



**AMERICAN GREETINGS CORPORATION  
NOMINATING AND GOVERNANCE COMMITTEE CHARTER**

**Adopted February 17, 2004**

**A. Purpose**

The purposes of the Nominating and Corporate Governance Committee (the “Committee” of the Board of Directors (the “Board” of American Greetings Corporation (the “Company”) are to: (1) assist the Board by identifying individuals qualified to become Board members, and to recommend to the Board the director nominees for each annual meeting of stockholders; (2) review and recommend to the Board qualifications for committee membership and committee structure and operations; (3) recommend to the Board directors to serve on each committee and a Chairperson for such committee; (4) develop and recommend to the Board a set of corporate governance policies and procedures applicable to the Company; and (5) lead the Board in its annual review of the Board’s performance.

**B. Membership**

The Committee shall be composed of three or more Directors, as determined by the Board. Each member of the Committee shall qualify as an independent director under the standards established by the New York Stock Exchange. The members of the Committee shall be appointed by and serve at the pleasure of the Board. Vacancies on the Committee may be filled by the Board, and members of the Committee may be removed only by the Board.

**C. Meetings and Procedures of the Committee**

The Committee shall meet at least two times annually or more frequently as circumstances require. The Board shall designate one member of the Committee as its Chairperson. The Chairperson will, in conjunction with appropriate members of the Committee and management, establish the meeting calendar and set the agenda for each meeting. The Chairperson of the Committee or a majority of the members of the Committee may call special meetings of the Committee. The Committee may form subcommittees of not fewer than two members for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate.

The Committee may request that any directors, officers or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such information as the Committee requests.

The Committee may meet in executive session outside the presence of the Company's executive officers.

Following each of its meetings, the Committee shall report on the meeting to the Board, including a description of all actions taken by the Committee at the meeting. The Committee shall keep written minutes of its meetings.

#### **D. Responsibilities of the Committee**

The responsibilities of the Committee are:

##### *1) Selecting Directors and Committee Members*

- (a) The Committee shall review and, after consultation with legal counsel and the respective committee chairpersons, recommend to the Board qualifications for committee membership and committee structure and operations in compliance with any regulatory requirements.
- (b) The Committee shall recommend directors to serve as The Committee shall determine, and review with the Board on an annual basis, the desired skills and characteristics for Board members as well as the composition of the Board as a whole. This assessment should consider members' qualification as independent, as well as diversity, age, skill and experience in the context of the needs of the Board. The Committee shall conduct searches for prospective Board members whose skills and characteristics reflect those desired and may consider candidates proposed by the Chairman or Chief Executive Officer. The Committee shall select prospective Board members who have the highest personal and professional integrity, who have demonstrated exceptional ability and judgment and who the Committee believes will be effective, in conjunction with the other members of the Board, in collectively serving the long-term interests of the stockholders.
- (c) The Committee shall make recommendations to the Board regarding all nominees for Board membership, including nominees submitted by stockholders and nominees to fill interim vacancies.
- (d) The Committee shall annually recommend to the Board a slate of nominees for election at the annual meeting of the Company's stockholders. Such recommendation shall be consistent with the Guidelines for the Makeup of the Board adopted from time to time by the Committee.
- (e) The Committee shall recommend directors to serve as committee members and a Chairperson for such committee. In recommending directors, consideration should be given to rotating committee members and Chairpersons periodically.

- (f) The Committee shall maintain an orientation program for new directors and a continuing education program for all directors.

2) *Evaluating the Board and Management*

- (a) The Committee shall develop, administer and oversee an annual performance review of the Board that includes input from all directors.
- (b) The Committee shall work with the other committees to ensure an effective and consistent process for annual committee reviews.

3) *Overseeing the Corporate Governance Guidelines*

- (a) The Committee shall review and reassess the adequacy of the Corporate Governance Guidelines of the Company and recommend any proposed changes to the Board for approval.
- (b) The Committee shall advise the Board (as a whole) on corporate governance matters.

4) *Performing Appropriate Additional Activities*

- (a) The Committee shall perform any other activities consistent with this Charter, the Company's Code of Regulations and governing law as the Committee or the Board deem appropriate.

**E. Evaluation of the Committee**

The Committee shall, on an annual basis, evaluate its performance under this Charter. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner. The Committee shall deliver to the Board a report setting forth the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Company's or the Board's policies or procedures.

**F. Outside Advisors**

The Committee may retain, at the Company's expense, such independent counsel or other advisors as it deems necessary. The Committee shall have the sole authority to retain or terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm's fees and other retention terms, such fees to be borne by the Company.

Consistent with New York Stock Exchange listing requirements, this Charter will be included on the Company's website and will be made available upon request to the Company's Secretary. The Company's Annual Report on Form 10-K will state that this Charter is available on the Company's website and will be made available upon request sent to the Company's Secretary. This Charter may also be published periodically in the proxy statement relating to the Company's annual meeting of shareholders.