

August 20, 2010

To American Greetings Associates:

When you receive your health care enrollment information over the next couple of months, you'll see American Greetings is taking a new approach to providing health and wellness benefits for you and your family.

We all know that health care costs over the years have been increasing at an alarming rate. Despite our efforts over many years, our costs—and those of many other large employers—are rising faster than the rate of inflation. The recently enacted health care reform bill, which begins to take effect in 2011, and the fundamental structure of the U.S. health care system, will continue to drive up costs for both American Greetings and our associates.

Therefore we must reevaluate our health care plans and find new ways to provide good quality plans that represent a fair value, at a reasonable cost. As we do this, we will continue to focus on what matters most—the long-term health of our associates, their continued access to quality medical care and the continued health of the business. That's why we're embracing an approach to health benefits that will have two major components:

1. **An increased focus on associates as consumers of health care.** Each of us will need to do more to be smart health care consumers. What does that mean? It means being a smart shopper when you "buy" health care coverage and services—doing your homework, comparing your options and buying based on quality and price. And it means being smart when you and your family make use of these benefits. Studies, and our own experience, have shown that improved consumerism can help to better manage health care and health care costs. And because we believe consumer-driven plans provide participants with much greater visibility into the financial impacts of health decisions, we will strongly encourage you to select one of these plans in the future.
2. **A larger emphasis on preventive care and wellness.** You're probably already doing many of the right things, like going to the doctor for annual preventive care. But you'll be hearing more about programs to actively manage your wellness and incentives to encourage healthy lifestyle choices because we all need a little push sometimes to get moving in the right direction. You'll also hear much more about the resources available and specific ways you can take action so you and your family can live well.

Over the next several years, starting in 2011, you are going to see a number of changes that support these two initiatives. To support you, American Greetings is committed to providing better education, information and tools for better decision-making and better overall health.

More information detailing the changes will arrive at your home soon, including a letter from Human Resources Senior Vice President, Brian McGrath. There will be other opportunities to learn more about our new approach through the imAGine intranet site (click on AGBenefits), from [www.americangreetingsbenefits.com](http://www.americangreetingsbenefits.com) on the Internet, and through meetings and other resources.

Please take the time to learn about what's happening and why, so you can get involved and help us move forward. Together, we can create a healthy future for associates and American Greetings.

Sincerely,

A handwritten signature in black ink that reads "Zev Weiss". The signature is written in a cursive, flowing style.

Zev Weiss  
Chief Executive Officer

A handwritten signature in black ink that reads "Jeff Weiss". The signature is written in a cursive, flowing style.

Jeff Weiss  
President and Chief Operating Officer