATTERSON WILLIAM J 591 REDWOOD HIGHWAY, SUITE 3215 MILL VALLEY, CA 94941		X		

## Signatures

Kim M. Silva,  
Attorney-in-Fact

07/25/2006

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The entity acquiring these shares is SPO Partners II, L.P. ("SPO Partners"). The entire 105,900 shares were acquired by SPO Partners.
  - (2) As a result of the purchases causing this filing, 8,520,600 shares of the issuer's common stock are owned directly by SPO Partners, and may be deemed to be indirectly beneficially owned by (i) SPO Advisory Partners, L.P. ("SPO Advisory"), the sole general partner of SPO Partners, (ii) SPO Advisory Corp. ("SPO Corp."), the sole general partner of SPO Advisory, and (iii) John H. Scully ("JHS"), William E. Oberndorf ("WEO") and William J. Patterson ("WJP"), the three controlling persons of SPO Corp. 415,600 shares of the

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issuer's common stock are owned directly by San Francisco Partners, II, L.P. ( "SF Partners"), and may be deemed to be indirectly beneficially owned by (i) SF Advisory Partners, L.P. ("SF Advisory"), the sole general partner of SF Partners, (ii) SPO Corp., the sole general partner of SF Advisory, and (iii) JHS, WEO and WJP, the three controlling persons of SPO Corp.

- Additionally, separate from the entities above, (i) 333,650 shares of the issuer's common stock may be deemed to be indirectly beneficially owned by WEO, solely in his capacity as a trustee for the William and Susan Oberndorf Trust, dated 10/15/98 ("Oberndorf Trust"), (ii) 100,000 shares may be deemed to be indirectly beneficially owned by WEO solely in his capacity as general partner of Oberndorf Family Partners, a California limited partnership and (iii) 10,000 shares may be deemed to be indirectly beneficially owned by WEO solely in his capacity as trustee for the accounts of his two children, Peter C. Oberndorf and William Ernst Oberndorf.
- (3)
- (4) Additionally, 5,000 shares of the issuer's common stock are owned directly by Betty Jane Weimer.

### Remarks:

Form 2 of 2.

The persons listed in Note (1) above ( each a "Reporting Person" ) may be deemed to form a "group", as such term is defined in

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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