

KEYCORP /NEW/
 Form 424B2
 September 11, 2006

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PRICING SUPPLEMENT NO. 3, DATED: September 8, 2006
 to Prospectus Supplement Dated January 25, 2005
 to Prospectus Dated January 25, 2005

RULE 424(b)(2)
 REGISTRATION STATEMENT NO. 333-121553

KEYCORP

\$250,000,000

SENIOR MEDIUM-TERM NOTES, SERIES H
 SUBORDINATED MEDIUM-TERM NOTES, SERIES G

Floating Rate Notes
 Book-Entry Notes

___% Fixed Rate Notes
 Certificated Notes

Original Issue Date: September 15, 2006
 Maturity Date: September 15, 2009
 Issue Price: 99.900%
 Paying Agent: Deutsche Bank Trust Company Americas
 Authenticating Agent: Deutsche Bank Trust Company Americas

OPTION TO ELECT REDEMPTION:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	OPTION TO EXTEND MATURITY:	<input type="checkbox"/>
Redemption Date(s):			Extended Maturity Dates:	
Initial Redemption Percentage:			Notice of Extension Date(s):	
Annual Redemption Percentage Reduction:				
OPTION TO ELECT REPAYMENT:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	SPECIFIED CURRENCY (NOT U.S. DOLLARS):	<input type="checkbox"/>
Repayment Date(s):			Authorized Denominations:	
Repayment Price(s):			Exchange Rate Agency:	
Repurchase Price (if any):	N/A		Optional Interest Rate Reset:	<input type="checkbox"/>
Amortization Schedule (if any):	N/A		Optional Interest Rate Reset Dates:	<input type="checkbox"/>
Sinking Fund Defeasance:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Optional Extension of Maturity:	<input type="checkbox"/>
			Length of Extension Period:	<input type="checkbox"/>
Minimum Denominations:	<input checked="" type="checkbox"/> \$1,000	<input type="checkbox"/> Other:		

FIXED RATE NOTES ONLY

Interest Computation Period:

Interest Payment Dates:

Regular Record Dates if other than May 31 and November 30:

FLOATING RATE NOTES ONLY

BASE RATE:

- | | | | |
|-------------------------------------|-----------------------|--------------------------|----------------------------------|
| <input type="checkbox"/> | CD Rate | <input type="checkbox"/> | Treasury Rate |
| <input type="checkbox"/> | Commercial Paper Rate | <input type="checkbox"/> | CMT Rate |
| <input type="checkbox"/> | Federal Funds Rate | <input type="checkbox"/> | 11th District Cost of Funds Rate |
| <input checked="" type="checkbox"/> | LIBOR | <input type="checkbox"/> | Other (specify): |
| <input type="checkbox"/> | Prime Rate | | |

Initial Interest Rate: One month USD LIBOR
+11 basis points

Interest Determination Date: Two London bu
to each Interest Reset Date

Index Maturity: One month USD LIBOR

Interest Reset Period: Monthly

Spread (Plus or minus): +11 basis points

Interest Reset Dates: Monthly on the 15th

Maximum Interest Rate: N/A

Interest Payment Dates: Monthly on the 15th
commencing on October 15, 2006

Minimum Interest Rate: N/A

Calculation Date: N/A

Total Amount of OID: N/A

Calculation Agent: KeyBank National Associ

Yield to Maturity: N/A

Spread Multiplier: N/A

Initial Accrual Period OID
and Designated Method: N/A

Telerate Page: 3750

Other Terms (if any):

- AGENT: Bear, Stearns & Co. Inc.
 Citigroup Global Markets Inc.
 Credit Suisse Securities (USA) LLC
 Deutsche Bank Securities Inc.
 Goldman, Sachs & Co.
 HSBC Securities (USA), Inc.
 J.P. Morgan Securities Inc.
 KeyBanc Capital Markets,
a division of McDonald Investments Inc.
 Merrill Lynch, Pierce, Fenner and
Smith Incorporated
 Morgan Stanley & Co. Incorporated
 UBS Securities LLC
 Other:

Agent's Discount or Commission: 0.100% (\$2
Trade Date: September 8, 2006
Proceeds to KeyCorp: \$249,750,000

Acting as Agent Agent is acting as Agent for the sale of Notes by
KeyCorp at a price of % of the principal amount

Acting as Principal Agent is purchasing Notes from KeyCorp as
Principal for resale to investors and other
purchasers at:

a fixed public offering price of 100% of the
Principal amount

varying prices related to prevailing

market prices at the time of resale to
be determined by such Agent