

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

FORM 8-K

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 27, 2009

ALBANY INTERNATIONAL CORP.

-----  
(Exact name of registrant as specified in its charter)

Delaware

1-10026

14-0462060

-----  
(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(I.R.S. Employer  
Identification No.)

1373 Broadway, Albany, New York

12204

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(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code (518) 445-2200

None

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(Former name or former address, if changed since last report.)

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 240.13a-4(c))

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Item 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

On February 27, 2009, the Registrant's Board of Directors approved amendments to the Registrant's Corporate Governance Guidelines to effect changes to Director compensation. A copy of the relevant excerpt from the Guidelines is being filed as Exhibit 10(o)(vi). At the same time, the Board approved amendments to the Registrant's Directors' Annual Retainer Plan. The Annual Retainer Plan, which covers the stock portion of Director Compensation, requires stockholder approval. The Registrant plans to seek such approval at the 2009 Annual Meeting of Stockholders. A copy of the amended Plan is being filed as Exhibit 10(o)(v).

The effect of these changes is to shift a larger portion of Director compensation from cash to shares of Registrant's Class A Common Stock.

Item 9.01 FINANCIAL STATEMENTS AND EXHIBITS

- (a) Not Applicable.
- (b) Not Applicable.
- (c) Not Applicable.
- (d) Exhibit 10(o)(v) Directors' Annual Retainer Plan.  
Exhibit 10(o)(vi) Excerpt from Corporate Governance Guidelines describing Director compensation.

Signature

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 hereunto duly authorized.

ALBANY INTERNATIONAL CORP.

By: /s/ Michael C. Nahl

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Name: Michael C. Nahl  
Title: Executive Vice President  
and Chief Financial Officer  
(Principal Financial Officer)

Date: March 2, 2009

EXHIBIT INDEX

Exhibit No. -----	Description -----
Exhibit 10(o)(v)	Directors' Annual Retainer Plan.
Exhibit 10(o)(vi)	Excerpt from Corporate Governance Guidelines describing Director compensation.

Approved by Board February 27, 2009  
Subject to Stockholder Approval

## DIRECTORS' ANNUAL RETAINER PLAN

1. This Plan shall govern the annual retainer and quarterly meeting fees payable for services as a member of the Board of Directors of Albany International Corp. ("the Company") during the period from the Annual Meeting of Stockholders of the Company in 2009 until it is amended or terminated by the Board of Directors; provided, that in no event shall any shares be paid under this plan after May 29, 2018. This Plan shall affect only the portion of the annual retainer or meeting fees to be paid in shares of Class A Common Stock ("Shares") of the Company.
2. A portion of the amounts payable for service as a member of the Board of Directors each year shall be paid in Shares. Each director shall receive a portion of the annual retainer equal to \$50,000 in Shares. In lieu of quarterly meeting fees, each director shall receive additional Shares each year with a value of \$25,000. The total number of shares to be paid to each director each year shall be determined by dividing \$75,000 by the per share closing price of a share of such stock on the day of the Annual Meeting at which the election of directors for such year occurs ("the Valuation Price"), as such Valuation Price is shown on the composite index for such day in the Wall Street Journal, rounded down to the nearest whole number. Any director may elect to have any withholding tax obligation arising from the distribution of shares under this Plan to be satisfied by directing the Company to withhold shares with a value equal to such obligation from the shares that would otherwise be issuable. In addition, any director who has met or exceeded any share ownership guidelines or requirements adopted by the Board of Directors and then in effect, may elect to receive all or any portion of the shares that would otherwise be distributed under this paragraph in cash. Any election pursuant to this paragraph shall be made no later than 10 business days prior to the date on which shares would otherwise be delivered.
3. The shares of Class A Common Stock payable to a director under this Plan shall be delivered to the director as promptly as practicable after each Annual Meeting. Upon delivery to the director, such shares shall be fully paid, non-assessable and not subject to forfeiture.
4. The portion of the annual retainer not paid in shares--that is, the aggregate dollar amount of the annual retainer for the year, as determined from time to time by the Board of Directors, less (i) the Valuation Price times (ii) the number of whole shares payable to a director for the year--as well as any cash meeting fees or other cash compensation, shall be paid to the directors in cash at such time or times during the year as the Board of Directors shall from time to time determine.
5. This Plan may be terminated or amended by the Board of Directors at any time, subject to any applicable rules or regulations requiring approval by stockholders of the Company.

Approved by Board February 27, 2009  
Subject to Stockholder Approval

Excerpt from Corporate Governance Guidelines describing director compensation

Directors who are not employees of the Company are compensated for their services by fees in cash and stock. All directors are reimbursed for expenses incurred in connection with such services. In addition, the Company provides travel and liability insurance to all directors.

Currently, directors' fees are as follows:

Annual Retainer:

Directors receive a \$95,000 annual retainer. \$50,000 of the annual retainer is received in shares of Class A Common Stock of the Company pursuant to the Directors' Annual Retainer Plan approved by the Board in February 2009. The Plan is subject to stockholder approval. The Company expects to seek stockholder approval at the 2009 Annual Meeting.

Share Ownership Guidelines:

The Board has adopted share ownership guidelines for the Chief Executive Officer and the Board. Under these guidelines, directors are generally expected to retain ownership of shares of Common Stock awarded or acquired until an ownership equal to three (3) times the annual cash and stock retainer is attained. A director who has attained this level may elect to receive in cash all or a portion of a retainer payment otherwise payable in shares of Common Stock.

Meeting Fees:

In lieu of meeting fees, each director who is not a member of the Audit Committee receives an additional annual retainer of \$25,000, all of which is payable in shares of Class A common stock. In lieu of meeting fees, each director who is a member of the Audit Committee also receives an additional annual retainer of \$25,000, all of which is payable in shares of Class A common stock, plus an additional annual cash retainer of \$5,000. The share portion of this additional retainer is issued pursuant to the Directors' Annual Retainer Plan.

Directors receive cash fees of \$1,500 for each special meeting of the Board and \$1,000 for each special meeting of a committee that they attend in person or by telephone. Directors receive \$750 for their participation in each special meeting of the Board or a committee that is designated as a telephone meeting. The special meeting fees received by a director for any one day may not exceed \$2,500.

Other Fees:

The Chairman of each standing committee, other than the Audit Committee, receives an annual fee of \$5,000 for such service. The Chairman of the Audit Committee receives an annual fee of \$10,000 for such service. The Chairman of the Board receives an annual fee of \$50,000 for such service. The Vice Chairman of the Board receives an annual fee of 25,000 for such service. Directors receive \$1,500 for each day that they are engaged in Company business (other than attendance at Board or committee meetings) at the request of the Chairman of the Board or the Chief Executive Officer.