

KEYCORP /NEW/
Form 424B3
November 15, 2006
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This prospectus supplement relates to an effective registration statement under the Securities Act of 1933, but it is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and they are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Filed Pursuant to Rule 424(b)(3)
Registration Statement No. 333-134937
333-134937-02

SUBJECT TO COMPLETION, DATED NOVEMBER 15, 2006

PROSPECTUS SUPPLEMENT
(To Prospectus Dated November 15, 2006)

\$

KeyCorp Capital IX

% Enhanced Trust Preferred Securities

(Liquidation amount \$25 per trust preferred security)

Fully and unconditionally guaranteed, to the extent described herein, by

KeyCorp

The % Enhanced Trust Preferred Securities, which are referred to as the trust preferred securities, will be issued by KeyCorp Capital IX, a Delaware statutory trust, which may also be referred to as the Issuer Trust. KeyCorp, an Ohio corporation, will own all of the outstanding trust common securities of the Issuer Trust and will fully and unconditionally guarantee, on a subordinated basis, payment of amounts due on the trust preferred securities to the extent described in this prospectus supplement. The Issuer Trust will use the proceeds received in connection with the sale of the trust preferred securities and trust common securities to purchase % junior subordinated debentures due December 15, 2066 issued by KeyCorp, which are referred to as the junior subordinated debentures.

Distributions on the trust preferred securities will be cumulative from the date of original issuance and will be payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, commencing March 15, 2007.

We may elect to defer interest payments on the junior subordinated debentures as described in this prospectus supplement. We will not be required to settle deferred interest pursuant to the alternative payment mechanism described in this prospectus supplement until we have deferred interest for five consecutive years or made a payment of current interest, and we may defer interest for up to ten consecutive years without giving rise to an event of default and acceleration. If we do not pay interest on the junior subordinated debentures, the Issuer Trust will not make the corresponding distributions on the trust preferred securities. In the event of a bankruptcy, holders may have a limited claim for deferred interest.

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We may redeem the junior subordinated debentures in whole or in part on or after December 15, 2011, or in whole at any time if certain changes occur in tax or investment company laws or regulations or if the trust preferred securities cease to constitute Tier 1 capital of KeyCorp for regulatory capital purposes. We will not redeem the junior subordinated debentures unless we obtain the prior approval of the Federal Reserve to do so, if such approval is then required. To the extent we redeem the junior subordinated debentures, the Issuer Trust must redeem a corresponding amount of the trust preferred securities.

The trust preferred securities are expected to be approved for listing on the New York Stock Exchange, subject to official notice of issuance. We expect trading in the trust preferred securities on the New York Stock Exchange under the symbol KEYPrE to begin within 30 days after the original issue date.

Investing in the trust preferred securities involves risks.

See Risk Factors beginning on page S-14.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

These securities are not insured by the Federal Deposit Insurance Corporation or any other governmental agency. These securities are not savings accounts or deposits.

	Per Trust	
	Preferred Security	Total
Initial Public Offering Price (1)	\$25.00	\$
Underwriting discounts and commissions (2)	\$	\$
Proceeds, before expenses, to KeyCorp Capital IX	\$25.00	\$

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- (1) Plus accumulated distributions, if any, from November , 2006, if settlement occurs after that date.
- (2) Because KeyCorp Capital IX will use all of the proceeds from the sale of the trust preferred securities and its trust common securities to purchase junior subordinated debentures of KeyCorp, KeyCorp will pay all underwriting discounts and commissions. KeyCorp will pay the underwriters compensation of \$ per trust preferred security, except that the underwriting commission will be \$ per trust preferred security for sales of more than trust preferred securities sold to a single purchaser. As a result of such sales, the total underwriting discounts will decrease, and the total proceeds to KeyCorp will increase by \$.
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The underwriters expect to deliver the trust preferred securities in book-entry form only through the facilities of The Depository Trust Company against payment in New York, New York on or about November , 2006.

This prospectus supplement and the accompanying prospectus may be used by our broker-dealer affiliate, McDonald Investments Inc., in connection with offers and sales of the trust preferred securities in market-making transactions, at negotiated prices related to prevailing market prices at the time of sale or otherwise. McDonald Investments Inc. may act as principal or agent in such transactions. KeyBanc Capital Markets is a division of McDonald Investments Inc.

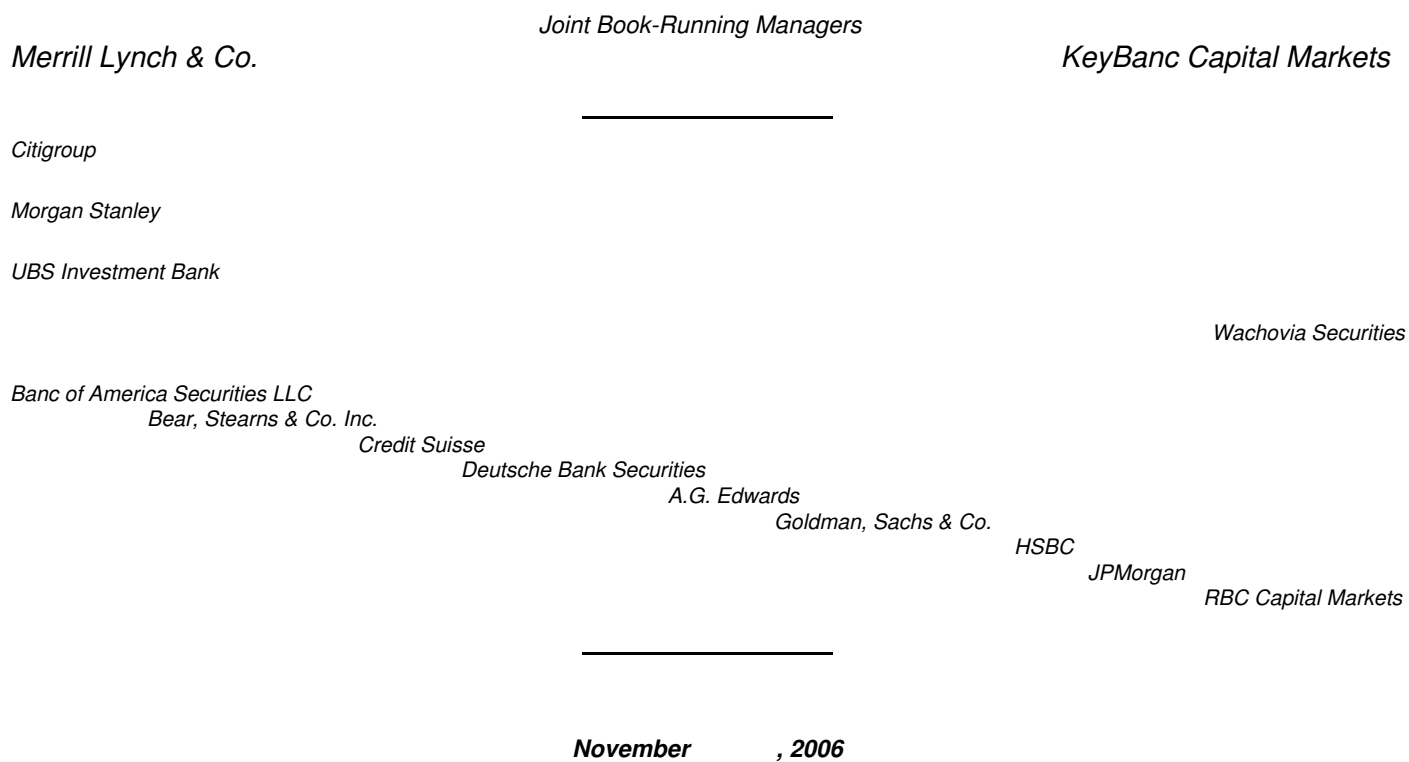


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ABOUT THIS PROSPECTUS SUPPLEMENT

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference is accurate only as of their respective dates. KeyCorp's business, financial condition, results of operations and prospects may have changed since such dates.

If there is any inconsistency between the information in this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

Unless otherwise indicated or unless the context requires otherwise, all references in this prospectus supplement to we, us, our or similar references mean KeyCorp.

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. In addition, our SEC filings are available to the public at the SEC's Internet site at <http://www.sec.gov> and through the New York Stock Exchange Inc., 20 Broad Street, New York, New York 10005.

In this prospectus supplement, as permitted by law, we incorporate by reference information from other documents that we file with the SEC. This means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus supplement and should be read with the same care. When we update the information contained in documents that have been incorporated by reference by making future filings with the SEC, the information incorporated by reference in this prospectus supplement is considered to be automatically updated and superseded. In other words, in case of a conflict or inconsistency between information contained in this prospectus supplement and information incorporated by reference into this prospectus supplement, you should rely on the information contained in the document that was filed later.

We incorporate by reference the documents listed below and any documents we file with the SEC in the future under Section 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 until our offering is completed:

Annual Report on Form 10-K for the year ended December 31, 2005;

Quarterly Reports on Form 10-Q for the quarters ended March 31, 2006, June 30, 2006 and September 30, 2006; and

Current Reports on Form 8-K filed on January 20, 2006 (two reports), February 8, 2006, March 10, 2006, April 5, 2006, April 18, 2006, June 20, 2006, July 18, 2006, September 25, 2006, October 17, 2006, November 13, 2006 and November 14, 2006.

Information furnished under Item 2.02 or 7.01 of our Current Reports on Form 8-K is not incorporated by reference.

You may request a copy of any of these filings, other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing, at no cost, by writing to or telephoning us at the following address:

KeyCorp

127 Public Square

Cleveland, Ohio 44114-1306

Attention: Investor Relations

(216) 689-6300

The Issuer Trust has no separate financial statements. The statements would not be material to the holders of the trust preferred securities because the Issuer Trust has no independent operations.

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SUMMARY OF OFFERING

This summary highlights information contained in this prospectus supplement and the accompanying prospectus. This summary is not complete and does not contain all the information that you should consider before investing in the trust preferred securities. You should read this entire prospectus supplement and the accompanying prospectus carefully, especially the risks of investing in the trust preferred securities set forth under the caption Risk Factors beginning on page S-14, to determine whether an investment in the trust preferred securities is appropriate for you.

Issuer Trust

KeyCorp Capital IX is a Delaware statutory trust created solely for the purpose of issuing trust preferred securities to investors and trust common securities to us and investing the aggregate proceeds in an equivalent amount of our junior subordinated debentures. The junior subordinated debentures will be the sole assets of the Issuer Trust.

The Issuer Trust has its principal office and mailing address at c/o KeyCorp, 127 Public Square, Cleveland, Ohio 44114-1306, and its telephone number is (216) 689-6300.

The Offering

The Issuer Trust is offering trust preferred securities with a liquidation amount of \$25 per trust preferred security and \$ in the aggregate. Each trust preferred security will represent an undivided preferred beneficial interest in the Issuer Trust. The Issuer Trust will use the proceeds from the sale of its trust preferred securities and the trust common securities to purchase the junior subordinated debentures from KeyCorp. The Issuer Trust will pass through to you as distributions the interest payments it receives from KeyCorp on the junior subordinated debentures. The diagram to the left outlines a simplified form of the relationship among investors in the trust preferred securities, the Issuer Trust, the junior subordinated debentures, KeyCorp and the subordinated guarantee of the trust preferred securities by KeyCorp. As shown to the left:

The Issuer Trust issues the trust preferred securities to investors and the trust common securities to KeyCorp.

The Issuer Trust uses the proceeds from the issuance of the trust preferred securities and the trust common securities to purchase junior subordinated debentures issued by KeyCorp.

KeyCorp makes quarterly payments on the junior subordinated debentures.

The Issuer Trust uses the quarterly interest payments it receives from KeyCorp to pay the quarterly distributions to the holders of the trust preferred securities and trust common securities.

KeyCorp will guarantee, on a subordinated basis, payments of amounts due on the trust preferred securities to the extent provided under the captions Description of the Trust Preferred Securities and Description of the Guarantee in this prospectus supplement.

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See the discussion below under the caption Relationship Among the Trust Preferred Securities, the Junior Subordinated Debentures and the Guarantee in this prospectus supplement.

Distributions

Distributions on the trust preferred securities will be cumulative from the date they are issued and will be payable quarterly in arrears at the annual rate of % on March 15, June 15, September 15 and December 15 of each year, beginning March 15, 2007, unless they are deferred as described below. The amount of distributions payable for any period will be computed on the basis of a 360-day year consisting of twelve 30-day months.

Distribution Deferral

We may, on one or more occasions, defer the quarterly interest payments on the junior subordinated debentures for one or more periods (each, an Optional Deferral Period) of up to 20 consecutive quarters, or five years, without being subject to our obligations described under Description of the Junior Subordinated Debentures Alternative Payment Mechanism, and for one or more periods of up to 40 consecutive quarters, or ten years, without giving rise to an event of default and acceleration under the terms of the junior subordinated debentures or the trust preferred securities. A deferral of interest payments cannot extend, however, beyond the maturity date of the junior subordinated debentures, nor can we begin a new Optional Deferral Period until we have paid all accrued interest on the junior subordinated debentures.

If we defer interest payments on the junior subordinated debentures, the Issuer Trust also will defer distributions on the trust preferred securities. Any deferred interest on the junior subordinated debentures will accrue additional interest at an annual rate of % (which rate is equal to the annual interest rate on the junior subordinated debentures), compounded quarterly, to the extent permitted by applicable law. Once we pay all deferred interest payments on the junior subordinated debentures, including all accrued interest, we may again defer interest payments on the junior subordinated debentures as described above, but not beyond the maturity date of the junior subordinated debentures.

We will provide to the Issuer Trust written notice of any optional deferral of interest at least ten and not more than 60 business days prior to the applicable interest payment date, and any such notice will be forwarded promptly by the Issuer Trust to each holder of record of trust preferred securities.

Furthermore, the occurrence and continuation of a Supervisory Event (as defined below) will excuse us from our obligation to continuously use commercially reasonable efforts to sell common shares and to apply the net proceeds of such sale to pay deferred interest on the junior subordinated debentures and will permit us to pay deferred interest using cash from any other source (including the sale of preferred stock) without breaching our obligations under the indenture. See Description of the Junior Subordinated Debentures Alternative Payment Mechanism.

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If one or more Option Deferral Periods arise, our payment of interest is subject to the limitations and related obligations described below in this summary under Alternative Payment Mechanism.

Alternative Payment Mechanism

If we have exercised our right to defer payments on the junior subordinated debentures, we may not pay deferred interest in an amount that exceeds the amount of Eligible Equity Proceeds raised as of the date such payment is made. Notwithstanding the above, at maturity of the junior subordinated debentures, or in the case of an indenture event of default and acceleration, or upon the occurrence of a Supervisory Event, we may pay accrued and unpaid interest without regard to the source of funds.

For each interest payment date, Eligible Equity Proceeds means, as of any date, (i) the net cash proceeds plus (ii) the fair market value of property, other than cash, received by us or any of our subsidiaries during the 180-day period immediately prior to such date from one or more sales to persons other than subsidiaries of us of:

common shares, including treasury shares and common shares sold pursuant to our dividend reinvestment plan and employee benefit plans; or

qualified warrants, which means any common share warrants that (1) have an exercise price greater than the current stock market price (as defined under Description of the Junior Subordinated Debentures Alternative Payment Mechanism) of our common shares, and (2) we are not entitled to redeem for cash and the holders are not entitled to require us to repurchase for cash in any circumstances.

Commencing on the earlier of (i) the fifth anniversary of the commencement of an Optional Deferral Period, if on such date such Optional Deferral Period has not ended, and (ii) the date of any payment of current interest on the junior subordinated debentures during an Optional Deferral Period, we shall be required continuously to use our commercially reasonable efforts (as defined in the indenture) to effect sales of our common shares in an amount that will generate sufficient Eligible Equity Proceeds to enable us to pay in full all deferred interest on the junior subordinated debentures. Notwithstanding (and as a qualification to) that obligation, we shall not be obligated to make offers of or to effect sales of our common shares during the occurrence and continuation of a Market Disruption Event or a Supervisory Event and will be permitted to pay deferred interest using cash from any source upon the occurrence of a Supervisory Event. Furthermore, our issuance of common shares or, in our discretion, qualified warrants, under the Alternative Payment Mechanism is subject to certain caps and other limitations, as described in Description of the Junior Subordinated Debentures Alternative Payment Mechanism. In addition, we will not be permitted to pay interest on the junior subordinated debentures at a time when such payment would violate a specific prohibition against

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making an interest payment contained in the terms of any securities ranking pari passu with or senior to the junior subordinated debentures.

The limitations on our rights and obligations imposed on us by the indenture provisions described above are referred to as the Alternative Payment Mechanism. Our breach of the Alternative Payment Mechanism, including our use of funds in an amount in excess of the amount of Eligible Equity Proceeds raised to pay deferred interest or our failure to use commercially reasonable efforts to effect sales of our common shares and apply their proceeds as described above, will not, by itself, constitute an event of default and acceleration under the indenture that would permit the indenture trustee or the holders of the junior subordinated debentures to accelerate the junior subordinated debentures. However, an event of default and acceleration under the indenture will occur if we fail to pay all accrued and unpaid interest for a period of more than 40 consecutive quarters, or ten years.

Market Disruption Events

A Market Disruption Event means the occurrence or existence of any of the following events or sets of circumstances:

trading in securities generally on the principal exchange on which our securities are listed and traded (currently the New York Stock Exchange) shall have been suspended or materially disrupted or minimum prices shall have been established on any such exchange or market by the SEC, by the relevant exchange or any other regulatory body or governmental authority having jurisdiction, and the establishment of such minimum prices materially disrupts or otherwise has a material adverse effect on trading in, or the issuance and sale of, our qualified warrants or common shares;

we would be required to obtain the consent or approval of our shareholders or a regulatory body (including, without limitation, any securities exchange but excluding the Board of Governors of the Federal Reserve System (including the Federal Reserve Bank of Cleveland or any other Federal Reserve Bank having primary regulatory authority over us, the Federal Reserve)) or governmental authority to issue or sell qualified warrants or common shares and such consent or approval has not yet been obtained even though we have used our commercially reasonable efforts to obtain the required consent or approval;

an event occurs and is continuing as a result of which the offering document for the offer and sale of qualified warrants or common shares would, in our reasonable judgment, contain an untrue statement of a material fact or omit to state a material fact required to be stated in that offering document or necessary to make the statements in that offering document not misleading and either (a) the disclosure of that event at the time the event occurs, in our reasonable judgment, is not otherwise required by law and would have a material adverse effect on our business or (b) the

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disclosure relates to a previously undisclosed proposed or pending material business transaction, and we have a bona fide business reason for keeping the same confidential or the disclosure of which would impede our ability to consummate that transaction, provided that no single suspension period contemplated under this bullet may exceed 90 consecutive days and multiple suspension periods contemplated under this bullet may not exceed an aggregate of 180 days in any 360-day period;

we reasonably believe that the offering document for the offer and sale of qualified warrants or common shares would not be in compliance with a rule or regulation of the SEC (for reasons other than those referred to in the preceding bullet) and we are unable to comply with such rule or regulation or such compliance is unduly burdensome, provided that no single suspension contemplated by this bullet may exceed 90 consecutive days and multiple suspension periods contemplated pursuant to this bullet may not exceed an aggregate of 180 days in any 360-day period;

the United States shall have become engaged in hostilities, there shall have been an escalation in hostilities involving the United States, there shall have been a declaration of a national emergency or war by the United States or there shall have occurred any other national or international calamity or crisis such that market trading in our qualified warrants or common shares has been materially disrupted;

there shall have occurred a material adverse change in general domestic or international economic, political or financial conditions, including without limitation as a result of terrorist activities, such that market trading in our qualified warrants or common shares has been materially disrupted;

a material disruption shall have occurred in commercial banking or securities settlement or clearing services in the United States such that market trading in our qualified warrants or common shares has been disrupted or ceased; or

a banking moratorium shall have been declared by federal or state authorities of the United States such that market trading in our qualified warrants or common shares has been disrupted or ceased.

Supervisory Event

A Supervisory Event shall commence on the date we have notified the Federal Reserve of our intention both (1) to sell our qualified warrants or common shares and (2) to apply the net proceeds of such sale to pay deferred interest on the junior subordinated debentures, and the Federal Reserve has disapproved of either of these actions, even though we have affirmatively requested such approval. A Supervisory Event shall cease on the business day following the earlier to occur of (A) the tenth business day after we give notice to the Federal Reserve as described above (or such longer period as may be required by Federal Reserve order or by other supervisory action), so long as the

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Federal Reserve does not disapprove of either action mentioned in such notice, (B) the tenth anniversary of the commencement of any Optional Deferral Period, or (C) the day on which the Federal Reserve notifies us in writing that it no longer disapproves of our intention to both (1) issue and sell qualified warrants or common shares and (2) apply the net proceeds from such sale to pay deferred interest on the junior subordinated debentures. Because a Supervisory Event will exist if the Federal Reserve disapproves of either of these requests, the Federal Reserve will be able, without triggering a default under the indenture, to permit us to sell qualified warrants or common shares but to prohibit us from applying the proceeds to pay deferred interest on junior subordinated debentures.

Dividend Stopper

Unless we have paid all accrued and unpaid interest on the junior subordinated debentures, we will not and our subsidiaries will not do any of the following, with certain limited exceptions:

declare or pay any dividends or distributions on, or redeem, purchase, acquire, or make a liquidation payment with respect to, any of our capital stock, or make any guarantee payments relating to the foregoing; or

make any payment of principal of or interest or premium, if any, on or repay, repurchase or redeem any of our debt securities or guarantees that rank upon our liquidation on a parity with or junior in interest to the junior subordinated debentures.

Our outstanding junior subordinated debentures contain comparable provisions that will restrict the payment of principal of, and interest on, and the repurchase or redemption of, any of the subordinated debentures as well as guarantee payments on the guarantee of the subordinated debentures if any of the foregoing circumstances occur with respect to those securities.

In addition, if any Optional Deferral Period lasts longer than one year, unless required to do so by the Federal Reserve, the limitation on our ability to redeem or repurchase any of our securities that rank pari passu with or junior in interest to the junior subordinated debentures will continue until the first anniversary of the date on which all deferred interest has been paid.

This limitation will also apply if:

we have actual knowledge of an event that with the giving of notice or the lapse of time, or both, would constitute a default under the junior indenture with respect to the junior subordinated debentures and we have not taken reasonable steps to cure the event; and

if the junior subordinated debentures are held by the Issuer Trust, we are in default with respect to its payment of any obligations under the guarantee related to the related trust preferred securities.

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Maturity of Junior Subordinated Debentures	The junior subordinated debentures will mature on December 15, 2066.
Optional Redemption	We may redeem the trust preferred securities, in whole or in part, at any time on or after December 15, 2011, at a redemption price equal to the total liquidation amount of the trust preferred securities to be redeemed plus accumulated and unpaid distributions to the redemption date.
Special Event Redemption	<p>We may elect to redeem the trust preferred securities, in whole or in part, at any time upon the occurrence of:</p> <ul style="list-style-type: none"> changes in U.S. federal income tax laws or regulations that could have adverse tax consequences for us or the Issuer Trust; changes in laws or regulations that pose more than an insubstantial risk that the Issuer Trust will be required to register as an investment company under the Investment Company Act of 1940, as amended; or changes that could prevent us from treating an amount equal to the liquidation amount of the trust preferred securities as Tier 1 capital for purposes of the applicable Federal Reserve capital adequacy guidelines; <p>in each case, for a redemption price equal to the total liquidation amount of the trust preferred securities to be redeemed plus accumulated and unpaid distributions to the redemption date.</p>
Replacement Capital Covenant	Around the time of the initial issuance of the junior subordinated debentures, we will enter into a Replacement Capital Covenant (as defined under the caption Certain Terms of the Replacement Capital Covenant) in which we will covenant for the benefit of holders of a specified series of our indebtedness, other than the junior subordinated debentures, or in certain limited cases a specified series of indebtedness of our largest depository institution subsidiary, that neither we nor any subsidiary of ours (including the Issuer Trust) will redeem or purchase the junior subordinated debentures or the trust preferred securities on or before , 2046, unless (a) subject to certain limitations, during the 180 days prior to the date of any such redemption or purchase, we have received proceeds from the sale of specified securities that have equity-like characteristics that are the same as, or more equity-like than, the applicable characteristics of the junior subordinated debentures at that time, and (b) we have obtained the prior approval of the Federal Reserve, if such approval is then required. The Replacement Capital Covenant is not intended to be for the benefit of holders of the junior subordinated debentures or trust preferred securities and may not be enforced by them, and the Replacement Capital Covenant is not a term of the indenture, the trust agreement, the junior subordinated debentures or the trust preferred securities.
Liquidation Preference	Upon any dissolution, winding-up or liquidation of the Issuer Trust involving the liquidation of the junior subordinated debentures, the

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holders of the trust preferred securities will be entitled to receive, out of assets held by the Issuer Trust, subject to the rights of any creditors of the Issuer Trust, the liquidation distribution in cash. The Issuer Trust will be able to make this distribution of cash only if we redeem the junior subordinated debentures.

The Guarantee

We will fully and unconditionally guarantee the payment of all amounts due on the trust preferred securities to the extent the Issuer Trust has funds available for payment of such distributions. The guarantee will be subordinated to our other indebtedness to the extent described below under the caption Description of the Junior Subordinated Debentures Ranking of the Junior Subordinated Debentures and Guarantee.

We also are obligated to pay most of the expenses and obligations of the Issuer Trust (other than the Issuer Trust's obligations to make payments on the trust preferred securities and common securities, which are covered only by the guarantee).

The guarantee does not cover payments when the Issuer Trust does not have sufficient funds to make payments on the trust preferred securities. In other words, if we do not make a payment on the junior subordinated debentures, the Issuer Trust will not have sufficient funds to make payments on the trust preferred securities, and the guarantee will not obligate us to make those payments on the Issuer Trust's behalf. In addition, our obligations under the guarantee are subordinate to our obligations to other creditors to the same extent as the junior subordinated debentures. For more information, see the discussion below under the caption Description of the Guarantee.

Ranking of the Junior Subordinated Debentures and Guarantee

Our payment obligations under the junior subordinated debentures and the guarantee will be unsecured and will rank junior and be subordinated in right of payment and upon liquidation to all of our current and future indebtedness, other than trade account payables and accrued liabilities arising in the ordinary course of business; provided, however, that the junior subordinated debentures and the guarantee will rank equally in right of payment, subject to the Alternative Payment Mechanism and provisions described above in this summary under Dividend Stopper, with any Pari Passu Securities. Pari Passu Securities means: (i) indebtedness that, among other things, (a) qualifies as, or is issued to financing vehicles issuing securities that qualify as, Tier 1 capital of KeyCorp at the time of issuance under the applicable capital guidelines of the Federal Reserve and (b) by its terms ranks equally upon liquidation with our 7% Junior Subordinated Debentures due June 15, 2066 and the % Junior Subordinated Debentures due December 15, 2066 to be issued in connection with this offering; and (ii) guarantees of indebtedness described in clause (i) or securities issued by one or more financing vehicles described in clause (i). Pari Passu Securities does not include our junior subordinated debentures or guarantees issued in connection with our currently outstanding and

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future traditional trust preferred securities, each of which will rank senior to the trust preferred securities being issued by the Issuer Trust.

As a holding company, our assets primarily consist of the equity securities of our subsidiaries. As a result, the ability of holders of the junior subordinated debentures to benefit from any distribution of assets of any subsidiary upon the liquidation or reorganization of such subsidiary is subordinate to the prior claims of present and future creditors of that subsidiary. The trust preferred securities, the junior subordinated debentures and the guarantee do not limit our or our subsidiaries' ability to incur additional debt, including debt that ranks senior in priority of payment to the junior subordinated debentures and the guarantee. At September 30, 2006, our indebtedness and obligations, on an unconsolidated basis, totaled approximately \$4.7 billion, all of which will rank senior in right of payment and upon liquidation to the junior subordinated debentures. In addition, the junior subordinated debentures will be effectively subordinated to all of our subsidiaries' existing and future indebtedness and other obligations, including, but not limited to, obligations to depositors. At September 30, 2006, our subsidiaries' total deposits and borrowings were approximately \$77.6 billion.

Voting Rights

Holders of the trust preferred securities will have only limited voting rights and, except upon the occurrence of certain events described in this prospectus supplement, will not be entitled to vote.

Dissolution of the Issuer Trust and Distribution of the Junior Subordinated Debentures

We can dissolve the Issuer Trust at any time, subject to obtaining the prior approval of the Federal Reserve to do so, if such approval is then required.

If we dissolve the Issuer Trust, or if it dissolves because of other specified events (such as bankruptcy), the Issuer Trust will distribute the junior subordinated debentures to holders of the trust preferred securities and the trust common securities on a proportionate basis.

Use of Proceeds

The Issuer Trust will use the proceeds from the offering of the trust preferred securities to purchase the junior subordinated debentures issued by us. We expect to use the net proceeds from the sale of the junior subordinated debentures to the Issuer Trust for general corporate purposes, which may include:

reducing or refinancing existing debt;

repurchasing outstanding trust preferred securities;

investments at the holding company level;

investing in, or extending credit to, our operating subsidiaries;

possible acquisitions or other business combinations; and

share repurchases.

Listing of Trust Preferred Securities

We intend to list the trust preferred securities on the New York Stock Exchange and expect trading in the trust preferred securities on the New York Stock Exchange to begin within 30 days after the original issue date.

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Expected Ratings	We expect that the trust preferred securities will be rated Baa1, BBB and A- by Moody's Investor Services, Standard & Poor's and Fitch Ratings, respectively. None of these securities ratings is a recommendation to buy, sell or hold these securities. Each rating may be subject to revision or withdrawal at any time, and should be evaluated independently of any other rating.
Form of the Trust Preferred Securities	The trust preferred securities will be represented by one or more global securities that will be deposited with and registered in the name of The Depository Trust Company, New York, New York. This means that you will not receive a certificate for your trust preferred securities and the trust preferred securities will not be registered in your name. For more details, see below under the caption "Book-Entry Issuance" in this prospectus supplement.
U.S. Federal Income Tax Consequences	In connection with the issuance of the trust preferred securities, Squire, Sanders & Dempsey L.L.P., as special tax counsel, will render its opinions to us and the Issuer Trust that, for United States federal income tax purposes, (i) the Issuer Trust will be classified as a grantor trust and not an association taxable as a corporation and (ii) the junior subordinated debentures will be classified as indebtedness (although there is no clear authority on point). These opinions are subject to certain customary conditions. See below under the caption "Certain United States Federal Income Tax Consequences" in this prospectus supplement.
ERISA Considerations	If you are a fiduciary of a pension, profit-sharing or other employee benefit plan subject to Title 1 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or section 4975 of the Internal Revenue Code of 1986, as amended (the "Code"), you should consider the requirements of ERISA and the Code in the context of the plan's particular circumstances and ensure the availability of an applicable exemption before authorizing an investment in the trust preferred securities. See below under the caption "ERISA Considerations" in this prospectus supplement.
Risk Factors	See below under the caption "Risk Factors" in this prospectus supplement and the other information in this prospectus supplement and our reports incorporated by reference therein for a discussion of factors you should carefully consider before deciding to invest in the trust preferred securities.

Table of Contents**SELECTED CONSOLIDATED FINANCIAL INFORMATION**

The following is our selected audited consolidated financial information for each of the years in the three-year period ended December 31, 2005, and our selected unaudited consolidated financial information for each of the nine-month periods ended September 30, 2006 and 2005. You should read the following information together with our consolidated financial statements and notes thereto incorporated by reference into this prospectus supplement and the accompanying prospectus.

	Nine Months Ended		Year Ended December 31,		
	September 30,				
(dollars in millions, except per share amounts)	2006	2005	2005	2004	2003
	(Unaudited)		(Audited)		
For the period					
Interest income	\$ 4,137	\$ 3,355	\$ 4,617	\$ 3,786	\$ 3,934
Interest expense	1,949	1,283	1,827	1,181	1,245
Net interest income	2,188	2,072	2,790	2,605	2,689
Provision for loan losses	94	107	143	185	501
Noninterest income	1,571	1,517	2,078	1,929	1,953
Noninterest expense	2,394	2,303	3,137	2,961	2,899
Income before income taxes and cumulative effect of accounting change	1,271	1,179	1,588	1,388	1,242
Income before cumulative effect of accounting change	904	833	1,129	954	903
Net income	909	833	1,129	954	

(dollars in millions, except per share amounts)