



May 13, 2022

**Conditional Approval #1290
June 2022**

Sent by email to gideon_m_hart@keybank.com

Gideon M. Hart, Esq.
Senior Counsel
KeyBank National Association
127 Public Square
Cleveland, Ohio 44114

Re: Application to Issue Subordinated Debt and Include as Tier 2 Capital
OCC Control Number 2022-LB-Capital&Div-326803 Charter Number 14761

Dear Senior Counsel Hart:

The Office of the Comptroller of the Currency (OCC) hereby conditionally approves the application by KeyBank National Association (bank) to issue up to \$750 million in subordinated debt. The application notes that the subordinated debt is intended to be included in tier 2 capital, pursuant to 12 CFR 5.47. Under 12 CFR 5.47(h), a bank may not include subordinated debt in tier 2 capital unless the bank has received approval from the OCC that the subordinated debt qualifies as tier 2 capital. This letter serves as the official approval that the subordinated debt qualifies as tier 2 capital, subject to the condition noted below.

The Transaction

The purpose of the proposed subordinated debt issuance is to support the bank's internal capital targets. The bank proposes to issue subordinated debt in the amount of \$500 million to \$750 million, depending on pricing and market conditions. The bank anticipates that the note will have a ten-year term. The bank further states that the note will have a fixed interest rate. The bank will launch the subordinated debt on July 25, 2022, with settlement and issuance to occur no later than September 21, 2022, depending on pricing and market conditions. The bank applied on May 3, 2022, for approval of the proposed subordinated debt issuance and for such issuance to qualify as tier 2 capital pursuant to 12 CFR 5.47.

This conditional approval is granted based on a thorough review of all information available, including the representations and commitments made in the application and by the bank's representatives.

Condition

This approval is subject to the following condition:

- The pricing of the subordinated note must be consistent with the eligibility criteria for a Tier 2 capital instrument.

The condition of approval is a condition “imposed in writing by a Federal banking agency in connection with any action on any application, notice or other request” within the meaning of 12 USC 1818. As such, the condition is enforceable under 12 USC 1818.

Consummation Requirements

Prior to issuance of the subordinated debt, the Bank must comply with any applicable securities offering disclosure requirements under 12 CFR 16.

Please notify the OCC within 10 days following issuance of the subordinated debt that you have completed the issuance and complied with all requirements of 12 CFR 5.47. In this notification, please include the final pricing of the subordinated debt and an analysis that demonstrates satisfaction with the above condition. Upon receipt of your notice, the OCC will issue an acknowledgement letter confirming whether the issuance qualifies as Tier 2 capital. The issuance of subordinated debt should be completed within one year of the date of this letter.

This approval and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. Our approval is based on the bank’s representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend or rescind this approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

Please include the OCC control number on any correspondence related to this filing. If you have any questions, contact me at (917) 344-3405 or jason.almonte@occ.treas.gov.

Sincerely,

/s/

Jason Almonte
Director for Large Bank Licensing