

**KEYCORP**

**FINANCE COMMITTEE**

**CHARTER**

**AS OF MAY 13, 2004**

Committee Mission. The Committee acts on behalf of the KeyCorp Board of Directors in the best interests of the Corporation and its shareholders in assisting the Board's oversight of the major risk factors inherent in the Corporation's businesses and serves as the finance committee, all as specified more fully below.

Members of the Committee are appointed by the Board of Directors based on the recommendation of the Nominating and Corporate Governance Committee and shall serve at the pleasure of the Board. The Board of Directors shall appoint the Committee Chair.

The Committee shall conduct and review with the Board of Directors annually an evaluation of the Committee's performance with respect to the requirements of this Charter.

The Committee shall make regular reports of its meetings to the Board of Directors.

The Committee shall have the authority to retain legal, accounting, or other consultants to advise the Committee. The Committee may request any officer or employee of the Corporation to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

Functions, Duties and Authorities. The Committee shall:

- (1) review and provide oversight of the Corporation's capital structure and capital management strategies and its financial resources, strengths, and capabilities, including share repurchase programs, stock splits, equity financings, debt financings beyond ten years, short and medium term debt financing programs, and its ability to access financial markets including debt ratings;
- (2) review and provide oversight of compliance with regulatory capital requirements by the Corporation and its bank subsidiaries;
- (3) exercise the authority of the Board of Directors, with appropriate delegations to officers of the Corporation and its affiliates, to approve contributions of capital or extensions of credit to, or guarantees on behalf of, any affiliate of the Corporation in an amount not to exceed \$100 million per occurrence in order to maintain compliance with capital guidelines or regulations promulgated by any applicable federal or state regulatory authority or in connection with the operation of the business of the affiliate;
- (4) exercise the authority of the Board of Directors in connection with the authorization, sale and issuance by the Corporation of debt and equity securities, including the authority to approve, with appropriate delegations to officers of the Corporation and its affiliates, all

terms and conditions of the securities and all documents and filings necessary or advisable in connection with the sale or issuance of such securities, including underwriting agreements, registration statements, offering circulars, blue sky filings, and trust indentures;

- (5) review annually and provide oversight of the portfolio of "Corporate-Owned Life Insurance" owned by the Corporation's bank subsidiaries;
- (6) review annually and provide oversight of the principal investing activities of the Corporation and its affiliates;
- (7) make recommendations to the Board of Directors with respect to setting the level of the Corporation's quarterly common dividend payment;
- (8) review and provide oversight of the Corporation's asset/liability management policies, strategies and activities;
- (9) review and provide oversight of the capital expenditure approval process of the Corporation and exercise the authority of the Board of Directors with respect to capital expenditures that are in excess of \$5 million but which are not in excess of \$25 million per project, and make recommendations to the Board of Directors with respect to capital expenditures by the Corporation that exceed \$25 million per project;
- (10) review and provide oversight of the Corporation's policies, strategies and activities managing credit risk, market risk, interest rate risk, liquidity risk, and funding risk, excluding, however, audit, financial reporting, compliance and legal matters, and information security and fraud risk (which are the primary responsibility of the Audit Committee);
- (11) advise the senior officer of the risk management group that he or she is expected to provide the Committee (i) summaries of and, as appropriate, significant risk management reports relating to the risks identified in item 10 above, and (ii) significant regulatory inspection and examination reports relating to such risks;
- (12) with respect to the Corporation's Cash Balance Pension Plan, annually review (but not as a fiduciary) the annual funding requirements and related assumptions.
- (13) review annually and reassess the adequacy of this Charter and recommend any proposed changes to the Board of Directors.

Delegation to Subcommittee. The Committee may delegate to a subcommittee of its members (including alternates) any of its functions, duties and authorities, on such terms and conditions and with such limitations (if any) as the Committee deems appropriate.

## SUMMARY OF FINANCE AUTHORITIES

(Effective May 13, 2004)

### Capital Contribution Authority

Applicable to contributions of capital or extensions of credit to, or guarantees on behalf of, affiliates:

	<b>Management</b>	<b>Committee</b>	<b>Board</b>
Per Matter	not in excess of \$50 million	not in excess of \$100 million	more than \$100 million
Annual Aggregate Limit	up to \$200 million, inclusive	no limit	no limit

### Capital Expenditure Authority

	<b>Management</b>	<b>Committee</b>	<b>Board</b>
Per Project	not in excess of \$5 million	not in excess of \$25 million; above \$25 million, Committee makes recommendation to Board	more than \$25 million
Annual Aggregate Limit	capital plan	capital plan	no limit