

Mandelbaum Josef
Form 4
May 05, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Mandelbaum Josef

2. Issuer Name and Ticker or Trading Symbol
AMERICAN GREETINGS CORP
[AM]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

ONE AMERICAN ROAD

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
05/03/2010

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
CEO-AG Intellectual Properties

CLEVELAND, OH 44144

(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount (A) or (D) Price | | |
| Class A Common Shares | 05/03/2010 | | A | | 2,800 (1) | A | \$ 0 20,800 D |
| Class A Common Shares | 05/03/2010 | | M | | 11,000 | A | \$ 7.73 31,800 D |
| Class A Common Shares | 05/03/2010 | | S | | 22,000 | D | \$ 24.276 9,800 D (2) |
| Class A Common | 05/03/2010 | | M | | 11,000 | A | \$ 18.12 20,800 D |

Shares

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

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(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 (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| Stock Option | \$ 24.69 | 05/03/2010 | | A | 11,000 | (3) 05/03/2020 | Class A Common Shares 11,000 |
| Stock Option | \$ 7.73 | 05/03/2010 | | M | 11,000 | (4) 05/01/2019 | Class A Common Shares 11,000 |
| Stock Option | \$ 18.12 | 05/03/2010 | | M | 11,000 | (5) 05/01/2018 | Class A Common Shares 11,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Mandelbaum Josef ONE AMERICAN ROAD CLEVELAND, OH 44144 | | | CEO-AG Intellectual Properties | |

Signatures

Catherine M. Kilbane, Power of Attorney for Josef Mandelbaum 05/05/2010

**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).

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- Represents restricted stock units granted to the reporting person on May 3, 2010. The restricted stock units will vest and shares will be
- (1) issued in equal amounts on the first and second anniversaries of the date of grant, based on the continued employment of the reporting person.

- The price reported in Column 4 is a weighted average price for shares sold on May 3, 2010, with prices ranging from \$24.12 to \$24.52, inclusive. The reporting person undertakes to provide to American Greetings Corporation, any security holder thereof, or the staff of the
- (2) Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in this footnote. Transaction was made pursuant to the reporting person's 10b5-1 Plan.

- (3) This option will vest equally on each of the first and second anniversaries of the grant date.

- (4) This option became exercisable with respect to 11,000 shares May 1, 2010, and will become exercisable with respect to 11,000 shares on May 1, 2011.

- (5) This option became exercisable with respect to 11,000 shares on each of May 1, 2009 and May 1, 2010.

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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