PROSPECTUS
FOR
THE KEYCORP
401(k) SAVINGS PLAN

JANUARY 1, 2019

This Prospectus (hereinafter referred to as the "Prospectus") relates to the 13 million KeyCorp Common Shares with a par value of $1 each (the "Common Shares") that have been registered with the Securities and Exchange Commission and are authorized to be offered by KeyCorp to employees pursuant to the KeyCorp 401(k) Savings Plan (the "Plan"). The Common Shares and the related rights to purchase Common Shares are listed on the New York Stock Exchange.

If there is any inconsistency between the Plan and information in this Prospectus, the Plan provisions will govern.

The materials contained in this Prospectus include materials that are required to be provided to you under the Securities Act of 1933. You can obtain additional information about the Plan and KeyCorp by contacting:

KeyCorp
127 Public Square
Cleveland, Ohio 44114-1306
Attention: Investor Relations
Phone Number: (216) 689-4221

This document constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933.

The date of this Prospectus is January 1, 2019

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INCORPORATION BY REFERENCE

The U.S. Securities and Exchange Commission, or SEC, allows KeyCorp and the Plan to "incorporate by reference" the information filed with the SEC. This means:

- Incorporated documents are considered part of the Prospectus.
- KeyCorp or the Plan can disclose important information to you by referring to those documents.
- Information that KeyCorp or the Plan files with the SEC will automatically update this Prospectus.

The following documents filed by KeyCorp or the Plan with the SEC are incorporated in this document by reference:

- KeyCorp's Annual Report on Form 10-K for the fiscal year ended December 31, 2018 and Quarterly Report on Form 10-Q for the quarters ended March 31, 2019, and June 30, 2019.
- KeyCorp's Current Reports on Form 8-K filed on: January 17, 2019; March 15, 2019; April 18, 2019; April 29, 2019, May 4, 2019, and July 23, 2019 . Unless otherwise stated in the applicable reports, information furnished and not filed under Item 2.02 or 7.01 of our Current Reports on Form 8-K is not incorporated by reference.
- Description of the Common Shares contained in KeyCorp's Registration Statement on Form 8-A filed with the Commission on July 31, 1992, as amended by Forms 8-A/A filed on October 15, 1993, February 25, 1994, and June 19, 1997, respectively.
- The Plan's Annual Report on Form 11-K for the fiscal year ended December 31, 2018.

To the extent designated therein, certain Reports on Form 8-K filed with the SEC and all other documents filed by KeyCorp or the Plan pursuant to Sections 13(a) and (c), 14 or 15(d) of the Securities Exchange Act of 1934 subsequent to the date of this document and prior to the filing of a post-effective amendment which indicates that all securities offered under the Plan have been sold or which deregisters all securities remaining unsold thereunder shall be deemed to be incorporated herein and shall be deemed a part hereof by reference and shall be deemed a part hereof from the date of filing such documents.

Additional Information

Copies of the following documents or reports will be furnished without charge upon written or oral request to KeyCorp, 127 Public Square, P.O. Box 6477, Cleveland, OH 44101-1477, Attention: Investor Relations; Phone Number (216) 689-4221 or 1-800-523-7248.

- Documents or reports incorporated by reference herein (excluding exhibits to the documents or reports incorporated by reference unless such exhibits are specifically incorporated by reference into such documents or reports).

- KeyCorp's Annual Report to shareholders for the latest fiscal year, beginning with the Annual Report for the latest fiscal year.

- All reports, proxy statements and other communications distributed to KeyCorp's shareholders.

- The latest Annual Report of the Plan filed pursuant to Section 15(d) of the Securities Exchange Act of 1934, whether on Form 11-K or included as part of KeyCorp's Annual Report on Form 10-K.

You will receive copies of all reports, proxy statements and other communications distributed to KeyCorp's shareholders in general. Such materials will be delivered to you not later than the time at which they are sent to KeyCorp's shareholders.

Where You Can Find More Information About KeyCorp

KeyCorp files reports, proxy statements and other information with the U.S. Securities and Exchange Commission under the Exchange Act. Such reports, proxy statements and other information concerning KeyCorp and the Registration Statement referred to below can be inspected and copied at the Public Reference Room Number 1024 maintained by the Commission at Judiciary Plaza, 450 Fifth Street, N.W. Washington, D.C., 20549-1004. Copies of such material can be obtained at prescribed rates. You can obtain information on the operation of the Public Reference Room by calling the Commission at **1-800-SEC-0330**. The Commission also maintains an Internet site that contains reports, proxy and information statements and other information regarding KeyCorp. The address of the Web site is **http://www.sec.gov**.

KeyCorp's Common Shares and the related rights to purchase the Common Shares are listed on the New York Stock Exchange. Reports, proxy and information statements, and other information concerning KeyCorp can be inspected and copied at the offices of the New York Stock Exchange at 20 Broad Street, New York, New York 10005. KeyCorp maintains an Internet site at the following address: **http://www.Key.com**.

SUMMARY OF THE PLAN

The Plan

The KeyCorp 401(k) Savings Plan ("Plan") has been established to encourage and permit eligible employees to save for their future retirement through a tax-qualified cash or deferred 401(k) savings plan arrangement.

The portion of the Plan that is attributable to participant contributions invested in the various Plan investment funds other than the KeyCorp Common Stock Fund constitutes a profit sharing plan. The portion of the Plan that is attributable to employer contributions and participant contributions invested primarily in Corporation Stock constitutes an employee stock ownership plan within the meaning of Code Section 4975(e) (7). The Plan is intended to be qualified under Section 401(a) of the Code, and the provisions of Titles 1, II and III of the Employee Retirement Income Security Act ("ERISA"). Accordingly, the Plan shall be administered in accordance with the provisions of the Code, ERISA and all Regulations and Rulings promulgated thereunder.

Effective December 20, 2016, the 401(k) Savings Plan of First Niagara (the "FNFG Plan") was merged into the Plan. On and after December 20, 2016 the general provisions of the Plan govern with respect to interests under the FNFG Plan, except to the extent general provisions of the Plan are inconsistent with the FNFG Plan and to the extent applicable law requires that benefits, rights and features under the FNFG Plan be preserved, including certain forms of payments and in-service withdrawal provisions under the FNFG Plan. The Plan also provides rules with respect to vesting and service for FNFG Plan participants and former participants as described more fully herein.

Effective December 31, 2017, the Cain Brothers & Company, LLC Retirement Plan (the "Cain Plan") was merged into the Plan. On and after January 1, 2018 the general provisions of the Plan govern with respect to interests under the Cain Plan, expect to the extent general provisions of the Plan are inconsistent with the Cain Plan and to the extent applicable law requires that benefits, rights and features under the Cain Plan be preserved, including certain forms of payments and in-service withdrawal provisions under the Cain Plan. The Plan also provides rules with respect to vesting and service for Cain Plan participants and former participants as described more fully herein.

Eligibility

All full-time and part-time employees of Key and its participating subsidiaries are immediately eligible to participate in the Plan for purposes of making a salary deferral election. If you are a "seasonal" or "on-call employee," you are eligible to participate in the Plan upon your completion of 1,000 hours of service during your first 12 months of employment, or upon your completion of 1,000 hours of service during any calendar year thereafter. A list of participating subsidiaries is available upon request from a KeyBank Employee Services Representative at **1-888-KEYS2HR (1-888-539-7247).**

Service with First Niagara Financial Group

An Employee's period of employment with First Niagara Financial Group, Inc. and its Affiliates (as defined in the FNFG Plan as in effect on December 20, 2016) prior to closing of the Agreement and Plan of Merger, dated as of October 30, 2015, by and between KeyCorp and First Niagara Financial Group, Inc. is included in determining the Employee's eligibility and vesting under the Plan.

Service with Cain Brothers & Company LLC

An Employee's period of employment with Cain Brothers & Company LLC ("Cain Brothers") prior to December 31, 2017 is included in determining an Employee's Eligibility Year of Service and Vested Service under the Plan.

Enrollment

You are eligible to participate in the Plan for purposes of making a salary deferral election as of your first pay period as an eligible active Key employee. Enrolling in the Plan is easy. Just access HR Online at **https://hronline.keybank.com**.

Your enrollment will be processed as soon as administratively possible and will be applied as soon as possible to subsequent payroll cycles.

At the time of enrolling in the Plan, you will be asked to designate the percentage of your pay that you want to contribute to the Plan, and the investment funds in which to invest your Plan contributions. After your enrollment is completed, you will be asked to verify your enrollment elections.

Enrollment in the Plan is generally simple. If you experience any problems during the enrollment process, however, contact a KeyBank Employee Services Representative at **1-888-KEYS2HR (1-888-539-7247).** The representative will help you through the process and answer any questions that you may have.

Automatic Enrollment and Contribution Escalation

Automatic Enrollment

If you are a new hire or newly rehired employee on or after January 1, 2010 (a “Covered Employee”), you will automatically be enrolled in the Plan at a 2% before-tax contribution rate of your pay, and your contributions will be defaulted into a Qualified Default Investment Alternative (“QDIA”), which is a target-date fund based on your date of birth, unless you affirmatively make an election to invest from among the investment funds available under the Plan (the “Default Elective Deferral Account”). In addition, effective January 1, 2016, Employees hired prior to December 31, 2009 who have not affirmatively enrolled in the Plan and who have not previously opted out of automatic enrollment will also be automatically enrolled as described above.

Contribution Escalation

When Covered Employees are automatically enrolled, their before-tax contribution percentage will be automatically increased beginning with the second Plan year that begins after the Plan year in which the Default Percentage first applies to the Covered Employee. If the Covered Employee’s first Plan year Default Percentage is established within three (3) months prior to the end of a Plan year, the increase to the Default Percentage will not take place until the third Plan year. The increase will be effective beginning as soon as administratively practicable in such Plan year, but in any event no later than the second pay period in such Plan year. The percentage increase for each such year will be 1% of pay until the contribution rate is 10% of pay (the “Default Percentage”).

For example, a Covered Employee who is automatically enrolled with contribution escalation on April 1, 2019, will have his or her before-tax rate increased effective as soon as administratively practicable, but no later than the second pay period after January 1, 2019. A Covered Employee who is automatically enrolled with contribution escalation on October 1, 2019, will not have his or her rate increased until after January 1, 2020. When the target rate is reached, the annual contribution escalations will stop. Covered Employees may stop escalation at any time by requesting a rate change and changing the increase rate to zero. Covered Employees will receive a Contribution Escalation Reminder Notice approximately 30 days before the contribution escalation will be processed.

Default Elective Deferral Account

Covered Employees will receive a notice on or before their Employment Commencement Date or Re-Employment Commencement Date of the automatic features of the Plan. Covered Employees have the choice of declining automatic enrollment, changing their default elections, or taking no action and letting the default elections process create the Default Elective Deferral Account. If Covered Employees initially decline enrollment, they will still be able to enroll at any time so long as they continue to be eligible to participate in the Plan. The Default Elective Deferral Account will be invested in a QDIA. The current QDIA is a target-date retirement fund based on an assumed retirement age of the Covered Employee of 65.

The QDIA mapping will be as follows:

Fund	Date of Birth	Calculated Retirement Year
LifePath Retirement®	Before 1/1/1953	In Retirement
LifePath 2060	On or after 1993	Retire on or after 2058
LifePath 2055	1/1/1988 – 12/31/1992	Retire between 2053 – 2057
LifePath 2050	1/1/1983 – 12/31/1987	Retire between 2048 – 2052
LifePath 2045	1/1/1978 – 12/31/1982	Retire between 2043 – 2047
LifePath 2040	1/1/1973 – 12/31/1977	Retire between 2038 – 2042
LifePath 2035	1/1/1968 – 12/31/1972	Retire between 2033 – 2037
LifePath 2030	1/1/1963 – 12/31/1967	Retire between 2028 – 2032
LifePath 2025	1/1/1958 – 12/31/1962	Retire between 2023 – 2027
LifePath 2020	1/1/1953 – 12/31/1957	Retire between 2019 – 2022

Please note that other LifePath target-date funds will be added as they become available for individuals with later target retirement dates.

Withdrawal of Default Elective Deferrals

No later than 90 days after Default Elective Deferrals are first withheld from a Covered Employee's pay, the Covered Employee may request a distribution of his or her Default Elective Deferrals. No spousal consent is required for a withdrawal. Unless the Covered Employee affirmatively elects otherwise, any withdrawal request will be treated as an affirmative election to stop having Elective Deferrals made on the Covered Employee's behalf. The withdrawal is not subject to the 10% tax penalty for early withdrawals from qualified retirement plans.

Nondiscrimination/Plan Contribution Requirements

The Internal Revenue Code ("Code") places various nondiscrimination/coverage requirements on the Plan to ensure that it is benefiting all eligible employees of KeyCorp, and not disproportionately benefiting those employees defined by the Code to be "highly compensated." As a general guideline, the Code defines a highly compensated employee for the 2019 Plan year as an employee who, during the 2018 Plan year, earned compensation equal to or in excess of $120,000. This amount is indexed and may change from year to year.

The Code also limits the amount of compensation that may be utilized under the Plan for any given Plan year. For the 2019 Plan year, this compensation limit is $280,000. This means that only your compensation up to $280,000 will be considered by the Plan in determining your employer matching contributions to the Plan. Beginning in 2019, the Plan allows you to now make 401(k) contributions before and after your annual compensation reaches the limit. IRS limits on your personal contributions still apply ($19,000 plus $6,000 catch up if over age 50).

The combination of your before-tax or Roth after-tax contributions to the Plan may never exceed the limits of Section 402(g) of the Code. For the 2019 Plan year, Section 402(g) limits Plan participants combined before-tax or Roth after-tax contributions to $19,000. This limit includes participants' before-tax contributions made with any previous employers in the same Plan year. This limit is indexed and may be increased from time to time. Participants age 50 or older may be eligible to make catch-up contributions, which are in addition to the normal before-tax contributions that are regulated under Section 402(g) of the Code. For additional information on catch-up contributions, please see page 13 of this Summary.

If you are highly compensated, your before-tax or Roth after-tax contributions to the Plan will be limited to 6% of your compensation, unless the Plan has elected to utilize the safe harbor provisions of Section 401(k) (12) of the Code for the applicable Plan year. Beginning in January 2002, Key has elected to utilize the safe harbor provisions. This election may be modified, and any modification will be communicated to you. Please see pages 15 and 16 of this Prospectus for a description of the safe harbor election.

If any of the Code's nondiscrimination requirements or contribution limits impact you, you will be notified.

PLAN CONTRIBUTIONS

What Are Before-Tax Contributions?

The Plan allows you to defer a percentage of your pay to the Plan ***before*** your pay is taxed.

Under the Plan, "pay" ***generally*** means your regular earnings, including any overtime, bonuses and any incentive compensation payments paid to you during the Plan year. Pay does not include, for example, any amounts attributable to the exercise of stock appreciation rights or stock options; any noncash remuneration; any moving expenses or relocation bonuses, lump-sum severance payments, retention bonuses or payments, signing bonuses, or any funds paid to you following your termination or retirement from Key; amounts attributable to deferred cash award payments to you; or amounts attributable to cash payments to participants who are expatriates for purchase of individual health coverage; or for any other form of benefit payment paid in cash.

Your before-tax contributions to the Plan do not reduce the amount of compensation that is considered in determining your KeyCorp Group Term Life Insurance Plan benefit, or your KeyCorp Long-Term Disability Plan benefit.

Additionally, your Social Security benefit will not be affected by your before-tax contributions to the Plan. Social Security taxes will continue to be withheld from your before-tax contributions made to the Plan.

Before-tax contributions and Key's matching contributions with all earnings and gains thereon are subject to state and federal tax only when they are distributed from the Plan.

What Are Roth Contributions?

Starting in 2014, the Plan allows you to defer a percentage of your pay to the Plan after your pay is taxed in the form of Roth contributions.

Your Roth contributions are taxed now, so you won't reduce your current taxable income, but you will avoid paying taxes when you take a withdrawal from your account at retirement. Investment earnings grow tax free. Your Roth 401(k) contributions, like your before-tax contributions, grow tax free, which means any investment earnings associated with your contributions are tax free and continue to grow until you withdraw them. Investment earnings are tax free when you receive a distribution. With Roth 401(k) contributions, your contributions and investment earnings are tax free when you receive a distribution—provided your distribution of Roth 401(k) contributions meets the requirements for a tax free distribution. A distribution is considered qualified if you are at least age 59 ½ and your Roth 401(k) contributions have been invested in the plan five years from the date of your first Roth 401(k) contribution.

Separate Bonus Contribution Elections

Starting in 2019, the Plan allows separate deferral rates on annual bonus pay, if eligible. You can elect separate Before-tax, Roth, Before-tax Catch-up and Roth Catch-up rates.

KeyCorp Matching Contributions

After you have completed one year of service, Key will make a 100% matching contribution to your account for every dollar you save (up to a Plan maximum of 6% of your pay per pay period). Key does not match any additional before-tax or Roth after-tax contributions in excess of this 6% contribution amount. Effective for Plan years on and after January 1, 2012, the KeyCorp Common Stock Fund shall be closed to all new contributions and transfers, including KeyCorp matching contributions. Accordingly, KeyCorp matching contributions made in connection with before-tax contributions that are attributable to the 2012 Plan year (or any future Plan year) shall be made in cash and shall be invested pursuant to the investment election then being used for investing the before-tax contributions being made for the participant on whose behalf that matching contribution is being made. Should a participant not have an investment election on file, or to the extent that participant's election includes investing in the KeyCorp Common Stock Fund, those KeyCorp matching contributions shall be invested in the age-appropriate Qualified Default Investment Alternative (QDIA).

For Plan years commencing on or after January 1, 2019, KeyCorp matching contributions will be reviewed quarterly. At the end of each quarter, KeyCorp shall redetermine the matching contributions for each participant based on the participant's eligible annual year-to-date compensation. Any participant for whom the KeyCorp matching contributions have not been sufficiently made in accordance with the matching contribution formula elected by Key, but applied on a quarterly basis, shall receive an additional matching contribution so that the total annual matching contributions as a percentage of eligible annual compensation are matched in accordance with the formula elected by Key. For example:

Thomas earned $50,000 in 2019. He contributes 4% of pay for part of the year, and then increases his contribution to 8% of pay midyear. As the calculations below demonstrate, on average, he contributes 6% of pay.

Paycheck Sequence	Compensation	Deferral Rate	Savings Amount	Match Amount Before True-Up
Months 1 through 3	$12,500	4%	$500	$500
Months 4 through 6	$12,500	8%	$1,000	750
Quarter-to-Date Total	$25,000	Average Deferral Rate: $1,500/$25,000 = 6%	$1,500	$1,250

Summary of calculation:

- The annualized deferral rate will be calculated as follows: $1,500 divided by $25,000 = 6%.
- Because Thomas deferred, on average, 6%, he will receive a dollar for dollar

matching contribution on up to 6% of pay.

- The maximum match allowed will be calculated as follows: $25,000 multiplied by 6% = $1,500.

- The true-up match will be calculated as follows: $1,500 (maximum match) minus $1,250 (match already received) = $250. Thomas will receive a $250 quarterly match true-up in July.

Note: Only employee contributions contributed and pay earned after an individual is eligible for the company match are included in true up. Amounts that are contributed prior to the one-year anniversary of the participant's employment are not included in the calculation of true up.

Profit Sharing Contributions

The Plan provides that Key may also make a profit sharing contribution to your Plan Account. You are eligible for this contribution after you have completed one year of service, provided you are actively employed by KeyCorp as of the last day of the Plan year for which the contribution is made.

For Plan years beginning on or after 2012, KeyCorp may provide profit sharing contributions annually. The decision to grant a profit sharing contribution in any Plan year is generally determined by KeyCorp management. Prior to January 1, 2010, any profit sharing contributions under the Plan were to be automatically invested in the Key Common Stock Fund and were subject to your investment direction after you have completed three years of service or attained age 55. Commencing January 1, 2012, participants in the Plan shall have their profit sharing contribution invested based on their current investment choices made in the Plan.

For Plan years beginning on and after January 1, 2012, a participant shall be able to share in profit sharing contributions for the applicable year if the participant has experienced a "Termination Under Limited Circumstances" during the Plan year. This includes:

- Severance benefits or salary continuation benefits under the terms and conditions of the KeyCorp Separation Plan in effect at the time of such termination; or
- Severance benefits, salary continuation benefits, or similar benefits under the terms and conditions of an agreement with Key or another employer, including, without limitation, a change of control agreement or employment or letter agreement.

Should the participant fail to direct the investment of the assets in his or her Plan Account and decline the opportunity to submit investment instructions in accordance with this Plan, such participant will be treated as exercising actual control over the assets in his or her Annual Profit Sharing Contribution Account through the investment of his or her Annual Profit Sharing Contribution Account in a QDIA selected in accordance with written procedures established by the Plan Administrator. For Plan years commencing January 1, 2010 and thereafter, profit sharing contributions shall be allocated and credited to the Annual Profit Sharing Contribution Accounts of each participant in the ratio that the participant's pay bears to the pay of all eligible participants entitled to receive an allocation based on the further terms and conditions set forth in this Plan.

Following is an example to help illustrate the allocation of profit sharing for an individual. The amount that any individual receives is based on two factors — eligibility and pay. Profit sharing is determined by beginning with the pay earned from date of eligibility forward, multiplied by KeyCorp's annual defined profit sharing percentage for the year.

Below is an example of how this works:

Employee's Pay from 1/1 to 12/31 — $100,000
Employee's Match Eligibility Date — 7/1
Employee's Pay from 7/1 to 12/31 — $50,000
Annual Profit Sharing Contribution % for the year — 3%

Amount — $50,000 x 3% = $1,500

Note: Profit sharing is only allocated up to the 401(a)(17) limit, which is the recognized pay limit defined by the IRS. Any amount over this limit will not receive profit sharing in the Plan.

Historical Plan Monies

If you participated in a plan that was merged into the Plan, or if you rolled funds from another employer plan into the Plan, you very likely maintain historical plan monies from the earlier plan. For example, you may have after-tax contributions, rollover contributions and PAYSOP contributions that are maintained in the Plan. These monies quite often have special withdrawal and distribution characteristics that are different from the withdrawal and distribution requirements of your before-tax contributions and Key matching contributions. Please review the Withdrawal section and the Distribution section of this Prospectus for specific information concerning these historical plan monies.

Your Choice

Your investment elections under the Plan should reflect an investment allocation
that matches your retirement goals and your philosophy toward investment risk and return
To help you better understand the various investment asset classes and their risk and return characteristics, investment information, including information concerning the Plan's various investment funds and Lipper's fund-ranking information, is also available to you with HR Online at **https://hronline.keybank.com**.

Please take advantage of these materials.

Changing Future Contributions, Suspending Contributions and Resuming Contributions

You may change your future before-tax contributions to the Plan, suspend your contributions to the Plan, and resume making contributions to the Plan by accessing H R Online at **https://hronline.keybank.com**.

Your new contribution rate will be effective immediately and will be applied as soon as administratively possible to subsequent payroll cycles.

If you experience any problems when using this Web site, contact KeyBank Employee Services representative at **1-888-KEYS2HR (1-888-539-7247).**The representative will help you through the process and answer any questions that you may have.

Catch-Up Contributions

As indicated earlier in this Prospectus, the Code limits the amount of your pay that may be deferred under the Plan to $19,000 (for the 2019 Plan year). To permit participants age 50 or older to "jump-start" their retirement savings, Congress has authorized the use of "catch-up contributions" to the Plan, which permit participants to defer additional retirement monies to the Plan in excess of the Code Section 402(g) limitations.

If you are age 50 or older by the last day of the applicable Plan year, you are eligible to make catch-up contributions to the Plan for that entire Plan year. For 2019, you may make a $6,000 catch-up contribution to the Plan.

Catch-up contributions may be made on a pay-by-pay basis or as a single lump-sum contribution amount on either a before-tax or Roth after-tax basis. To be eligible to make catch-up contributions, you must:

- Be age 50 by the last day of the applicable Plan year;
- Contribute at least 6% of your pay to the Plan (this requirement ensures that you take full advantage of the Key matching contribution); and
- Reach Code Section 402(g) limitation ($19,000 for 2019).

If you elect to make catch-up contributions for any Plan year, please remember that your election for catch-up contributions will automatically carry forward into the following Plan year unless you specifically discontinue your election. **Catch-up contributions are not matched. Catch-up contributions are made in the form of a dollar amount election rather than a percentage, as is the case with before-tax or Roth after-tax contributions. The catch-up contribution election is separate from the before-tax or Roth after-tax contribution Deferral Percentage election. If you intend to make changes to both, there are two elections that must be completed.**

You may elect to make catch-up contributions by accessing HR Online at **https://hronline.keybank.com**.

If you experience any problems when using this Web site, contact KeyBank Employee Services toll-free at **1-888-KEYS2HR (1-888-539-7247).** The representative will help you through the process and answer any questions that you may have.

Contributions During Your Leave of Absence

If you are absent from work due to an authorized leave of absence (*e.g.*, short-term disability), and you are paid during your leave, your before-tax contributions to the Plan will continue, unless you affirmatively choose to suspend those contributions.

If your leave is unpaid, your contributions to the Plan will be automatically suspended until you return to active employment. Upon your return to active employment after an unpaid leave, your rate of before-tax contributions and your Plan investment elections in effect immediately before your leave will be automatically resumed.

VESTING AND SAFE HARBOR INFORMATION

Vesting Under the Plan

Your Before-Tax and Roth After-Tax Contributions

The value of your before-tax and Roth after-tax contributions and any earnings and gains attributable to your before-tax contributions are always your property — that is, they are always 100% vested.

Key Matching Contributions and Profit Sharing Contributions

"Vesting" is the process of earning an ownership right to your Key matching contributions and profit sharing contributions. Matching contributions and profit sharing contributions with all earnings and gains thereon become your property and "vest" in the Plan:

After your completion of three years of vested service with Key;

On your normal retirement age (65 or, if later, the fifth anniversary of your Employment Commencement Date) under the Plan;

On the date that you become permanently and totally disabled; or

On the date that you die (if actively employed by KeyCorp).

You will receive one year of vested service for each "year of continuous service" with Key. A "year of continuous service" means a consecutive 12-month period of employment with Key. If you leave Key before you are vested, you automatically forfeit any matching contributions and profit sharing contributions with all earnings thereon that have been credited to your account up through your termination date.

Special vesting rules apply if you are not vested in your matching contributions and profit sharing contributions when you leave Key and are later rehired. (See page 46 of this Prospectus for an explanation of these special rules.)

Safe Harbor Vesting Provisions

Immediate Vesting

If Key elects to utilize the safe harbor provisions of the Code and thereby forego its IRS discrimination testing requirements, Key will automatically vest all Key matching contributions that are allocated to Plan participants' accounts for the applicable Plan year. That means that all Plan participants, regardless of their years of service with Key, will automatically vest in their matching contributions for the applicable safe harbor Plan year. Please note, the safe harbor Plan status does not impact the vesting for profit sharing contributions.

Hardship Distribution Limitation

Unlike other Key matching contributions allocated to participant Plan Accounts, the Code prohibits those fully vested Key matching contributions allocated to participants' accounts under the safe harbor provisions of Section 401(k) (12) from being distributed as a hardship distribution. Accordingly, Key's matching contributions will not be eligible for a hardship withdrawal if allocated under the safe harbor provisions of the Code.

Safe Harbor Determination

On an annual basis, the decision of whether to utilize the safe harbor provisions of Section 401(k) (12) of the Code will be made by Key. You will be notified a minimum of 30 days prior to the start of each Plan year concerning whether the safe harbor provisions of the Code will be utilized for that particular Plan year.

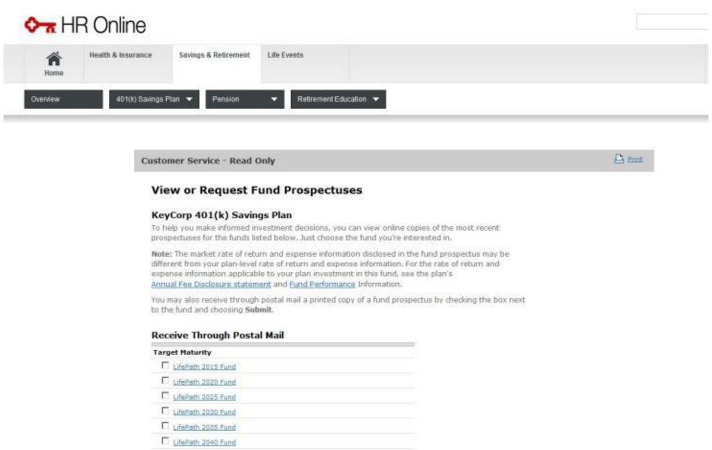
FNFG Plan Vesting

In general, an FNFG Plan participant who was an Employee on December 20, 2016, has, effective December 20, 2016, a fully vested non-forfeitable interest in his Plan account attributable to the FNFG Plan. A former FNFG Plan participant who forfeited all or a portion of his FNFG Plan account, is not an Employee on December 20, 2016, and resumes service as an Employee before the earlier of the date he dies or incurs his fifth consecutive "break in service" as defined in the FNFG Plan as in effect on December 20, 2016, may repay the full amount of any prior distribution in a lump sum at any time before the earlier of: (i) five years after the first date on which the participant resumes services as an Employee, or (ii) the date on which he incurs his fifth consecutive "break in service" as defined in the FNFG Plan as in effect on December 20, 2016. Upon such repayment, the FNFG Plan participant's forfeiture shall be restored (unadjusted for any investment gains or losses), and he shall have a fully vested non-forfeitable interest in his Plan account attributable to the FNFG Plan on the date of such repayment. Notwithstanding the foregoing, a Participant's Profit Sharing Contributions shall be subject to the following vesting schedule:

Years of Vested Service	Vested Percentage
Less Than Three	0%
Three or More	100%

Investment Fund Asset Classes and Investment Funds Available Under Each Asset Class

The following information about the investment funds (other than the KeyCorp Common Stock Fund) was derived from the prospectuses and other reports provided by the investment companies in which they are invested, and KeyCorp makes no representation as to the accuracy of such information or the more detailed information set forth in such documents. You should read the prospectus for each, which has been provided to you, in its entirety.



You can access prospectuses from HR Online at **https://hronline.keybank.com**.

After you log on to the Web site, go to **Savings & Retirement>401(k) Savings Plan >Fund Prospectuses**.

If you experience any problems when using this Web site, contact KeyBank Employee Services representative at **1-888-KEYS2HR (1-888-539-7247)** The representative will help you through the process and answer any questions that you may have.

<u>Asset Class — Money Market</u>

Money market funds are low-risk investments in that they offer stability of principal — the price of money market funds does not tend to fluctuate. The income return of money market funds changes over time. Also, yields on money market funds tend to be modest — typically in line with inflation over time.

<u>Federated Govt. Obligations Fund Inst.</u> — The Fund objective is to seek to provide current income consistent with stability of principal by investing in high-quality, short-term government instruments. The Fund invests primarily in financial instruments issued or guaranteed by the U.S. government, its agencies, or its instrumentalities with dollar-weighted average maturities of less than 90 days. These funds are commonly limited to 401(k) and pension participants and often require high minimum investments and have

lower total expense ratios relative to other money market funds. They intend to keep a constant net asset value.

Asset Class — GIC/Stable Value

In the past, this investment has shown a relatively small range of price fluctuations relative to other investments. Based on this measure, currently more than two-thirds of all investments have shown higher levels of risk. Consequently, this investment may appeal to investors looking for a conservative investment strategy.

KeyBank EB MaGIC Fund — The Fund objective is a reasonable level of income together with stability of principal. The Fund achieves this objective by investing in synthetic GICs, which are high-quality debt securities that are insulated from market volatility by a bank issued or insurance company issued wrap contract; guaranteed investment contracts (GICs), which are e companies; and cash and equivalents. The effective average maturity of the Fund is 3.5 years or less, and the Fund targets maintaining an average S&P credit quality of "AA" to stay above the current minimum requirement of "A."

Asset Class — Bond

Intermediate-term bond funds have average durations that are greater than 3.5 years and less than 6 years. Most of the funds rotate among a variety of sectors in the bond market, based upon which appear to offer better values. Whatever types of bonds they hold, these funds are less sensitive to interest rates, and therefore less volatile, than funds that have longer durations.

Vanguard Total Bond Market Index Fund — The Fund seeks to track the performance of a broad, market-weighted bond index. The Fund employs a "passive management" — or indexing — investment approach designed to track the performance of the Barclays Capital U.S. Aggregate Float Adjusted Index. It invests by sampling the Index , meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the full Index in terms of key risk factors and other characteristics. All of the Fund's investments will be selected through the sampling process, and at least 80% of the Fund's assets will be invested in bonds held in the Index. The Fund maintains a dollar-weighted average maturity consistent with that of the Index, which generally ranges between 5 and 10 years.

PIMCO Total Return Fund; Inst. — The Fund seeks maximum total return, consistent with preservation of capital and prudent investment management. The Fund seeks to achieve its investment objective by investing under normal circumstances at least 65% of its total assets in a diversified portfolio of Fixed Income Instruments of varying maturities, which may be represented by forwards or derivatives such as options, futures contracts, or swap agreements. "Fixed Income Instruments" include bonds, debt securities and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities.

Asset Class — Real Assets

Funds that allocate their investments across various asset classes, including domestic common stocks, bonds, and money market instruments, with a focus on total return.

PIMCO Diversified Real Asset Strategy Collective Investment Trust — The Fund seeks to provide strategic exposure to three core real assets: Treasury Inflation-Protected Securities (TIPS), commodities, and real estate. These asset classes individually and collectively provide important diversification and inflation-hedging benefits to investors.

Asset Class — Large U.S. Equity

Large-value funds focus on big companies that are less expensive or growing more slowly than other large-cap stocks. These funds often feature investments in energy, financial or manufacturing sectors.

Boston Partners Large Cap Value Equity Fund — The Fund seeks to provide a 100 basis points net of fees excess return over the Russell 1000 Value Index, over a full market cycle. The Fund invests at least 75% of its equity assets in large undervalued companies that are inside the United States.

Large-blend funds have portfolios that are fairly representative of the overall stock market in size, growth rates and price. They tend to invest across the spectrum of U.S. industries, and owing to their broad exposure, the funds' returns are often similar to those of the S&P 500 Index.

Vanguard Institutional Index Fund, Inst. Plus — The Fund seeks to track the performance of a benchmark index that measures the investment return of large-capitalization stocks. The Fund employs a "passive management" — or indexing — investment approach designed to track the performance of Standard & Poor's 500 Index, a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies. The Fund attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the Index, holding each stock in approximately the same proportion as its weighting in the Index.

Large-growth funds invest in big companies that are projected to grow faster than other large-cap stocks. Most of these funds focus on companies in rapidly expanding industries.

Jennison Large Cap Growth Separate Account — The Fund seeks long-term growth of capital by investing primarily in stocks of large cap companies that, based on fundamental analysis, have sustainable above-average earnings growth. Valuations of these companies may likewise be above the market average. Accounts in this composite typically have approximately 55 to 70 holdings.

Asset Class — Mid U.S. Equity

Typical mid-cap blend funds invest in stocks of various sizes and mixed characteristics, giving them a middle-of-the-road profile. Most shy away from high-priced growth stocks, but aren't so price-conscious that they land in value territory.

<u>*Vanguard Extended Market Index Fund, Inst. Plus*</u> — The Fund seeks to track the performance of a benchmark index that measures the investment return of small- and mid-capitalization stocks. The Fund employs a "passive management" — or indexing — investment approach designed to track the performance of Standard & Poor's Completion Index, a broadly diversified index of stocks of small and medium-size U.S. companies. It invests all, or substantially all, of its assets in stocks of its target index, with nearly 80% of its assets invested in approximately 1,200 of the stocks in its target index (covering nearly 85% of the Index's total market capitalization), and the rest of its assets in a representative sample of the remaining stocks.

<u>Asset Class — Small U.S. Equity</u>

Small-value funds invest in small-caps with valuations and growth rates below other small-cap peers. They tend to invest in manufacturing, financial and energy sectors.

<u>*Victory Sycamore Small Company Opportunity Fund Class I*</u> — The Fund seeks capital appreciation. The Fund invests primarily in equity securities of smaller companies that the advisor believes to be undervalued relative to their underlying earnings potential. Under normal circumstances, the Fund will invest at least 80% of net assets in equity securities of small companies. These are companies that at the time of purchase have market capitalization within the range of companies comprising the Russell 2000® Value Index.

<u>Asset Class — Small Cap Stock</u>

Small-growth funds focus on faster-growing companies whose shares are at the lower end of the market-capitalization range. These funds tend to favor companies in up-and-coming industries or young firms in their early growth stages. As a result, the category tends to move in sync with the market for initial public offerings. Many of these funds invest in the technology, health care and services sectors. Because these businesses are fast growing and often richly valued, their stocks tend to be volatile.

<u>*T. Rowe Price QM US Small-Cap Growth Equity (Class I)*</u> — The Fund seeks long-term growth of capital by investing primarily in common stocks of small growth companies. The Fund will normally invest at least 80% of its net assets in small-cap growth companies. The Fund seeks to invest in a broadly diversified portfolio of securities.

<u>Asset Class — Foreign Large</u>

Foreign large-value funds invest mainly in big international stocks that are less expensive than the market as a whole. Most of these funds divide their assets among a dozen or more developed markets, including Japan, Britain, France and Germany. They tend to invest the rest in emerging markets such as Hong Kong, Brazil, Mexico and Thailand. These funds typically will have less than 20% of assets invested in U.S. stocks.

Dodge & Cox International Stock Fund — The Fund seeks long-term growth of principal and income. The Fund invests primarily in a diversified portfolio of equity securities issued by non-U.S. companies from at least three different foreign countries, including emerging markets. Under normal circumstances, the Fund will invest at least 80% of total assets in common stocks, preferred stocks, securities convertible into common stocks and securities that carry the right to buy common stocks of non-U.S. companies. The Fund invests primarily in medium-to-large well-established companies based on standards of the applicable market.

Foreign large-core funds invest at least 75% of their equity assets in large companies that are outside the U.S.

Harding Loevner International Equity CIT — The Fund seeks long-term capital appreciation through investments in equity securities of companies based outside the United States.

Foreign large-blend funds invest in a variety of big international stocks. Most of these funds divide their assets among a dozen or more developed markets, including Japan, Britain, France and Germany. They tend to invest the rest in emerging markets such as Hong Kong, Brazil, Mexico and Thailand. These funds typically will have less than 20% of assets invested in U.S. stocks.

Vanguard Total International Stock Index Fund, Inst. Plus Shares — The Fund seeks to track the performance of the FTSE Global All Cap ex US Index, a free-float-adjusted market capitalization weighted index designed to measure equity market performance of companies located in developed and emerging markets, excluding the United States.

Asset Class — Company Stock

Company stock funds invest in an individual employer security, providing performance that is in line with the performance of the underlying employer stock. The total return of company stock funds may reflect dividend payments to shareholders, as well as capital appreciation or depreciation. Company stock funds are not diversified, and therefore are considered riskier than the "diversified" broad market. A company stock fund will hold a certain percent of assets in cash-equivalents for liquidity purposes. Therefore, it may not reflect the exact performance of the underlying security over any given time period.

KeyCorp Common Stock Fund — This company stock fund invests substantially all of its assets in $1 par value Common Shares of KeyCorp, but maintains a certain percentage of its assets in cash and cash equivalents for liquidity purposes. The Fund's objective is to provide an investment return that generally reflects the performance of KeyCorp Common Shares. The Fund's total return will reflect any dividend payments received in respect of the Common Shares held as part of the Fund, and any income generated on the cash and cash equivalents held as part of the Fund for liquidity purposes, as well as capital appreciation or depreciation on the KeyCorp Common Shares being held. The Fund uses a unitized system to account for the interests of those who invest in the Fund. Accordingly, the investment return realized on an individual interest in the Fund will reflect the Fund's overall return, rather than the return generated by specific Common Shares or by any other specific Fund asset(s). Company stock funds are not diversified, and therefore are considered riskier than the "diversified" broad market.

Effective for Plan years commencing on and after January 1, 2012, the Fund will not accept any before-tax contributions, matching contributions or inbound transfers, and will only liquidate investments as necessary to satisfy requests for outbound transfers and cash distributions. To the extent a participant directs (or continues to direct) that a portion of his or her before-tax contributions be invested in the KeyCorp Common Stock Fund for Plan years on and after January 1, 2012, those before-tax contributions shall be invested in the age-appropriate QDIA.

Asset Class — Target-Date Funds

Target-date portfolios provide a diversified exposure to stocks, bonds and cash for those investors who have a specific date in mind for retirement or another goal. These portfolios aim to provide investors with an optimal level of return and risk, based solely on the target date. Over time, management adjusts the allocation among asset classes to more conservative mixes as the target date approaches.

- *LifePath® Retirement Fund* — The Fund provides long-term investors with an asset allocation strategy designed to maximize assets for retirement, or for other purposes, consistent with the risk that investors, on average, may be willing to accept given their investment time horizon.

- *LifePath 2020 Fund* — The Fund provides long-term investors with an asset allocation strategy designed to maximize assets for retirement, or for other purposes, consistent with the risk that investors, on average, may be willing to accept given their investment time horizon.

- *LifePath 2025 Fund* — The Fund provides long-term investors with an asset allocation strategy designed to maximize assets for retirement, or for other purposes, consistent with the risk that investors, on average, may be willing to accept given their investment time horizon.

- *<u>LifePath 2030 Fund</u>* — The Fund provides long-term investors with an asset allocation strategy designed to maximize assets for retirement, or for other purposes, consistent with the risk that investors, on average, may be willing to accept given their investment time horizon.

- *<u>LifePath 2035 Fund</u>* — The Fund provides long-term investors with an asset allocation strategy designed to maximize assets for retirement, or for other purposes, consistent with the risk that investors, on average, may be willing to accept given their investment time horizon.

- *<u>LifePath 2040 Fund</u>* — The Fund provides long-term investors with an asset allocation strategy designed to maximize assets for retirement, or for other purposes, consistent with the risk that investors, on average, may be willing to accept given their investment time horizon.

- *<u>LifePath 2045 Fund</u>* — The Fund provides long-term investors with an asset allocation strategy designed to maximize assets for retirement, or for other purposes, consistent with the risk that investors, on average, may be willing to accept given their investment time horizon.

- *<u>LifePath 2050 Fund</u>* — The Fund provides long-term investors with an asset allocation strategy designed to maximize assets for retirement, or for other purposes, consistent with the risk that investors, on average, may be willing to accept given their investment time horizon.

- *<u>LifePath 2055 Fund</u>* — The Fund provides long-term investors with an asset allocation strategy designed to maximize assets for retirement, or for other purposes, consistent with the risk that investors, on average, may be willing to accept given their investment time horizon.

- *<u>LifePath 2060 Fund</u>* — The Fund provides long-term investors with an asset allocation strategy designed to maximize assets for retirement, or for other purposes, consistent with the risk that investors, on average, may be willing to accept given their investment time horizon.

A Note About the Plan's Investment Funds' Service Providers

The Victory Funds are distributed by Victory Capital Advisers Inc. Victory Capital Management Inc. is the investment advisor and administrator to the funds and receives a fee from the funds for performing services for the funds.

KeyBank, N.A. serves as custodian to the Victory Funds and Trustee of the KeyBank Managed Guaranteed Investment Contract Fund for Employee Benefit Trusts; it receives fees for its services.

The investment funds offered under the Plan funds are not FDIC-insured deposits or other obligations of, or guaranteed by, any KeyCorp bank or its affiliates, and are subject to investment risks, including possible loss of the principal amount invested.

Under the terms of the Plan, the Plan may add, delete or modify Plan investment funds as it determines necessary or in the best interest of Plan participants. In the event that funds are added, deleted or modified, all Plan participants will be notified accordingly.

The Plan Trustee

The Trust Oversight Committee has appointed BNY Mellon, 500 Grant Street, Pittsburgh, PA 15258-0001, as Trustee of the Plan. The Trust Oversight Committee may, at any time, remove the Trustee and appoint a successor Trustee.

The Plan Is a "Participant-Directed Plan"

The Plan is what is commonly referred to as a "participant-directed plan." A participant-directed plan permits you, the participant, to choose how to direct the investment of your before-tax contributions, as well as any historical contributions and rollover contributions that you may have in the Plan, and any company contributions (including matching contributions and/or profit sharing contributions).

In a participant-directed plan, Section 404(c) of the Employee Retirement Income Security Act (ERISA) permits Plan participants to assume responsibility for their Plan investment decisions. By permitting Plan participants to exercise direct control over their Plan assets, Section 404(c) also provides that no other Plan fiduciary will be held responsible for any losses that the participant incurs as a result of the participant's investment control and investment decisions. In simplest terms, because you direct your Plan's investment decisions, you relieve Plan fiduciaries from responsibility for any losses that may result to your Plan Account as a result of your investment decisions and directions.

The protections provided to Plan fiduciaries under Section 404(c) of ERISA make great sense. It would be unfair for a Plan fiduciary to be required to follow your investment instructions — and then be held responsible for the wisdom or prudence of your investment decisions and directions.

Accordingly, Section 404(c) of ERISA places great responsibility on you, the participant, to make wise investment decisions.

How to Make Informed Investment Decisions

Directing the investment of your Plan contributions permits you to have the opportunity to actively participate in and strategize your retirement planning.

As we all know, periods of growth often mean periods of significant gain. As we also know, however, periods of falling stock and mutual fund values also may result in your Plan Account's loss in value, and accordingly, a reduction in your Plan balance.

In making your investment decisions, there are several points that you will want to consider in determining which investment fund options are best for your individual investment circumstances. Specifically:

- Your risk tolerance;
- The concept of dollar cost averaging;
- The investment attributes of each investment fund option; and
- Your long-term retirement income objectives, which must be carefully considered, reviewed at least annually, and compared against your then-existing personal financial circumstances.

Before you make any investment decisions, you should always carefully compare your personal financial circumstances and long-term investment goals with the investment objectives of the various investment funds offered under the Plan. In making your investment decisions, always keep in mind that your final Plan benefit will be based on your Plan contributions, Key matching contributions, and the investment return (*i.e.*, the gain or loss) on your Plan funds.

It is very important for you, as a Plan participant and the person responsible for investing your Plan funds, to understand the importance of investment planning and investment diversification. When the time comes for you to receive your Plan benefit, remember that you will only receive the value of your account balance — as it has grown or sustained losses while in the Plan.

Accordingly, please be certain to read the following sections of this Summary that discuss where to obtain information on the investment funds offered under the Plan. Key automatically provides you with information via the mail or via the Your Benefits Resources Web site (*i.e.*, investment fund prospectuses) when you first become invested in a particular investment fund and when new investment funds are added to the Plan. Please read these materials carefully.

You must remember that the value of your distribution from the Plan will always be subject to the performance of the Plan's investment funds in which you have invested your Plan contributions. If your investment values decline, you may receive less from the Plan than you and Key originally contributed to the Plan.

Please take the time to review HR Online at **https://hronline.keybank.com**, which provides you with excellent investment materials, including Lipper research analysis.

Investment Fund Information

When you first become a Plan participant, and thereafter as additional mutual investment funds are utilized under the Plan, the Plan provides you with or makes available to you a prospectus for each mutual investment fund, based on your preference elected. A "prospectus" is the legal document required by the Securities Act of 1933 that provides important investment information on the individual mutual funds offered as investment funds under the Plan. A prospectus is required to include information on the fund's basic investment objectives, its investment policies, its investment risks, and its fund expenses. Prospectuses also include a financial overview or a financial highlights table on the mutual funds' actual investment performance over a minimum three-year period. The Plan also offers you the opportunity to invest in collective investment funds and separately managed accounts. Collective investment funds and separately managed accounts are not subject to the prospectus requirements noted above.

In addition to investment fund prospectuses, on a monthly basis, the Plan also makes available to all participants a ***Fact Sheet*** (prepared by Lipper and updated by the 15th of each month for the prior month details) and asset allocation information that is educational and updates the information already provided to Plan participants concerning the funds in which they are invested. For access to the monthly ***Fund Fact Sheets*** made available under the Plan, go to HR Online at **https://hronline.keybank.com**.

Fund prospectuses contain important fund information that should be carefully reviewed by you prior to your making any Plan investment decisions.

If you need an additional copy of any (or all) of the investment fund prospectuses, you can order them by accessing HR Online at **https://hronline.keybank.com**.

If you experience any problems when using this Web site, contact a KeyBank Employee Services representative at **1-888-KEYS2HR (1-888-539-7247).** The representative will help you through the process and answer any questions that you may have.

Key also provides all Plan participants with a Summary Annual Report, which provides an annual financial recap of the Plan.

You have the right to receive the following information upon request:

- A description of the annual operating expenses of each standard investment option and the aggregate amount of such expenses expressed as a percentage of average net assets.

- Copies of any updated prospectuses, financial statements and reports and other information furnished to the Plan relating to each such investment option.

- A listing of assets comprising the portfolio of each standard investment option, the value of such assets (or the proportion of the investment option which it comprises) and, with respect to each asset that is a fixed-rate investment contract issued by a bank, savings and loan association or insurance company, the name of the issuer of the contract, the term of the contract and the rate of return of the contract.

- Information concerning the value of shares or units in each investment option, as well as the past and current investment performance of each investment option.

- Information concerning the value of shares or units in each investment option held in your account.

With respect to the KeyCorp Common Stock Fund, procedures have been established to assure the confidentiality of your Company Stock Fund transactions and your exercise of voting, tender and similar rights associated with the Common Shares in such fund. The procedures provide that the Trustee will carry out your instructions and will maintain the confidentiality of your actions, except to the extent necessary to comply with federal and state laws. The Trustee is an independent fiduciary appointed to carry out activities relating to any situation where the potential for undue influence may arise with regard to the exercise of shareholder rights. If you have any questions, please contact the Plan Administrator. The Plan Administrator is responsible for monitoring compliance with the procedures for confidentiality of information and ensuring that those procedures are sufficient and are being followed.

The Plan Administrator is also responsible for providing the above information. The contact information for the Plan Administrator is set forth under the heading, **Events That May Affect Your Plan Benefits**, subheading "Plan Documents and KeyCorp's Interpretation" on page 48.

Read These Materials Carefully

One of the most important investment decisions that you can make as a Plan participant is the investment decision to learn about the Plan and to understand the different types of investment funds offered under the Plan. You cannot make an informed investment decision until you understand the asset classes offered under the Plan and the direction of each investment fund provided under the Plan. What are the financial objectives and investment focus of each fund? Are certain investment funds more volatile than others? What is the safest investment fund for purposes of preservation of your capital (*i.e.*, your Plan contributions)? What types of investment funds produce the highest investment yields?

There is probably no greater retirement planning strategy than becoming a well-informed and knowledgeable Plan investor. Remember, you are investing ***your*** money for ***your*** retirement. While Key can and will help you accomplish your retirement planning goals by sponsoring the Plan and by providing you with a Key matching contribution, only you, the Plan participant, can determine what investment direction will best suit your retirement goals.

The Plan is intended to qualify as an individual account plan as described in Section 404(c) of the Employee Retirement Income Security Act (ERISA), and Title 29 of the Code of Federal Regulations Section 2550.404 c1, which is intended to relieve the Plan fiduciary from any responsibility for losses that are a result of your investment elections/decisions.

* * *

The KeyCorp Savings Plan Prospectus, the Prospectus for each respective Plan investment fund, monthly Fund Fact Sheet Summaries, and the Plan Summary Annual Report provide valuable Plan information, which should be reviewed regularly when making your investment elections. If you have additional questions regarding the Plan investment funds, or if you need copies of the foregoing documents, please call **888-KEYS2HR (888-539-7247).**

Your Investment Elections Upon Plan Participation

You may invest your contributions or any company contributions in any of the Plan investment funds. Your investment fund elections will continue until affirmatively changed by you.

Changing Your Investment Elections

You may change your investment choices with respect to your future contributions or future company contributions, and you may transfer or reallocate amounts previously invested in the Plan between investment funds on a daily basis or you may elect to have your investments automatically rebalanced for you. The automatic rebalancing can be performed every 90 days, every 180 days or annually based on the frequency you choose. You may make any of these changes by accessing HR Online at **https://hronline.keybank.com**.

Generally, your investment election will be effective as of the following business day, provided that you have completed your election prior to 12 a.m. ET.

If you experience any problems when using this Web site, contact a KeyBank Employee Services representative at **1-888-KEYS2HR (1-888-539-7247).** The representative will help you through the process and answer any questions that you may have.

Insider Limitations

If you are an Insider as defined under Section 16 of the Securities Exchange Act of 1934, as amended, you will be limited in your ability to transfer out of the KeyCorp Common Stock Fund. You may also be limited in your ability to take an in-service withdrawal or loan of your Plan funds that are invested in the KeyCorp Common Stock Fund.

Trading Limitations

KeyCorp, in its capacity as Plan Administrator, will review participant trading activity under the Plan's various investment funds to ensure that it remains in the best interest of all Plan participants. If it is determined that a participant is engaging in excessive, abusive or market timing trading activity, the participant will be prohibited under the Plan from making additional

Plan trades within the affected fund for a 90-day period, or as may be imposed by the investment fund you've selected. See the fund prospectus or fund site for details regarding these limitations.

In addition to the general monitoring of participants' trading activity, some fund managers have required additional limitations on trading. For full details regarding the current trading restrictions in the KeyCorp 401(k) Savings Plan, please refer to the Trading Restrictions document. To access the Trading Restrictions document, log on to HR Online at **https://hronline.keybank.com**. After you log on to the Web site select the Benefits Reference tile and go to Plan Information

The Plan Administrator is obligated by law to ensure that the Plan operates in the best interest of all Plan participants. As abusive or questionable trading conduct is discovered, the Plan retains the absolute and unconditional right to limit such trading conduct and to limit future trading activity.

Resale/Assignment Limitations

Benefits under the Plan cannot be assigned, pledged or otherwise alienated by a participant, except that a portion of a participant's separate accounts under the Plan may be used as a security for a loan from the Plan to the participant. In the event that a participant loan is not repaid as required by its loan terms, the participant's separate accounts may be charged for the loan amount due. Third parties (other than taxing authorities) generally cannot place a lien on or otherwise attach a participant's Plan funds. The IRS does have the authority to issue a levy for unpaid taxes against your account.

Plan Accounts

The money that you and Key contribute to the Plan is held in a trust fund, which is administered in accordance with the rules of the Plan, the Trust Agreement, the Employee Retirement Income Security Act (ERISA), and the rules required by the Internal Revenue Service and the Department of Labor.

When you become a Plan participant, a Plan Account will be established in your name with the Trustee through the record keeper for the Plan, which will reflect your before-tax contributions, Key matching contributions and profit sharing contributions; any historical contributions; and any rollover contributions that you have "rolled" from another tax-qualified retirement plan into the Plan.

All earnings, gains or losses from your investment elections in the Plan are reflected in your individual Plan Account balances. Your Plan Account is valued on a daily basis. The method of valuing your Plan Account is based on a "unit" or unitized method of accounting.

What Is "Unit Accounting"?

In a plan that uses a unitized method of accounting, each participant's account holds units of the investment fund in which the participant has elected to invest his or her plan funds, which includes both cash and shares in the investment fund. For example, the KeyCorp Common Stock Fund is invested in KeyCorp Common Stock, but under the unit method of accounting, rather than being 100% invested in all KeyCorp stock, the Trustee invests a small portion of the fund in short-term investment instruments in order to provide for immediate fund liquidity.

Unit values are calculated daily by dividing the total assets of the unitized stock fund (*i.e.*, the current value of the underlying stock plus any short-term investments) by the total number of units that have been allocated to the participants' accounts. Accordingly, the unit price will not equal the price of the underlying stock. Also, the change in the market value of a unit may not be exactly the same as the change in the market value of the underlying stock due to the value of the short-term investment instruments also held in the fund for liquidity purposes.

Unit accounting facilitates the Plan's (i) daily trading, (ii) faster processing of participant withdrawals and loans, and (iii) integration of interest paid by the fund into the daily net asset value (NAV) of the fund, which is applicable to the bond funds within the Plan.

Within the Plan the following funds are unitized:

Federated Govt. Obligations Fund Inst.
KeyBank EB MaGIC Fund
Vanguard Total Bond Market Index Fund
PIMCO Total Return Fund; Inst.
Jennison Large Cap Growth
KeyCorp Common Stock Fund
LifePath® Retirement Fund
LifePath 2020 Fund
LifePath 2025 Fund
LifePath 2030 Fund
LifePath 2035 Fund
LifePath 2040 Fund
LifePath 2045 Fund
LifePath 2050 Fund
LifePath 2055 Fund
LifePath2060 Fund

Investment Valuation

As discussed above, investment funds are accounted for on a unitized basis and valued daily.

All participant contributions are invested in and held by the Trustee in accordance with participant instructions, Plan requirements and Trust requirements. Income and proceeds from the sale of assets maintained in each investment fund are reinvested in the fund, and no participant has a direct interest in any particular asset of the fund.

A summary of the investment performance for each investment fund is provided to Plan participants on a daily, quarterly and year-to-date basis on HR Online at **https://hronline.keybank.com.**

Statement of Account Balances

On a quarterly basis, you will receive information on how to view or request a detailed statement showing the status of your Plan Account. The statement will indicate the growth or loss of your account balance and what contributions, transfers, loans and/or withdrawals, if any, were made during the reporting period. The statement will also include important information about trading restrictions, investment risk information and investment education reference material.

Actively employed participants will receive electronic communications that will explain how they may access this information via the Web site or request a paper copy by contacting KeyBank Employee Services representative at **1-888-KEYS2HR (1-888-539-7247).** Formerly employed participants or participants on leave of absence will receive this information via postal mail.

General Dividend Payment Information

On a quarterly basis, KeyCorp may pay a dividend on its common stock to all KeyCorp shareholders of record. Because the Plan is regarded as the shareholder of record for all Plan participants, KeyCorp pays its required dividends on shares maintained in the Plan's KeyCorp Common Stock Fund directly to the Plan. The Plan, in turn, then either (i) reinvests the dividend back into the Plan's KeyCorp Common Stock Fund, or (ii) pays the dividend in cash to the Plan participant. If the participant elects to have the dividend reinvested back into the Plan's KeyCorp Common Stock Fund, these additional Common Shares are then allocated, on a unitized basis, directly to the participant's KeyCorp Common Stock Fund Account.

Dividend Payment Option

If you choose to receive your dividends as a cash payment, the Trustee will determine the number of equivalent Common Shares that you maintain in the Plan's KeyCorp Common Stock Fund. The dividends on this share number will be paid to you by direct deposit into your KeyCorp checking account (or by check mailed to your home address if you do not have a KeyCorp checking account) 7 – 10 business days from the dividend payment date.

Election to Receive a Cash Payment of Dividends

Participants may elect to receive a cash payment of their Plan dividends on a quarterly basis. All elections must be made no later than 4 p.m. ET the day of the scheduled ex-dividend date.

If you miss the quarterly deadline, your late notification will be treated as instructions for the following quarter unless you make another change to your election before the next deadline. You must make your election by accessing Key2Retirement through HR Online at **https://hronline.keybank.com.**

Please note that once you have elected to have your dividends automatically paid to you, your election will remain in effect until affirmatively changed by you.

If you experience any problems when using this Web site, contact a KeyBank Employee Services representative at **1-888-KEYS2HR (1-888-539-7247).** The representative will help you through the process and answer any questions that you may have.

Tax on Distributed Dividends

If you elect to receive your dividends in cash for any quarter, your dividend payment is subject to income tax. Key does not withhold any taxes for dividend payments paid to you. Dividends paid from the Plan may not be rolled over.

Accordingly, you may need to increase your tax withholding amounts (by filing a new W-4 form) or make estimated tax payments to help ensure that you do not underwithhold, thereby being subject to tax penalties and interest. All dividend payments will be issued on a separate form.

Participants are advised to seek advice from their tax advisors in evaluating their dividend payment options.

YOUR VOTING RIGHTS UNDER THE PLAN

Each participant in the Plan, as a "Named Fiduciary," is entitled to direct the manner in which the Trustee will vote those KeyCorp Common Shares credited to the participant's KeyCorp Common Stock Fund Account. The Trustee votes participants' Common Shares in accordance with the voting instructions received from each participant. If the participant fails to vote his or her Common Shares, those not voted shares are voted in proportion to the Common Shares voted by all voting Plan participants as Named Fiduciaries.

Participant voting instructions received by the Trustee are held in strictest confidence and will not be divulged or released to any person, including directors, officers or employees of Key, or of any other company, except as required by law. The Trustee must receive voting instructions in a timely manner in order to be effective.

In the event of a tender offer for Key's shares, the Trustee will give notice of such offer to all Plan participants, and each participant will direct whether his or her Common Shares will be tendered for sale or exchange.

You cannot direct the Trustee on the exercise of any voting, tender or similar rights for any Plan investment fund other than the KeyCorp Company Stock Fund.

IN-SERVICE WITHDRAWALS

About In-Service Withdrawals

The Plan provides you with a very generous before-tax savings vehicle that allows you to save on a tax-advantaged basis for your retirement.

Key recognizes, however, that prior to retirement you may be faced with a financial hardship that will require you to access some of your Plan funds. ***The withdrawal of your Plan funds is permitted under very limited circumstances.***

Obtaining an In-Service Withdrawal (Non-Hardship) of Your Plan Funds

You may only withdraw your funds from the Plan if you have attained age 59½ or older. If you are under age 59½, you may not receive an in-service withdrawal of your before-tax contributions, matching contributions or profit sharing contributions, except as a hardship withdrawal. You may withdraw your Rollover and After-Tax Accounts at any time. All in-service withdrawals may be taken in cash or in cash with the amount attributable to the Common Stock Fund in shares.

To obtain an age 59½ Rollover Account or After-Tax Account in-service withdrawal of your various Plan funds, please access HR Online at **https://hronline.keybank.com**.

Generally, you will be asked several questions (*i.e.*, the amount of your withdrawal request, if you would like to roll over any of the withdrawal and type of money). For further information regarding delivery of payments, please reference HR Online at **https://hronline.keybank.com.**

If you experience any problems when using this Web site, contact a KeyBank Employee Services representative at **1-888-KEYS2HR (1-888-539-7247).**
The representative will help you through the process and answer any questions that you may have.

Hardship Withdrawals

Obtaining a Hardship Withdrawal of Your Plan Funds

If you are under age 59½ and you have a qualifying "financial hardship" (as defined by IRS regulations), you may withdraw a portion of your before-tax contributions and any non-safe harbor Key matching contributions (*i.e.*, matching contributions made to the Plan prior to January 1, 2002), as well as any Key profit sharing contributions allocated to your Plan Account. Remember, safe harbor matching contributions made may not be accessed through a hardship withdrawal.

Under current IRS regulations, a "financial hardship" exists if:

- You can demonstrate an extreme financial need;

- You have no other resources reasonably available to you to meet your extreme financial need; and

- Your requested withdrawal is for:

  — **The purchase of your primary residence** (you must submit a signed purchase agreement or contractor's building agreement);

  — **To prevent the eviction from or foreclosure on your primary residence** (you must submit copies of court pleadings, notices or correspondence which substantiate the foreclosure or eviction proceeding);

  — **To pay for outstanding uninsured medical and/or dental expenses for you, your spouse or domestic partner, and/or your dependent(s)** (you must submit unreimbursed medical bills or insurance statements);

  — **To pay for tuition for the next quarter or semester of approved postsecondary education for you, your spouse or domestic partner, your children and/or one of your dependents** (you must submit an itemized or estimated bill and verification of enrollment from the college or university, and you may only obtain funds for the upcoming semester or quarter);

  — **To pay for funeral/burial expenses for your deceased parent, spouse or domestic partner, children or dependents** (you must submit the funeral/burial billing statement and paperwork verifying expenses); or

  — **To pay for repairs to your principal residence related to unforeseen/catastrophic damages** (you must submit paperwork verifying expenses from the insurance report, estimate of repairs, or documentation that gives damages explanation).

For any questions regarding who would be considered a dependent, please contact a KeyBank Employee Services representative at **1-888-KEYS2HR (1-888-539-7247).**

Applying for a Hardship Withdrawal

If you have one of the six qualifying "financial hardship" events discussed above, you must first determine whether you have exhausted all other financial resources reasonably available to you.

That means that as long as you have funds available to be taken as a loan from the Plan, you must first seek your needed Plan funds through the Plan loan program.

Please note that your hardship withdrawal amount may never be more than the documented amount of your financial hardship.

Hardship Withdrawal Application Form

To obtain a Hardship Withdrawal Application Form, please access HR Online at **https://hronline.keybank.com.**

If you experience any problems when using this Web site, contact a KeyBank Employee Services representative at **1-888-KEYS2HR (1-888-539-7247).** The representative will help you through the process and answer any questions that you may have.

You must complete the application and attach proper documentation that supports your hardship withdrawal request. The application will provide you with full details regarding the documentation requirements.

Tax Consequences of an In-Service Withdrawal

Non Roth After-Tax Contributions

If you obtain an in-service withdrawal of your non Roth after-tax contributions (*i.e.,* grandfathered contributions from previous plans), your earnings withdrawn will be subject to a mandatory 20% withholding tax, if you elect not to roll them over into a tax-qualified plan or IRA. In addition, if you are under age 59½. you will also be required to pay a 10% early withdrawal penalty on all after-tax earnings withdrawn.

Grandfathered Matching Contributions and Profit Sharing Contributions (i.e., those pre-1992 Society Plan matching contributions and profit sharing contributions)

If you obtain an in-service withdrawal of grandfathered matching contributions and profit sharing contributions, you will be required to pay ordinary income tax on the monies withdrawn. If you are under age 59½, you will be subject to an additional 10% early withdrawal tax penalty. Also, your withdrawal will be subject to a mandatory 20% withholding tax if you elect not to roll your funds into a tax-qualified plan or IRA.

Roth After-Tax Contributions

Roth withdrawals are subject to the same provisions states above for non-Roth balances. However, if you withdraw all or a portion of your Roth 401(k) savings at Age 591/2 but before you have held the money in your account for five years, the investment earnings will be subject to taxation, withholding and an early distribution penalty.

Rollover Contributions

If you obtain an in-service withdrawal of your rollover contributions, you will be required to pay ordinary income tax on the monies withdrawn. Your withdrawal will be subject to a mandatory 20% withholding tax if you elect not to roll your funds into a tax-qualified plan or IRA. Also, if you are under age 59½, you will be subject to an additional 10% early withdrawal tax penalty.

Before-Tax Contributions (only if you are over age 59½)

If you obtain an in-service withdrawal of your before-tax contributions, you will be required to pay ordinary income tax on the monies withdrawn. Also, your withdrawal will be subject to a mandatory 20% withholding tax if you elect not to roll your funds into a tax-qualified plan or IRA.

Hardship Withdrawal

If you receive an in-service withdrawal of your Plan funds as a hardship withdrawal, you will be required to pay ordinary income tax on the distributed amounts. If you are under age 59½, your distribution will be subject to an additional 10% early withdrawal penalty. When you apply for a hardship withdrawal, you may request to "gross up" your requested hardship withdrawal amount by the amount of taxes you will be required to pay upon receipt of your distribution. **Hardship withdrawals are not eligible for rollover to an IRA or another qualified plan.**

Because of the numerous tax penalties associated with an in-service withdrawal of your Plan funds, KeyCorp strongly recommends that you obtain professional financial and tax advice prior to requesting an in-service withdrawal of your Plan funds.

In-Service Withdrawals

In-Service Withdrawal Type	Maximum Amount Available	Plan Penalty	Waiting Period	Tax Consequences*
After-Tax Contributions. (Grandfathered contributions from previous plans)	1. All employee after-tax contributions as of December 31, 1986 (with or without earnings). 2. All after-tax contributions made after January 1, 1987, plus earnings. Amount withdrawn will be prorated between contributions and earnings.	None	None	Both a mandatory 20% withholding on all earnings withdrawn and, if under age 59½, a 10% early withdrawal penalty on all earnings withdrawn, unless these earnings are rolled directly into an IRA or other tax-qualified plan.
Roth After-Tax Contributions	Participants at age 59½ or over may withdraw any Roth amount up to and including the	None	5 Years	Roth contributions and earnings can be withdrawn tax-free in retirement provided you're Age 59 ½ or older and your Roth 401(k)

In-Service Withdrawal Type	Maximum Amount Available	Plan Penalty	Waiting Period	Tax Consequences*
	participant's balance.			account is at least 5 years old. If you withdraw all or a portion of your Roth 401(k) savings at Age 591/2 but before you have held the money in your account for five years, the investment earnings will be subject to taxation, withholding and an early distribution penalty.
Before-Tax Contributions	Participants at age 59½ or over may withdraw any amount up to and including the participant's balance. ***Participants under age 59½ may not withdraw before-tax contributions from the Plan, except as a hardship withdrawal.***	None	None	Both a mandatory 20% withholding on your payment and, if under age 59½, a 10% early withdrawal penalty on your payment, unless the payment is rolled directly into an IRA or other tax-qualified plan. Tax withholding for a hardship withdrawal is at 10%.
Rollover Contributions. (Funds rolled into the Plan from other qualified plans, other than Restricted Rollovers.)	All Rollover Contributions.	None	None	See Before-Tax Contributions.
Matching Contributions and Profit Sharing Contributions	All or any portion of the value of the participant's vested Matching Contributions and Profit Sharing Contributions, plus earnings thereon.	None	None	See Before-Tax Contributions.
Company Contributions (only available to KeyCorp Plan participants who were participants in the Society Plan as of December 30, 1992) — not available to former Ameritrust ESIP+ and/or former Key Profit Sharing Plus participants.	All or any portion of the value of the participant's vested Company Contributions, valued as of December 30, 1992, plus earnings thereon.	None	None	See Before-Tax Contributions.

*Refer to the section titled **Distributions — Tax Consequences** on page 42 for additional information.

LOAN PROGRAM

About the Loan Program

If you are an active Key employee and have a vested Plan balance, you are eligible to request a loan from the Plan.

Applying for a Loan

To apply for a loan, please access HR Online at **https://hronline.keybank.com.**

You will be asked a series of questions concerning the various terms of your loan request (your requested loan amount and requested loan repayment terms, etc.). Your loan will be automatically processed, and you will receive a direct deposit or a check in the amount of your requested loan amount.

If you are married and you maintain Grandfathered Plan funds that are subject to a joint and survivor annuity requirement, your spouse will be required to complete a Joint and Survivor Annuity Waiver Form, and his or her signature on this form must be notarized. Once the Joint and Survivor Annuity Waiver Form is returned, you may request a loan through HR Online at **https://hronline.keybank.com** as outlined above.

If you experience any problems when using this Web site, contact a KeyBank Employee Services representative at **1-888-KEYS2HR (1-888-539-7247).**
The representative will help you through the process and answer any questions that you may have.

You will receive a Promissory Note, Security Agreement, Assignment of Plan Interests and Payroll Deduction Authorization ("Promissory Note") at the time that you receive your loan distribution. Your negotiation of the check representing your loan proceeds or your receipt of the loan proceeds constitutes your acceptance of the terms and conditions contained within your Promissory Note.

Please note that if you fail to negotiate your loan check within 45 days from the date of its issue, your loan will be automatically canceled, and your loan proceeds may be redeposited into your Plan Account. During this 45-day period, you will lose any growth on your funds, from the time of their withdrawal until the time of their redeposit, which will be based on your current investment fund selections at the then-prevailing fund price.

Number of Loans

You may have only two loans outstanding at any given time (*i.e.*, at the time of your loan application you may have only one outstanding loan). **If you have defaulted on any previous Plan loan, that loan will be considered outstanding for purposes of determining loan availability.** In the event you have previously defaulted on one Plan loan and have another outstanding, loan repayments can only be made by payroll deduction. **Note:** If you previously defaulted on one Plan loan and you are no longer on payroll due to a leave of absence that is longer than 12 months or because you left KeyCorp, the remaining loan will be defaulted.

Loan Amount

In general, the maximum amount of any loan may be 50% of your vested account balance up to a Plan maximum of $50,000, reduced by your highest outstanding Plan loan balance during the preceding 12 months. The minimum loan amount that you can receive from the Plan is $1,000.

Loan Repayment

You select your loan repayment period. You may select a repayment period from 12 to 60 months. If your loan is for the purchase of your primary residence, you may elect a 120-month repayment period.

To qualify for a Plan loan, you must agree to repay your loan by payroll deductions. Your repayments will be reinvested into your Plan Account based on your investment fund selections on each repayment date. You may prepay, without penalty, your current outstanding loan balance provided that you prepay your outstanding loan balance in full.

Partial prepayments are permitted only through direct debit. If you would like to request a partial prepayment, log on to HR Online at **https://hronline.keybank.com**. After you log on to the Web site, go to **Savings & Retirement > 401(k) Savings Plan > Loans** .

If you take an unpaid leave of absence that extends past 12 months or you terminate your employment with Key, you must continue to make your scheduled loan repayments directly to the Plan. Your loan will automatically be reamortized to a monthly payment frequency, and you will be able to begin repayment by requesting direct debit of your repayment amount either by logging on to the Web site (following the same instructions as above) or by calling a KeyBank Employee Services representative at **1-888-KEYS2HR (1-888-539-7247).**
If you would rather continue repayments by providing a check, please note that only certified checks or money orders are accepted.

Loan payments should include the last four digits of your Social Security number. Please make all checks payable to KeyBank Employee Services at:

KeyBank Employee Services
P.O. Box 7177
Rantoul, IL 61866-7177

If you are on a military service leave of absence, special rules apply to your loan. Loan repayments under the Plan are suspended during the entire period of military service, as permitted by IRC Section 414(u)(4). The suspension period could result in the loan term being extended or going beyond the initial term of your loan. In effect, the elapsed time of the loan may then exceed five years for a general purpose loan or 10 years for a primary residence loan, but the actual time during which the loan is being repaid should not exceed five or 10 years.

Along with the suspension of loans, there is also a provision in the Soldiers' and Sailors' Civil Relief Act that entitles military personnel to have the interest rate on loans entered into before being called to active duty capped at 6% while on active duty.

Loan Default

If you miss two consecutive loan repayments, you are considered to be delinquent on your loan. If you fail to correct your loan delinquency by repaying your missed loan repayments, your loan will be in default. In order to prevent default on your loan, you must ensure your loan is paid through the cure period. The cure period is the end of the quarter following the quarter of missed repayment. This default will be treated as an event of distribution, and you will be liable for the tax consequences resulting from this distribution. **If you default on any Plan loan, you will not be eligible, at any future time, to obtain another Plan loan.** In the event a participant has previously defaulted on one loan and has another Plan loan outstanding, repayments can only be made on that loan through payroll deduction. In the event a participant is no longer an employee for whom payroll deductions can be made, for instance, due to a leave of absence or termination of employment, or a military leave of absence, that loan will be declared in default.

Interest

The interest rate for Plan loans is based on the Prime Rate plus 1%. The interest you pay on your Plan loan is credited to your Plan Account. The interest rate charged on your Plan loan is always equal to the declared rate in your Promissory Note at the time that your loan is made. When interest rates are changed, the new rate will be applied to loans taken from the Plan as soon as administratively possible. This interest rate continues for the entire term of your loan and is spread throughout the repayment period on your outstanding loan balance.

Tax Consequences of a Plan Loan

There are no immediate tax consequences resulting to you from your receipt of a Plan loan. If you default on your loan, however, you will be subject to ordinary income tax on your defaulted loan amount, plus a 10% early distribution penalty tax (if you are under age 59½).

Loan Application Fee

You will be charged a loan application fee of $50 for each loan application, which will automatically be added on to your loan request. Accordingly, if you request a loan for $2,300, your loan amount will be $2,350 (as your loan amount will include the $50 application fee). If you cancel your loan request, you will still be responsible for the payment of your loan application fee. You should accordingly take this fee into consideration when requesting your loan amount.

DISTRIBUTIONS — TAX CONSEQUENCES

Distribution Upon Your Termination

You may take a partial distribution or lump sum distribution of your contributions to the Plan, plus all vested Key matching contributions and profit sharing contributions, upon your termination of employment from Key.

Generally, if the value of your total vested Plan Account balance is $1,000 or less, you will receive an automatic lump-sum payment of your Plan funds in cash. If you prefer, you may elect to receive cash with the amount attributable to your interest in the KeyCorp Common Stock Fund paid to you in KeyCorp Common Shares.

If the value of your vested account balance is more than $1,000, you may elect to remain in the Plan. If you elect to keep your funds in the Plan after your termination from KeyCorp, you may continue to modify your investment elections in accordance with Plan rules. Once you have terminated your employment from KeyCorp, however, you may not request a Plan loan, a hardship withdrawal or a partial distribution from the Plan.

While you may receive a distribution of your Plan funds at any time, you must begin to receive a distribution of your Plan funds by your "Required Beginning Date." Your "Required Beginning Date" under the Plan is generally:

The April 1st immediately following your attainment of age 70½; or

The April 1st following the year in which you terminate (if you are over age 70½ at the time of your termination).

Distribution Upon Your Retirement

Your distribution at retirement may be made as a single lump-sum or multiple partial payments of your account balance in cash or alternatively, at your election, in cash with the amount attributable to your interest in the KeyCorp Common Stock Fund paid in KeyCorp Common Shares. You may also elect to receive your distribution in substantially equal monthly, quarterly or annual installments calculated over either your life expectancy, your and your spouse's life expectancies or the joint life expectancy of you and a non spouse beneficiary (subject to compliance with all of the Plan's requirements, including spousal consent).

You must request to receive a distribution of your Plan benefit. To request a distribution, please access HR Online at **https://hronline.keybank.com.**

If you experience any problems when using this Web site, contact a KeyBank Employee Services representative at **1-888-KEYS2HR (1-888-539-7247).** The representative will help you through the process and answer any questions that you may have.

Please note that KeyCorp will endeavor to process your retirement/distribution request as soon as administratively possible, from the date that ***KeyCorp receives your instructions*** to process your request.

Distribution Upon Your Disability

If you become permanently and totally disabled while a Plan participant, your account will be automatically vested in the Plan. As of January 1, 2008, all KeyCorp Long-Term Disability participants' statuses were changed to "terminated" under the Plan. For Plan purposes, the term "permanently and totally disabled" means a physical or mental disability of permanent nature that prevents you from performing your job functions, (ii)has resulted in your absence from work for 180 qualifying days, and (iii) application has been made for coverage under the KeyCorp Long Term Disability Plan.

Distribution Upon Your Death

If you die while an active Key employee, your Plan benefit will automatically vest and become distributable to your beneficiary. As of January 1, 2007, nonspousal beneficiaries are eligible to roll over the investments to an IRA with no tax consequences. If all of your properly designated beneficiaries predecease you, die prior to complete distribution of your account or if you fail to properly designate a beneficiary under the Plan, your account will be paid to your estate.

Federal Income Tax Consequences on Plan Distributions

As a general rule, distributions from the Plan are taxed as ordinary income, subject to the following special rules and exceptions:

After-Tax Contributions. The withdrawal by a Plan participant of an amount up to the participant's after-tax contributions made before January 1, 1987 will not be taxable. If a participant withdraws any amount of after-tax contributions in excess of the participant's after-tax contributions made after December 31, 1986, such amount will be treated both as a pro-rata recovery of after-tax contributions made after December 31, 1986 (that will not be taxable to the participant) and as [pro-rata] earnings allocable to such after-tax contributions (that will be taxable to the participant in the year of withdrawal).

Rollover. A rollover is a payment of your Plan benefit to an individual retirement arrangement (IRA) or to another employer plan. Not all distributions from the Plan are "eligible rollover distributions." The following types of distributions from the Plan cannot be rolled over: (i) payments spread over long periods, such as the distribution in a series of substantially equal periodic payments made at least annually for life or life expectancy or for a specified period of 10 years or more, (ii) a required minimum distribution, or (iii) a hardship withdrawal.

An eligible rollover distribution for a participant or spousal beneficiary can be made in two ways. All or any portion of the distribution can be either (i) paid in a "direct rollover" or (ii) paid to the Plan participant directly. If a direct rollover is chosen, the distribution can be made to the Plan participant and will not be taxed and no income tax will be withheld. The payment will be taxed later at the time of withdrawal from the IRA or from the other qualified employer plan. If the distribution is made directly to the Plan participant, the Plan participant will receive only 80% of the taxable distribution and the Plan Administrator will withhold 20% of the distribution to send to the IRS as income tax withholding to be credited against the participant's tax liability for the year. Nonspousal beneficiaries are eligible for "direct rollover" to an IRA.

If the Plan participant rolls over the distribution to the IRA or to another employer plan within 60 days of receiving his or her Plan distribution, the amount rolled over will not be taxable until taken out of the IRA or employer plan. In order to roll over 100% of the distribution, the Plan participant who received the distribution must find other money to replace the 20% that was withheld at the time of distribution.

If only 80% of the distribution is rolled over, the 20% of the distribution withheld and not rolled over is subject to tax for the year.

Effective January 1, 2008, direct rollover to a Roth IRA is also available. Please consult a tax advisor when exercising this option to understand the tax implications of this type of rollover.

Monthly Installment Distributions. If the participant's distribution from the Plan is made in installments over a period of more than one taxable year, any amount received as an installment will be taxed as an annuity and will be subject to taxation as ordinary income. However, the amount of each installment attributable to the participant's after-tax contributions, if any, should not be subject to tax.

Lump-Sum Distributions. A distribution from the Plan is considered a lump-sum distribution if the balance of the Plan Account is paid within one taxable year as a result of the following circumstances: (i) the employee's attainment of age 59½, (i) the employee's death or disability, or (iii) the employee's severance from service. As a general rule, lump-sum distributions (other than distributions representing a return of a participant's after-tax contributions) are taxed as ordinary income.

Distribution in Stock. With respect to lump-sum distributions and distributions consisting of "after-tax" employee contributions, special tax treatment is available for payments that include employer stock. The Plan participant has an option of not paying tax on the "net unrealized appreciation" of the stock until the stock is sold. Net unrealized appreciation generally is the increase in the value of the employer stock over the stock's purchase price. If the Plan participant opts out of this special tax rule, the stock appreciation will be taxed in the year it is received unless the stock is rolled over.

Early Withdrawal. If the distribution is made before the Plan participant attains age 59½ and the distribution is not rolled over, then, in addition, the distribution will be subject to an additional 10% penalty tax. This additional 10% penalty tax does not apply if the distribution is (i) made after the participant has retired after attainment of age 55, (ii) used for payment of certain medical expenses to the extent deductible under Section 213 of the Code, (iii) paid due to disability, or (iv) paid as substantially equal payments over the participant's life or life expectancy.

Other Tax Consequences

The federal income tax discussion set forth in this section is included for general information only, based on tax requirements in effect as of the date of this Prospectus's printing. It does not purport to be a complete analysis or listing of all potential tax requirements or tax consequences associated with Plan distributions.

Plan participants should consult their own tax advisors for information and advice regarding their particular tax consequences, including the effect of foreign, state, local and other taxes resulting from a Plan distribution.

Additionally, more specific information on the tax treatment of payments from qualified retirement plans can be found in IRS Publication 575 and Publication 590, which are available in local IRS offices or by calling 1-800-TAX-FORMS.

IF YOU RETURN TO WORK FOR KEYCORP

Your Re-Employment With Key

If you terminate your employment from KeyCorp and are later rehired, special Plan eligibility and vesting rules apply.

Eligibility for Matching Contributions

If you were eligible to participate in the Plan and receive matching contributions when you terminated your employment from Key, you can rejoin the Plan as of any enrollment date after your return and will receive a company match upon your enrollment.

If you were eligible to participate in the Plan but did not receive matching contributions when you left, and you return to Key within 12 months of your termination, you may join the Plan immediately, but will not receive a company match until the one-year anniversary of your original date of hire.

If you were eligible to participate in the Plan but did not receive matching contributions when you left, and you return to Key after 12 months of your termination, you may join the Plan immediately, but will not receive a company match until the one-year anniversary of your rehire date.

Eligibility for Profit Sharing Contributions

If you were eligible to participate in the Plan and receive a profit sharing contribution when you terminated your employment from Key, you can rejoin the Plan as of any enrollment date after your return. You will be eligible for a profit sharing contribution for the year you rejoin the Plan and any future year — provided you are employed by Key as of each December 31.

If you were eligible to participate in the Plan but were not eligible for a profit sharing contribution when you left, and you return to Key within 12 months of your termination, you may join the Plan immediately. However, you will not be eligible for a profit sharing contribution until the one-year anniversary of your original date of hire. Once you meet this eligibility requirement, you will receive a profit sharing contribution for each year you are employed by Key as of December 31.

If you were eligible to participate in the Plan but were not eligible for a profit sharing contribution when you left, and you return to Key after 12 months of your termination, you may join the Plan immediately. However, you will not be eligible for a profit sharing contribution until the one-year anniversary of your rehire date. Once you meet this eligibility requirement, you will receive a profit sharing contribution for each year you are employed by Key as of December 31.

Vesting

If you terminate your employment from Key and return, special rules apply in determining your vesting under the Plan. If you were fully vested under the Plan at the time of your termination and are later re-employed by KeyCorp, you will be automatically restored your vested service in the Plan upon your re-participation.

If you were not vested at the time of your termination of employment from Key, your earlier vested service in the Plan will count only if the period away from Key is less than five years.

Forfeitures

If you leave Key before becoming vested in the Plan, you will lose those not-vested matching contributions and Annual Profit Sharing Contributions credited to your account.

Matching contributions and Annual Profit Sharing Contributions forfeited as a result of leaving Key will be restored to your account if:

You return to work before the fifth anniversary of your termination; and

If you elected, at the time of your termination, to receive a distribution of your Plan balance (*i.e.*, your before-tax contributions), but you repay the distribution to the Plan within five years of your return to active employment with Key.

If you return to work after a five-year absence, or you do not repay your Plan funds within the five-year repayment period, you permanently forfeit those not-vested matching contributions and profit sharing contributions that were forfeited in conjunction with your prior termination.

EVENTS THAT MAY AFFECT YOUR PLAN BENEFITS

Situations Affecting Your Plan Benefits

Certain situations may affect your Plan benefits:

Your actual distribution amount from the Plan may be more or less than you actually contributed to the Plan based on the investment performance of your investment funds selected.

If you fail to make a proper request for your Plan benefit, fail to provide Key with necessary Plan information, or fail to provide Key with your current address, your Plan benefit could be delayed.

If, as a result of a divorce, you are responsible for child support, alimony or marital property rights payments, all or a portion of your Plan Account could be assigned to meet these payments under the provisions of a Qualified Domestic Relations Order (QDRO).

If you are called to active military duty and later return to your position at KeyCorp within the time period prescribed under the Uniformed Services Employment and Reemployment Rights Act, you may contribute to the Plan those before-tax contributions that would have been contributed to the Plan had you not been called to military service. Key will provide you with the applicable Key matching contributions on such monies in accordance with Plan provisions.

If the Plan Becomes Top Heavy

As required by law, different vesting and benefit provisions may go into effect if the Plan becomes top heavy. The Plan is “top heavy” if 60% of Plan benefits are payable to “key” employees (*i.e.,* KeyCorp officers and highly paid participants). You will be notified in the extremely unlikely event that the Plan ever becomes top heavy.

Your Employment

Your eligibility or your right to a benefit under the Plan is not a guarantee of your continued employment with Key.

Qualified Domestic Relations Order

All or any portion of your Plan benefit may be subject to assignment pursuant to a Qualified Domestic Relations Order. If you are in the process of a divorce or separation, please contact the Key2Retirement benefits center to obtain a copy of the Plan’s QDRO Procedures and obtain sample QDRO forms. KeyBank Employee Services representatives can be reached at **1- 888-KEYS2HR (1-888-539-7247)**

If the Plan Ends

Key reserves the right to end or change the Plan at any time. If any material changes are made to the Plan, you will be notified. Any amendments to the Plan will not take away any amounts already in your account. If the Plan is terminated in whole or in part and you are affected by the termination, you will be fully vested in the value of your entire account or the portion of your account that is affected, up to the date of termination.

Pension Benefit Guaranty Corporation

The Plan is a defined contribution plan, which means that the value of your account depends on the amount of contributions made to the Plan and the market value of the investment funds. Federal law does not provide for benefits under plans of this type to be insured through the Pension Benefit Guaranty Corporation (PBGC).

Payment of Plan Expenses

The cost of eligible administrative expenses will be paid by the Plan unless KeyCorp in its settlor capacity elects to make payment \A monthly participant fee is being charged to the accounts of all participants who have one year of service and are eligible for the matching contribution or Annual Profit Sharing Contribution. The participant fee is being charged to cover all Plan expenses and is based on your account balance. These fees are based on your account balance in accordance with the following schedule:

No monthly fee	Active participant who isn't employer match-eligible
$5.25 per month	Any balance and match-eligible

The fee amount is reviewed periodically to ensure that it continues to match the expenses within the Plan. KeyCorp may reduce or increase this fee in the future as Plan-related expenses decrease or increase. For the most recent schedule, go to HR Online at **https://hronline.keybank.com** and click on Savings and Retirement, then KeyCorp 401(k) Savings Plan, then and Quick Links then Plan Information Monthly participant fees are reflected on your participant statements. They also appear in your online account summary at HR Online at **https://hronline.keybank.com**

For more information, contact a KeyBank Employee Services representative at **1-888-KEYS2HR (1-888-539-7247).**

Plan Documents and KeyCorp's Interpretation

This Prospectus describes the principal features of the Plan, but it does not give complete details of the Plan. Some details, particularly those that apply to very few employees, are not included. The full provisions of the Plan are contained in the official Plan text and the Trust Agreement, which are the legal documents governing the operation of the Plan. Key has the exclusive power and authority to interpret and construe the terms of the Plan. This Prospectus is subject to the terms and conditions of those Plan documents. In case of conflict between the Plan and this Prospectus, or if any provision is not covered or only partially covered, please remember the provisions of the Plan document will always control.

Should you have any questions concerning the Plan, please contact KeyBank Employee Services at:
HR Online at

- **https://hronline.keybank.com or**
- Call **888-KEYS2HR (888-539-7247)**

Misstatements by you or your omission on any forms or other documents relevant to the administration of the Plan may cause an adjustment to the administration or distribution of your benefit.

The Plan provides that the Chief Executive Officer of KeyCorp shall appoint a Trust Oversight Committee to administer and oversee the financial investment and performance of the Trustee(s) and related Trust(s). The Plan also provides that KeyCorp shall serve as the Plan Administrator, responsible for the general administration of the Plan other than the review of participant loan and hardship requests, which are reviewed by the Loan Administration Committee and Hardship Withdrawal Committee, respectively. The address of the Plan Administrator and each Committee is: KeyCorp, 127 Public Square, Cleveland, Ohio 44114; Attention: Cathleen Fyffe; Mailcode OH-01-27-0900; phone number (216) 689-3411.

No member of a Plan Committee who is a participant in the Plan may act or participate in any action of the applicable Committee which directly affects his or her own interest in the Plan that is not of general application to all participants. Members of the Trust Oversight Committee, Loan Administration Committee and Hardship Withdrawal Committee do not receive compensation for their services to the Plan.

KeyCorp, by action of its Board of Directors or an authorized Committee thereof, and without further approval of shareholders, may amend, suspend or terminate the Plan in its entirety, or as to any and all employer(s). No amendment, suspension or termination shall provide that assets held in trust by the Trustee may be used for or diverted for purposes other than for the exclusive benefit of participants or their beneficiaries or to discharge other Trust obligations. If the Plan is terminated, employer contributions and profit sharing contributions credited to the accounts of each affected participant shall vest immediately.

Cost incident to the purchase and sale of securities, such as brokerage commissions and stock transfer taxes, are borne by the respective investment funds. All other expenses incurred in the administration of the Plan are paid by the Plan and, when required by law, paid by KeyCorp.

ADMINISTRATIVE STRUCTURE OF THE PLAN

IRS Approval

The Plan is subject to continued approval by the Internal Revenue Service. As of September 22, 2013, the Plan received a determination letter from the Internal Revenue Service that the Plan, as amended, has been determined to be qualified under Section 401(a)(1) of the Code, and that the Trust is exempt from federal income tax under Section 501(a) of the Code. If material changes in the Plan are required, you will be notified of the changes.

To file a claim for benefits under this Plan, you or your beneficiary, if applicable, should contact KeyBank Employee Services at **1-888-KEYS2HR (1-888-539-7247)** for the necessary procedures and claim/distribution forms.

CLAIMS UNDER THE PLAN

Denied Claims

Whenever a claim for benefits under the Plan filed by any person (herein referred to as the "Claimant") is denied, whether in whole or in part, a designated Plan representative ("Benefits Representative") shall transmit a written notice of the decision on the claim to the Claimant within 90 days of the date the claim was filed or, if special circumstances require an extension, within 180 days of such date, which notice shall be written in a manner calculated to be understood by the Claimant and shall contain a statement of (i) the specific reasons for the denial of the claim, (ii) specific reference to pertinent Plan provisions on which the denial is based, and (iii) a description of any additional material or information necessary for the Claimant to perfect the claim and an explanation of why such information is necessary. The notice shall also include a statement advising the Claimant that, within 60 days of the date on which such notice is received, the Claimant may obtain review of such decision as follows. Within such 60-day period, the Claimant or Claimant's authorized representative may request that the claim denial be reviewed by filing with the Plan Administrator a written request therefor, which request shall contain the following information:

(a) the date on which the Claimant's request was filed with the Plan Administrator, provided, however, that the date on which the Claimant's request for review was in fact filed with the Plan Administrator shall control in the event that the date of the actual filing is later than the date stated by the Claimant pursuant to this paragraph;

(b) the specific portions of the denial of the claim which the Claimant requests the Plan Administrator to review;

(c) a statement by the Claimant setting forth the basis upon which Claimant believes the Plan Administrator should reverse the previous denial of the claim for benefits and accept the claim as made; and

(d) any written material (offered as exhibits) which the Claimant desires the Plan Administrator to examine in its consideration of Claimant's position as stated pursuant to paragraph (c), above.

Within 60 days of the date determined pursuant to paragraph (a), above, or, if special circumstances require an extension, within 120 days of such date, the Plan Administrator shall conduct a full and fair review of the decision denying the Claimant's claim for benefits and shall render its written decision on review to the Claimant. The Plan Administrator's decision on review shall be written in a manner calculated to be understood by the Claimant, shall specify the reasons and Plan provisions upon which the Plan Administrator's decision was based and shall include a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the Claimant's claim for benefits and a statement of the Claimant's right to bring an action under Section 502(a) of ERISA. If such determination is favorable to the Claimant, it shall be binding and conclusive. If such determination is adverse to such Claimant, it shall be binding and conclusive unless the Claimant notifies the Plan Administrator within 90 days after the mailing or delivery to Claimant by the Plan Administrator of its determination that Claimant intends to institute legal proceedings challenging the determination of the Plan Administrator and actually institutes such legal proceeding within 180 days after such mailing or delivery.

In the event of any dispute over benefits under the Plan, all remedies available to the Claimant under the above procedure must be exhausted before legal recourse of any type is sought. No legal action at law or in equity, including without limitation a civil action under ERISA Section 502(a) may be filed against the Plan, KeyCorp the Plan Administrator or the Benefits Representative relating to any dispute over benefits under the Plan later than the date specified under the claims review process procedure above.

Forum Selection

Any proceeding arising out of or relating to the Plan shall be adjudicated in the federal courts for the Northern District of Ohio or in the courts of the State of Ohio located in the district embraced by the federal courts for the Northern District of Ohio.

ADDITIONAL FEDERAL INCOME TAX ASPECTS

The following discussion summarizes the federal income tax aspects relating to your participation in the Plan and is in addition to any information that is contained in the Summary of the Plan portion of this Prospectus.

The Plan and the Trust related thereto are designed to meet the requirements of Sections 401(a), 401(k), 401(m) and 501(a) of the Internal Revenue Code of 1986, as amended from time to time (the "Code"). The Plan has received a determination from the Internal Revenue Service that the form of the Plan was qualified under Section 401(a) of the Code. Assuming that the Plan continues to be so "qualified," the following tax consequences apply to contributions to, and withdrawals and distributions from, the Plan:

- The amounts of before-tax contributions made under the Plan on behalf of a participant who elects to make such contributions are not included in the participant's income for federal income tax purposes for the year in which they are elected or made. Before-tax contributions will be considered as part of the participant's gross income; however, for purposes of Social Security taxes and certain state and local taxes. Before-tax contributions that exceed the Code limit in effect for such contributions for a taxable year will be included in the participant's gross income for such year. For 2019, regular before-tax contributions are limited to $19,000 and catch-up before-tax contributions are limited to $6,000.
- Participants with an annual adjusted gross income of less than $64,000 (for marrieds filing jointly), $48,000 (for heads of households) or $32,000 (for other filers) may be eligible for a federal income tax credit of 10% to 50% (depending on their income) of the first $2,000 of before-tax contributions made on their behalf under the Plan for a taxable year.
- Company contributions and rollovers to the Plan are not includable in the gross income of a participant for federal income tax purposes for the year in which they are allocated to the participant's account under the Plan.
- A participant will not otherwise become subject to federal income taxes as a result of his or her participation in the Plan until the assets allocated to the participant's account in the Plan are withdrawn by, or distributed to, the participant in accordance with the terms of the Plan.
- If the Plan remains a "qualified" plan, the Company will be allowed a tax deduction under current law for all contributions to the Plan for the year in which the contribution is made.

THE FOREGOING DISCUSSION OF FEDERAL INCOME TAX ASPECTS, INCLUDING THE DISCUSSION OF FEDERAL INCOME TAX ASPECTS CONTAINED IN THE SUMMARY OF THE PLAN PORTION OF THIS PROSPECTUS, IS ONLY A SUMMARY. IT IS INCLUDED FOR GENERAL INFORMATION PURPOSES AS A GUIDE TO EMPLOYEES AND APPLIES ONLY TO UNITED STATES FEDERAL INCOME TAXES. THE LAWS ON WHICH THIS SUMMARY IS BASED ARE SUBJECT TO CHANGE AT ANY TIME, AND EACH EMPLOYEE IS ADVISED TO CONSULT HIS OR HER TAX ADVISOR AS TO THE FEDERAL, STATE AND LOCAL TAX EFFECTS OF HIS OR HER PARTICIPATION IN THE PLAN.

RESALE RESTRICTIONS

Participants who are "affiliates" of KeyCorp may resell Common Shares distributed under the Plan in brokerage transactions on the New York Stock Exchange without registration under the Securities Act of 1933 upon compliance with Rule 144 of the Securities and Exchange Commission, except that the six-month holding period requirement of Rule 144 will not apply. As used in this paragraph, the term "affiliate" includes any participant who directly, or through one or more intermediaries, controls, or is controlled by, or is under common control with KeyCorp. Participants who are not "affiliates" may make resales in such brokerage transactions or otherwise without the need to comply with Rule 144.

FUND PERFORMANCE

The historical performance of the available investment funds will be provided or made available to you. Historical results of the various investment funds do not necessarily indicate what future performance will be. KeyCorp cannot, and does not, guarantee the performance of any of the investment funds and has no obligation to make up any losses suffered by participants. The returns shown for these funds do not reflect charges imposed for general Plan and Trust administration, which will reduce the net returns for accounts invested in these funds.