

KEYCORP /NEW/
Form 4
August 03, 2016

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Crosby Gary M

(Last) (First) (Middle)

C/O KEYCORP, 127 PUBLIC SQUARE

(Street)

CLEVELAND, OH 44114

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
KEYCORP /NEW/ [KEY]

3. Date of Earliest Transaction (Month/Day/Year)
08/01/2016

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Shares | 08/01/2016 | | A | | 767,693 | A | ① 767,693 |
| Common Shares | 08/01/2016 | | A | | 641 | A | ② 641 |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Option to Buy | \$ 12.83 | 08/01/2016 | | A | | (3) | 07/13/2019 | Common Shares | 21,149 |
| Option to Buy | \$ 16.41 | 08/01/2016 | | A | | (5) | 01/25/2020 | Common Shares | 31,157 |
| Option to Buy | \$ 15.68 | 08/01/2016 | | A | | (6) | 01/24/2021 | Common Shares | 40,421 |
| Option to Buy | \$ 11.19 | 08/01/2016 | | A | | (7) | 03/30/2022 | Common Shares | 72,784 |
| Option to Buy | \$ 10.07 | 08/01/2016 | | A | | (8) | 03/28/2023 | Common Shares | 101,382 |
| Option to Buy | \$ 10.54 | 08/01/2016 | | A | | (9) | 03/28/2024 | Common Shares | 214,844 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Crosby Gary M C/O KEYCORP 127 PUBLIC SQUARE CLEVELAND, OH 44114 | | X | | |

Signatures

Carrie A. Benedict POA for Gary M. Crosby
08/03/2016

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Acquired pursuant to the Agreement and Plan of Merger by and among First Niagara Financial Group, Inc. ("FNFG") and KeyCorp dated October 30, 2015 (the "Merger Agreement"), pursuant to which FNFG was merged with and into KeyCorp, effective August 1, 2016 (the "Merger"). Pursuant to the Merger, each issued and outstanding share of FNFG common stock was exchanged, in part, for 0.68 shares of KeyCorp common stock. Each unvested FNFG restricted stock unit award was converted into a KeyCorp restricted stock unit award for a number of whole shares (rounded down to the nearest whole share) of KeyCorp common stock equal to (i) the amount of FNFG common

Edgar Filing: KEYCORP /NEW/ - Form 4

stock underlying such restricted stock unit award (with performance conditions, if any, deemed satisfied at target) multiplied by (ii) 0.88.

- (2) Pursuant to the Merger, each issued and outstanding share of FNFG common stock was exchanged, in part, for 0.68 shares of KeyCorp common stock.
- (3) This option vested in three equal annual installments ending on July 13, 2012.
- (4) This option was assumed by KeyCorp in the Merger and converted into a stock option exercisable for a number of whole shares (rounded down to the nearest whole share) equal to (i) the number of shares of FNFG common stock subject to such option multiplied by (ii) 0.88.
- (5) This option vested in three equal annual installments ending on January 25, 2013.
- (6) This option vested in three equal annual installments ending on January 24, 2014.
- (7) This option vested in three equal annual installments ending on March 30, 2015.
- (8) This option vested in three equal annual installments ending on March 28, 2016.
- (9) This option vests in three equal annual installments ending on March 28, 2017.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.