

WACHOVIA CORP NEW
Form 424B5
April 04, 2006
Table of Contents

Filed Pursuant to Rule 424(b)(5)
Registration No. 333-123311

The information in this preliminary prospectus supplement is not complete and may be changed.

SUBJECT TO COMPLETION, DATED APRIL 4, 2006

(To prospectus dated May 13, 2005)

PROSPECTUS SUPPLEMENT

\$•

Wachovia Corporation

Enhanced Growth Securities

Linked to the Nasdaq-100® Index

due March 5, 2008

Issuer:	Wachovia Corporation
Principal Amount:	Each security will have a principal amount of \$10. Each security will be offered at an initial public offering price of \$10.
Maturity Date:	March 5, 2008
Interest:	Wachovia will not pay you interest during the term of the securities.
Market Measure:	The return on the securities is linked to the performance of the Nasdaq-100® Index, which we refer to as the Index.
Payment at Maturity:	<p>The amount you receive at maturity, for each security you own, will be based upon the percentage change in the level of the Index from the initial Index level relative to the final Index level (calculated as described in this prospectus supplement).</p> <p>If the final Index level is greater than the initial Index level, at maturity you will receive a payment per security based on triple the percentage increase of the level of the Index, not to exceed a maximum payment expected to be between \$11.80 and \$12.00 per security. The actual maximum payment at maturity will be determined on the pricing date.</p> <p>If the final Index level is equal to or less than the initial Index level, at maturity you will receive a payment per security based on the full percentage decrease of the level of the Index. If the final Index level is less than the initial Index level, you will lose some or all of your principal in proportion to the decline in the Index from the</p>

Edgar Filing: WACHOVIA CORP NEW - Form 424B5

Listing: initial Index level to the final Index level.
Wachovia has applied to list the securities on the Nasdaq National Market under the symbol WSNX . If Wachovia is unable to list the securities on the Nasdaq National Market, the securities will not be listed or displayed on any securities exchange or any electronic communications network.

Pricing Date: •, 2006
Expected Settlement Date: •, 2006
CUSIP Number: 929903680

For a detailed description of the terms of the securities, see Summary Information beginning on page S-1 and Specific Terms of the Securities beginning on page S-10.

Investing in the securities involves risks. See Risk Factors beginning on page S-6.

	<u>Per Security</u>	<u>Total</u>
Public Offering Price		
Underwriting Discount and Commission		
Proceeds to Wachovia Corporation		

The securities solely represent senior, unsecured debt obligations of Wachovia and are not the obligation of, or guaranteed by, any other entity. The securities are not deposits or accounts and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

Wachovia may use this prospectus supplement in the initial sale of the securities. In addition, Wachovia Capital Markets, LLC or any other broker-dealer affiliate of Wachovia may use this prospectus supplement in a market-making or other transaction in any security after its initial sale. *Unless Wachovia or its agent informs the purchaser otherwise in the confirmation of sale, this prospectus supplement is being used in a market-making transaction.*

Wachovia Securities

The date of this prospectus supplement is •, 2006.

Table of Contents

TABLE OF CONTENTS

Prospectus Supplement

<u>Summary Information</u>	Page S-1
<u>Risk Factors</u>	S-6
<u>Specific Terms of the Securities</u>	S-10
<u>Hypothetical Returns</u>	S-14
<u>The NASDAQ-100® Index</u>	S-17
<u>Supplemental Tax Considerations</u>	S-22
<u>Employee Retirement Income Security Act</u>	S-23
<u>Use Of Proceeds and Hedging</u>	S-24
<u>Supplemental Plan of Distribution</u>	S-24
<u>Recent Developments</u>	S-26

Prospectus

About This Prospectus	Page 1
Where You Can Find More Information	3
Forward-Looking Statements	4
Wachovia Corporation	4
Risk Factors	5
Use of Proceeds	9
Consolidated Earnings Ratios	9
Selected Consolidated Condensed Financial Data	10
Capitalization	11
Regulatory Considerations	11
Description of the Notes We May Offer	12
Global Notes	45
United States Taxation	49
Proposed European Union Directive on Taxation of Savings	62
Employee Retirement Income Security Act	62
Plan of Distribution	64
Validity of the Notes	69
Experts	70
Listing and General Information	70

Unless otherwise indicated, you may rely on the information contained in this prospectus supplement and the accompanying prospectus. Neither we nor the underwriter has authorized anyone to provide information different from that contained in this prospectus supplement and the accompanying prospectus. When you make a decision about whether to invest in the securities, you should not rely upon any information other than the information in this prospectus supplement and the accompanying prospectus. Neither the delivery of this prospectus supplement nor sale of the securities means that information contained in this prospectus supplement or the accompanying prospectus is correct after their respective dates. This prospectus supplement and the accompanying prospectus are not an offer to sell or solicitation of an offer to buy the securities in any circumstances under which the offer of solicitation is unlawful.

Table of Contents

SUMMARY INFORMATION

This summary includes questions and answers that highlight selected information from this prospectus supplement and the accompanying prospectus to help you understand the Enhanced Growth Securities Linked to the Nasdaq-100® Index due March 5, 2008 (the securities). You should carefully read this prospectus supplement and the accompanying prospectus to fully understand the terms of the securities, the Nasdaq-100® Index, which we refer to as the Index, and the tax and other considerations that are important to you in making a decision about whether to invest in the securities. You should carefully review the section Risk Factors in this prospectus supplement and the accompanying prospectus, which highlights certain risks associated with an investment in the securities, to determine whether an investment in the securities is appropriate for you.

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement to Wachovia, we, us and our or similar references mean Wachovia Corporation and its subsidiaries. Wachovia Capital Markets, LLC is an indirect, wholly owned subsidiary of Wachovia Corporation. Wachovia Corporation conducts its investment banking, capital markets and retail brokerage activities through its various broker-dealer, bank and non-bank subsidiaries, including Wachovia Capital Markets, LLC, under the trade name Wachovia Securities. Any reference to Wachovia Securities in this prospectus supplement does not, however, refer to Wachovia Securities, LLC, a member of the New York Stock Exchange and the Securities Investor Protection Corporation, to Wachovia Securities Financial Network, LLC, a member of the National Association of Securities Dealers, Inc. and the Securities Investor Protection Corporation, or to broker-dealer affiliates of Wachovia Corporation and Wachovia Capital Markets, LLC. Unless otherwise mentioned or unless the context requires otherwise, all references to WBNA mean Wachovia Bank, National Association. All references to this prospectus supplement mean the pricing supplement contemplated in the accompanying prospectus.

What are the securities?

The securities offered by this prospectus supplement will be issued by Wachovia Corporation and will mature on March 5, 2008. The return on the securities will be linked to the performance of the Index. The securities will bear no interest and no other payments will be made until maturity.

As discussed in the accompanying prospectus, the securities are debt securities and are part of a series of debt securities entitled Medium-Term Notes, Series G that Wachovia Corporation may issue from time to time. The securities will rank equally with all other unsecured and unsubordinated debt of Wachovia Corporation. For more details, see Specific Terms of the Securities beginning on page S-10.

Each security will have a principal amount of \$10. Each security will be offered at an initial public offering price of \$10. You may transfer only whole securities. Wachovia Corporation will issue the securities in the form of a global certificate, which will be held by The Depository Trust Company, also known as DTC, or its nominee. Direct and indirect participants in DTC will record your ownership of the securities.

Are the securities principal protected?

No, the securities do not guarantee any return of principal at maturity. *If the final Index level is less than the initial Index level, the amount you will receive at maturity will be less than the principal amount of the securities in proportion to the decline in the level of the Index. Accordingly, if the level of the Index declines in this manner, you will lose some or all of your principal.*

What will I receive upon maturity of the securities?

At maturity, for each security you own, you will receive a cash payment equal to the maturity payment amount. The maturity payment amount to which you will be entitled depends on the percentage change in the level of the Index calculated based on the final Index level (as defined below) relative to the initial Index level (as defined below).

The maturity payment amount for each security will be determined by the calculation agent as described below:

If the final Index level is greater than the initial Index level, the maturity payment amount per security will equal:

Table of Contents

\$10 + Enhanced Upside Payment,

provided, however, that the maturity payment amount may not exceed an amount currently expected to be between \$11.80 and \$12.00 per security (the maximum payment at maturity). The actual maximum payment at maturity will be determined on the pricing date.

If the final Index level is equal to or less than the initial Index level, the maturity payment amount per security will equal:

$$\$10 \times \left(\frac{\text{final Index level}}{\text{initial Index level}} \right)$$

If the final Index level is zero, the maturity payment amount per security will be \$0. ***If the final Index level is less than the initial Index level, you will lose some or all of your principal in proportion to the decline in the Index from the initial Index level to the final Index level.***

The initial Index level is the closing level of the Index on the pricing date.

The final Index level will be determined by the calculation agent and will be the closing level of the Index on the valuation date.

The Enhanced Upside Payment is equal to 3 x Index Performance x \$10.

The Index Performance is equal to $\left(\frac{\text{final Index level} - \text{initial Index level}}{\text{initial Index level}} \right)$

The valuation date means the fifth trading day prior to the maturity date. However, if that day occurs on a day that is a disrupted day or is not a trading day, the valuation date will be postponed until the next succeeding trading day that is not a disrupted day; provided that in no event will the valuation date be postponed by more than five trading days. If the valuation date is postponed to the last possible day but that day is a disrupted day or is not a trading day, that date will nevertheless be the valuation date. *If the valuation date is postponed, then the maturity date of the securities will be postponed by an equal number of trading days.*

The closing level on any trading day will equal the official closing level of the Index or any successor index (as defined under Specific Terms of the Securities Discontinuation of the Index; Adjustments to the Index below) published by the Index Sponsor at the regular weekday close of trading on that trading day. In certain circumstances, the closing level will be based on the alternate calculation of the Index described under Specific Terms of the Securities Discontinuation of the Index; Adjustments to the Index below.

A trading day means any day on which each exchange and related exchange is scheduled to be open for its respective regular trading sessions.

A disrupted day means any trading day on which a relevant exchange or related exchange fails to open for trading during its regular trading session or on which a market disruption event has occurred.

You should understand that the opportunity to participate in the possible increases in the level of the Index through an investment in the securities is limited because the amount that you receive at maturity will never exceed the maximum payment at maturity. The maximum payment at maturity represents a maximum appreciation on the securities, currently expected to be between 118.0% and 120.0% of the principal amount of the securities, which will be determined on the pricing date. However, if the final Index level is less than the initial Index level, the amount you will receive at maturity will be proportionately less than the principal amount of the securities. ***Accordingly, if the level of the Index declines in this manner, you will lose some or all of your principal.***

Table of Contents**Hypothetical Examples**

Set forth below are three hypothetical examples of the calculation of the maturity payment amount. For purposes of these examples, we have assumed the following:

Hypothetical initial Index level: 1,675

Maximum payment at maturity: \$11.90

Example 1 The hypothetical final Index level is 50% of the hypothetical initial Index level:

Hypothetical final Index level: 837.50

$$\text{Maturity payment amount (per security)} = \$10 \times \left(\frac{837.50}{1,675} \right) = \$5.00$$

Since the hypothetical final Index level is *less* than the hypothetical initial Index level, you would lose some of your principal based on the percentage change in the level of the Index. Your total cash payment at maturity would be \$ 5.00 per security, representing a 50% total loss of the principal amount of your securities.

Example 2 The hypothetical final Index level is 104% of the hypothetical initial Index level:

Hypothetical final Index level: 1,742

$$\text{Maturity payment amount (per security)} = \$10 + \left(3 \times \left(\frac{1,742 - 1,675}{1,675} \right) \times \$10 \right) = \$11.20$$

Since the hypothetical final Index level is *greater* than the hypothetical initial Index level, you would receive three times the amount of the percentage change in the level of the Index, subject to the maximum payment at maturity. Your total cash payment at maturity would be \$11.20 per security, representing a 12% return above the principal amount of your securities.

Example 3 The hypothetical final Index level is 125% of the hypothetical initial Index level:

Hypothetical final Index level: 2,093.75

$$\text{Maturity payment amount (per security)} = \$10 + \left(3 \times \left(\frac{2,093.75 - 1,675}{1,675} \right) \times \$10 \right) = \$17.50$$

subject to the \$11.90 maximum payment at maturity.

Since the hypothetical final Index level is *greater* than the hypothetical initial Index level, you would receive three times the amount of the percentage change in the level of the Index, subject to the maximum payment at maturity. Although the calculation of the maturity payment amount without taking into account the maximum payment at maturity would generate a result of \$17.50 per security, your maturity payment amount would be limited to \$11.90 per security, representing a 19% maximum total return, because the payment on the securities at maturity may not exceed the maximum payment at maturity. Note, too, that in this example the hypothetical return of the Index represented a 25% return on the Index, which exceeds the hypothetical return on the securities of 19%. The actual maximum payment at maturity will be determined on the pricing date.

Table of Contents

Who should or should not consider an investment in the securities?

We have designed the securities for investors who are willing to hold their securities until maturity and who want to participate in three times the possible appreciation of the Index (measured by the percentage change in the level of the Index based on the final Index level relative to the initial Index level), subject to the maximum payment at maturity, currently expected to be between 118.0% and 120.0% of the principal amount of the securities. The actual maximum payment at maturity will be determined on the pricing date. The securities are designed for investors who are also willing to make an investment that is exposed to the full downside performance risk of the Index.

The securities are not designed for, and may not be a suitable investment for, investors who are unable or unwilling to hold the securities to maturity, who seek principal protection for their investment and who are unwilling to make an investment exposed to any downside performance risk of the Index. This may not be a suitable investment for investors who prefer the lower risk of fixed income investments with comparable maturities issued by companies with comparable credit ratings.

What will I receive if I sell the securities prior to maturity?

The market value of the securities may fluctuate during the term of the securities. Several factors and their interrelationship will influence the market value of the securities, including the level of the Index, dividend yields of the component common stocks underlying the Index, the time remaining to maturity of the securities, interest rates and the volatility of the Index. Depending on the impact of these factors, you may receive less than \$10 per security from any sale of your securities before the maturity date of the securities and less than what you would have received had you held the securities until maturity. For more details, see [Risk Factors](#) Many factors affect the market value of the securities .

Who publishes the Index and what does the Index measure?

The Index is calculated, maintained and published by the Nasdaq Stock Market, Inc. (together with its affiliates the Index Sponsor or Nasdaq) and is intended to provide an indication of the pattern of common stock price movements. The Nasdaq-100® Index is a modified capitalization-weighted index of 100 of the largest non-financial companies listed on the Nasdaq National Market System tier of The Nasdaq Stock Market, Inc. As of March 29, 2006, the major industry groups covered in the Index (listed according to their respective capitalization in the Index) were as follows: technology (55.85%), consumer services (19.64%), health care (15.19%), industrials (5.35%), consumer goods (2.39%), telecommunications (0.96%), oil & gas (0.34%), basic materials (0.29%). The identity and capitalization weightings of the five largest companies represented in the Index as of March 9, 2006 were as follows: Microsoft Corporation (6.92%), QUALCOMM Incorporated (6.57%), Apple Computer, Inc. (5.66%), Cisco Systems, Inc. (3.12%) and Google Inc. (3.09%). Current information regarding the market value of the Index is available from Nasdaq as well as numerous market information services.

The Index is determined, calculated and maintained by the Index Sponsor without regard to the securities.

You should be aware that an investment in the securities does not entitle you to any ownership interest in the common stocks of the companies included in the Index. For a detailed discussion of the Index, see [The Nasdaq-100 Index](#) beginning on page S-17.

How has the Index performed historically?

You can find a table with the high, low and closing levels of the Index during each calendar quarter from calendar year 2003 to the present in the section entitled [The Nasdaq-100 Index Historical Closing Levels of the Index](#) in this prospectus supplement. We obtained the historical information from Bloomberg Financial Markets without independent verification. You should not take the past performance of the Index as an indication of how the Index will perform in the future.

What about taxes?

By purchasing a security, you and Wachovia hereby agree, in the absence of an administrative or judicial ruling to the contrary, to characterize a security for all tax purposes as a pre-paid derivative contract linked to the level of the Index. Under this characterization of the securities, you generally should be required to recognize capital gain or loss

Table of Contents

upon the sale or maturity of your securities in an amount equal to the difference between the amount you receive at such time and the amount you paid for the securities. For a further discussion, see [Supplemental Tax Considerations](#) beginning on page S-22.

In the opinion of our counsel, Sullivan & Cromwell LLP, the securities should be treated in the manner described above. However, because there is no authority that specifically addresses the tax treatment of the securities, it is possible that the securities could alternatively be treated in the manner described under [Supplemental Tax Considerations](#) [Supplemental U.S. Tax Considerations](#) [Alternative Treatments](#) on page S-22.

Will the securities be listed on a stock exchange?

We have applied to list the securities on the Nasdaq National Market under the symbol [WSNX](#) . We cannot predict whether or when the Nasdaq National Market will approve our application or whether this offering will satisfy the listing criteria of the Nasdaq National Market. If we are unable to list the securities on the Nasdaq National Market, the securities will not be listed or displayed on any securities exchange or any electronic communications network. You should be aware that even if the securities are listed on the Nasdaq National Market, a liquid trading market will not necessarily develop for the securities. Accordingly, if you sell your securities prior to maturity, you may have to sell them at a substantial loss. You should review the section entitled [Risk Factors](#) [There may not be an active trading market for the securities](#) in this prospectus supplement.

Are there any risks associated with my investment?

Yes, an investment in the securities is subject to significant risks, including the risk of loss of some or all of your principal. We urge you to read the detailed explanation of risks in [Risk Factors](#) beginning on page S-6.

How to reach us

You may reach us by calling 1-888-215-4145 or 1-212-214-6282 and asking for the Investment Solutions Group.

Table of Contents

RISK FACTORS

An investment in the securities is subject to the risks described below, as well as the risks described under Risk Factors Risks Related to Indexed Notes in the accompanying prospectus. Your securities are a riskier investment than ordinary debt securities. Also, your securities are not equivalent to investing directly in the component common stocks, i.e., the common stocks underlying the Index to which your securities are linked. You should carefully consider whether the securities are suited to your particular circumstances.

Your investment may result in a loss of some or all of your principal

We will not repay you a fixed amount of principal on the securities at maturity. The payment at maturity on the securities will depend on the percentage change in the level of the Index based on the final Index level relative to the initial Index level. Because the level of the Index is subject to market fluctuations, the amount of cash you receive at maturity may be more or less than the principal amount of the securities. If the final Index level is less than the initial Index level, the maturity payment amount will be less than the principal amount of each security. ***Accordingly, if the level of the Index declines in this manner, you will lose some or all of your principal.***

You will not receive interest payments on the securities

You will not receive any periodic interest payments on the securities or any interest payment at maturity. Your payment at maturity will depend on the percentage change in the level of the Index based on the final Index level relative to the initial Index level.

Your yield may be lower than the yield on a standard debt security of comparable maturity

The yield that you will receive on your securities, which could be negative, may be less than the return you could earn on other investments. Even if your yield is positive, your yield may be less than the yield you would earn if you bought a standard senior non-callable debt security of Wachovia with the same maturity date. Your investment may not reflect the full opportunity cost to you when you take into account factors that affect the time value of money. Unlike conventional senior non-callable debt securities, the securities do not guarantee the return of a principal amount at maturity. In addition, no interest will be paid during the term of your securities.

Your return is limited and will not reflect the return of owning the common stocks underlying the Index

You should understand that the opportunity to participate in the possible appreciation in the level of the Index through an investment in the securities is limited because the amount that you receive at maturity will never exceed the maximum payment at maturity. The maximum payment at maturity represents a maximum appreciation on the securities, currently expected to be between 118.0% and 120.0% of the principal amount of the securities, which will be determined on the pricing date. Although any positive return on the securities is based on triple the amount of the percentage increase in the Index, in no event will the amount you receive at maturity be greater than the maximum payment at maturity, currently expected to be between \$11.80 and \$12.00 per security, which will be determined on the pricing date. However, if the final Index level is less than the initial Index level, you will realize the entire decline and will lose some or all of your principal.

Owning the securities is not the same as owning the common stocks underlying the Index

The return on your securities will not reflect the return you would realize if you actually owned and held the common stocks underlying the Index for a similar period because the maturity payment amount will be determined based on the performance of the Index, which is a price-return index, the return on the securities will not take into account the value of any dividends that may be paid on the common stocks underlying the Index. In addition, as a holder of the securities, you will not be entitled to receive any dividend payments or other distributions on the common stocks underlying the Index, nor will you have voting rights or any other rights that holders of the common stocks underlying the Index may have. Even if the level of the Index increases above the initial Index level during the term of the securities, the market value of the securities may not increase by the same amount. It is also possible for the level of the Index to increase while the market value of the securities declines.

Table of Contents

There may not be an active trading market for the securities

We have applied to list the securities on the Nasdaq National Market under the symbol `WSNX`. We cannot predict whether or when the Nasdaq National Market will approve our application or whether this offering will satisfy the listing criteria of the Nasdaq National Market. If we are unable to list the securities on the Nasdaq National Market, the securities will not be listed or displayed on any securities exchange or any electronic communications network. You should be aware that even if the securities are listed on the Nasdaq National Market, a liquid trading market will not necessarily develop for the securities. The development of a trading market for the securities will depend on our financial performance and other factors such as the increase, if any, in the level of the Index. Even if a secondary market for the securities develops, it may not provide significant liquidity and transaction costs in any secondary market could be high. As a result, the difference between bid and asked prices for your security in any secondary market could be substantial. If you sell your securities before maturity, you may have to do so at a discount from the initial public offering price, and, as a result, you may suffer substantial losses.

Wachovia Capital Markets, LLC and other broker-dealer affiliates of Wachovia currently intend to make a market for the securities, although they are not required to do so and may stop any such market-making activities at anytime. As market makers, trading of the securities may cause Wachovia Capital Markets, LLC or any other broker-dealer affiliates of Wachovia to have long or short positions in the securities. The supply and demand for the securities, including inventory positions of market makers, may affect the secondary market for the securities.

Many factors affect the market value of the securities

The market value of the securities will be affected by factors that interrelate in complex ways. It is important for you to understand that the effect of one factor may offset the increase in the market value of the securities caused by another factor and that the effect of one factor may compound the decrease in the market value of the securities caused by another factor. For example, a change in the volatility of the Index may offset some or all of any increase in the market value of the securities attributable to another factor, such as an increase in the level of the Index. In addition, a change in interest rates may offset other factors that would otherwise change the level of the Index, and therefore, may change the market value of the securities. We expect that the market value of the securities will depend substantially on the amount, if any, by which the final Index level exceeds or does not exceed the initial Index level. If you choose to sell your securities when the level of the Index exceeds the initial Index level, you may receive substantially less than the amount that would be payable at maturity based on this level because of the expectation that the Index will continue to fluctuate until the final Index level is determined. Moreover, because the maturity payment amount on the securities will not exceed the maximum payment at maturity, we do not expect that the securities will trade in the secondary market above the maximum payment at maturity. We believe that other factors that may also influence the value of the securities include:

The volatility (frequency and magnitude of changes in the level) of the Index and, in particular, market expectations regarding the volatility of the Index;

interest rates in the U.S. markets;

the dividend yields of the common stocks included in the Index;

our creditworthiness, as represented by our credit ratings or as otherwise perceived in the market;

changes that affect the Index, such as additions, deletions or substitutions;

the time remaining to maturity; and

geopolitical, economic, financial, political, regulatory or judicial events as well as other conditions may affect the common stocks included in the Index.

Table of Contents

Wachovia and its affiliates have no affiliation with the Index Sponsor and are not responsible for its public disclosure of information

Wachovia and its affiliates are not affiliated with the Index Sponsor in any way (except for licensing arrangements discussed below under "The Nasdaq-100® Index") and have no ability to control or predict its actions, including any errors in or discontinuation of disclosure regarding its methods or policies relating to the calculation of the Index. If the Index Sponsor discontinues or suspends the calculation of the Index, it may become difficult to determine the market value of the securities or the maturity payment amount. The calculation agent may designate a successor index selected in its sole discretion. If the calculation agent determines in its sole discretion that no successor index comparable to the Index exists, the amount you receive at maturity will be determined by the calculation agent in its sole discretion. See "Specific Terms of the Securities Market Disruption Event" on page S-12 and "Specific Terms of the Securities Discontinuation of the Index; Adjustments to the Index" on page S-11. The Index Sponsor is not involved in the offer of the securities in any way and has no obligation to consider your interest as an owner of securities in taking any actions that might affect the value of your securities.

Each security is an unsecured debt obligation of Wachovia only and is not an obligation of the Index Sponsor. None of the money you pay for your securities will go to the Index Sponsor. Since the Index Sponsor is not involved in the offering of the securities in any way, it has no obligation to consider your interest as an owner of securities in taking any actions that might affect the value of your securities. The Index Sponsor may take actions that will adversely affect the market value of the securities.

We have derived the information about the Index Sponsor and the Index in this prospectus supplement from publicly available information, without independent verification. Neither we nor any of our affiliates assumes any responsibility for the adequacy or accuracy of the information about the Index or the Index Sponsor contained in this prospectus supplement. You, as an investor in the securities, should make your own investigation into the Index and the Index Sponsor.

Historical levels of the Index should not be taken as an indication of the future levels of the Index during the term of the securities

The trading prices of the common stocks underlying the Index will determine the Index level at any given time. As a result, it is impossible to predict whether the level of the Index will rise or fall. Trading prices of the common stocks underlying the Index will be influenced by complex and interrelated political, economic, financial and other factors that can affect the issuers of the common stocks underlying the Index.

Purchases and sales by us and our affiliates may affect the return on the securities

As described below under "Use of Proceeds and Hedging" on page S-24, we or one or more of our affiliates may hedge our obligations under the securities by purchasing common stocks underlying the Index, futures or options on the Index or common stocks underlying the Index, or exchange-traded funds or other derivative instruments with returns linked or related to changes in the trading prices of common stocks underlying the Index or the level of the Index, and we may adjust these hedges by, among other things, purchasing or selling common stocks underlying the Index, futures, options, or exchange-traded funds or other derivative instruments with returns linked to the Index or the common stocks underlying the Index at any time. Although they are not expected to, any of these hedging activities may adversely affect the trading prices of common stocks underlying the Index and/or the level of the Index and, therefore, the market value of the securities. It is possible that we or one or more of our affiliates could receive substantial returns from these hedging activities while the market value of the securities declines.

The inclusion of commissions and projected profits from hedging in the original issue price is likely to adversely affect secondary market prices

Assuming no change in market conditions or any other relevant factors, the price, if any, at which Wachovia is willing to purchase the securities in secondary market transactions will likely be lower than the initial public offering price, since the initial public offering price included, and secondary market prices are likely to exclude, commissions paid with respect to the securities, as well as the projected profit included in the cost of hedging our obligations under the securities. In addition, any such prices may differ from values determined by pricing models used by Wachovia, as a result of dealer discounts, mark-ups or other transactions.

Table of Contents

Additional potential conflicts of interest could arise

Our subsidiary, WBNA, is our agent for the purposes of calculating the final Index level and the maturity payment amount. Under certain circumstances, WBNA's role as our subsidiary and its responsibilities as calculation agent for the securities could give rise to conflicts of interest. These conflicts could occur, for instance, in connection with its determination as to whether the level of the Index can be calculated on a particular trading day, or in connection with judgments that it would be required to make in the event of a discontinuation of the Index. See the sections entitled "Specific Terms of the Securities - Discontinuation of the Index; Adjustments to the Index" on page S-11 and "Specific Terms of the Securities - Market Disruption Event" on page S-12. WBNA is required to carry out its duties as calculation agent in good faith and using its reasonable judgment.

Wachovia or its affiliates may presently or from time to time engage in business with one or more of the issuers of component common stocks included in the Index. This business may include extending loans to, or making equity investments in, such companies or providing advisory services to such companies, including merger and acquisition advisory services. In the course of business, Wachovia or its affiliates may acquire non-public information relating to these companies and, in addition, one or more affiliates of Wachovia may publish research reports about these companies. Wachovia does not make any representation to any purchasers of the securities regarding any matters whatsoever relating to the issuers of component common stocks included in the Index. Any prospective purchaser of the securities should undertake an independent investigation of these companies as in its judgment is appropriate to make an informed decision regarding an investment in the securities. The composition of the issuers of component stock included in the Index does not reflect any investment or sell recommendations of Wachovia or its affiliates.

The calculation agent may postpone the valuation date and, therefore, determination of the final Index level and the maturity date if a market disruption event occurs on the valuation date

The valuation date and, therefore, determination of the final Index level may be postponed if the calculation agent determines that a market disruption event has occurred or is continuing on the valuation date with respect to the Index. If a postponement occurs, the calculation agent will use the closing level of the Index on the next succeeding trading day on which no market disruption event occurs or is continuing as the final Index level. As a result, the maturity date for the securities would be postponed. You will not be entitled to compensation from us or the calculation agent for any loss suffered as a result of the occurrence of a market disruption event, any resulting delay in payment or any change in the level of the Index after the valuation date. See "Specific Terms of the Securities - Market Disruption Event" beginning on page S-12.

Tax consequences are uncertain

You should consider the tax consequences of investing in the securities, significant aspects of which are uncertain. See "Supplemental Tax Considerations" on page S-22.

Certain considerations for insurance companies and employee benefit plans

A fiduciary of a pension plan or other employee benefit plan that is subject to the prohibited transaction rules of the Employee Retirement Income Security Act of 1974, as amended, which we call "ERISA", or the Internal Revenue Code of 1986, as amended, and that is considering purchasing the securities with the assets of such a plan, should consult with its counsel regarding whether the purchase or holding of the securities could become a "prohibited transaction" under ERISA, the Internal Revenue Code or any substantially similar prohibition. These prohibitions are discussed in further detail under "Employee Retirement Income Security Act" on page S-23.

Table of Contents

SPECIFIC TERMS OF THE SECURITIES

*Please note that in this section entitled **Specific Terms of the Securities**, references to **holders** mean those who own securities registered in their own names, on the books that we or the trustee maintain for this purpose, and not indirect holders who own beneficial interests in securities registered in street name or in securities issued in book-entry form through The Depository Trust Company. Please review the special considerations that apply to indirect holders in the accompanying prospectus, under **Legal Ownership**.*

The securities are part of a series of debt securities, entitled **Medium-Term Notes, Series G**, that we may issue under the indenture from time to time as described in the accompanying prospectus. The securities are also **Indexed Notes** and **Senior Notes**, each as described in the accompanying prospectus.

This prospectus supplement summarizes specific financial and other terms that apply to the securities. Terms that apply generally to all **Medium-Term Notes, Series G**, are described in **Description of the Notes We May Offer** in the accompanying prospectus. The terms described here supplement those described in the accompanying prospectus and, if the terms described there are inconsistent with those described here, the terms described here are controlling.

We describe the terms of the securities in more detail below.

No Interest

There will be no interest payments, periodic or otherwise, on the securities.

Denominations

Wachovia will issue the securities in principal amount of \$10 per security and integral multiples thereof.

Offering Price

Each security will be offered at an initial public offering price of \$10.

Payment at Maturity

At maturity, for each security you own, you will receive a cash payment equal to the **maturity payment amount**. The maturity payment amount to which you will be entitled depends on the percentage change in the level of the Index calculated based on the final Index level (as defined below) relative to the initial Index level (as defined below).

The maturity payment amount for each security will be determined by the calculation agent as described below:

If the final Index level is greater than the initial Index level, the maturity payment amount per security will equal:

$$\$10 + \text{Enhanced Upside Payment,}$$

provided, however, that the maturity payment amount may not exceed an amount currently expected to be between \$11.80 and \$12.00 per security (the maximum payment at maturity). The actual maximum payment at maturity will be determined on the pricing date.

If the final Index level is equal to or less than the initial Index level, the maturity payment amount per security will equal:

$$\$10 \times \left(\frac{\text{final Index level}}{\text{initial Index level}} \right)$$

Table of Contents

If the final Index level is zero, the maturity payment amount per security will be \$0. ***If the final Index level is less than the initial Index level, you will lose some or all of your principal in proportion to the decline in the Index from the initial Index level to the final Index level.***

The initial Index level is , the closing level of the Index on the pricing date.

The final Index level will be determined by the calculation agent and will equal the closing level of the Index on the valuation date.

The Enhanced Upside Payment is equal to 3 x Index Performance x \$10.

The Index Performance is equal to $\left(\frac{\text{final Index level} - \text{initial Index level}}{\text{initial Index level}} \right)$

The valuation date means the fifth trading day prior to the maturity date. However, if that day occurs on a day that is a disrupted day or is not a trading day, the valuation date will be postponed until the next succeeding trading day that is not a disrupted day; provided that in no event will the valuation date be postponed by more than five trading days. If the valuation date is postponed to the last possible day but that day is a disrupted day or is not a trading day, that date will nevertheless be the valuation date. If the valuation date is postponed, then the maturity date of the securities will be postponed by an equal number of trading days.

The closing level on any trading day will equal the official closing level of the Index or any successor index (as defined under Discontinuation of the Index; Adjustments to the Index below) published by the Index Sponsor at the regular weekday close of trading on that trading day. In certain circumstances, the closing level will be based on the alternate calculation of the Index described under Discontinuation of the Index; Adjustments to the Index below.

A trading day means any day on which each exchange and related exchange is scheduled to be open for its respective regular trading sessions.

A disrupted day means any trading day on which a relevant exchange or related exchange fails to open for trading during its regular trading session or on which a market disruption event has occurred.

You should understand that the opportunity to participate in the possible increases in the level of the Index through an investment in the securities is limited because the amount that you receive at maturity will never exceed the maximum payment at maturity. The maximum payment at maturity represents a maximum appreciation on the securities, currently expected to be between 118.0% and 120.0% of the principal amount of the securities, which will be determined on the pricing date. However, if the final Index level is less than the initial Index level, the amount you will receive at maturity will be proportionately less than the principal amount of the securities. ***Accordingly, if the level of the Index declines in this manner, you will lose some or all of your principal.***

If any payment is due on the securities on a day which is not a day on which commercial banks settle payments in New York City, then such payment may be made on the next day that is a day on which commercial banks settle payments in New York City, in the same amount and with the same effect as if paid on the original due date.

WBNA, our subsidiary, will serve as the calculation agent. All determinations made by the calculation agent will be at the sole discretion of the calculation agent and, absent a determination of a manifest error, will be conclusive for all purposes and binding on Wachovia and the holders and beneficial owners of the securities. Wachovia may at any time change the calculation agent without notice to holders of securities.

Discontinuation of the Index; Adjustments to the Index

If the Index Sponsor discontinues publication of the Index and the Index Sponsor or another entity publishes a successor or substitute Index that the calculation agent determines, in its sole discretion, to be comparable to the Index (a successor index), then, upon the calculation agent's notification of any determination to the trustee and Wachovia, the calculation agent will substitute the successor index as calculated by the Index Sponsor or any other entity for the Index

Table of Contents

and calculate the final Index level as described above under **Payment at Maturity** . Upon any selection by the calculation agent of a successor index, Wachovia will cause notice to be given to holders of the securities.

If the Index Sponsor discontinues publication of the Index and:

the calculation agent does not select a successor index, or

the successor index is no longer published on any of the relevant trading days, the calculation agent will compute a substitute level for the Index in accordance with the procedures last used to calculate the level of the Index before any discontinuation but using only those securities that composed the Index prior to such discontinuation. If a successor index is selected or the calculation agent calculates a level as a substitute for the Index as described below, the successor index or level will be used as a substitute for the Index for all purposes going forward, including for purposes of determining whether a market disruption event exists, even if the Index Sponsor elects to begin republishing the Index, unless the calculation agent in its sole discretion decides to use the republished Index.

If the Index Sponsor discontinues publication of the Index before the valuation date and the calculation agent determines that no successor index is available at that time, then on each trading day until the earlier to occur of:

the determination of the final Index level, or

a determination by the calculation agent that a successor index is available, the calculation agent will determine the level that would be used in computing the maturity payment amount as described in the preceding paragraph as if that day were a trading day. The calculation agent will cause notice of each level to be published not less often than once each month in *The Wall Street Journal* or another newspaper of general circulation, and arrange for information with respect to these levels to be made available by telephone.

Notwithstanding these alternative arrangements, discontinuation of the publication of the Index would be expected to adversely affect the value of, liquidity of and trading in the securities.

If at any time the method of calculating the level of the Index or the level of the successor index, changes in any material respect, or if the Index or successor index is in any other way modified so that the Index or successor index does not, in the opinion of the calculation agent, fairly represent the level of the Index had those changes or modifications not been made, then, from and after that time, the calculation agent will, at the close of business in New York City, New York, on each date that the closing level of the Index is to be calculated, make any adjustments as, in the good faith judgment of the calculation agent, may be necessary in order to arrive at a calculation of a level of a stock index comparable to the Index or such successor index, as the case may be, as if those changes or modifications had not been made, and calculate the closing level with reference to the Index or such successor index, as so adjusted. Accordingly, if the method of calculating the Index or a successor index is modified and has a dilutive or concentrative effect on the level of such index e.g., due to a split, then the calculation agent will adjust such index in order to arrive at a level of such index as if it had not been modified, e.g., as if a split had not occurred.

Neither the calculation agent nor Wachovia will have any responsibility for good faith errors or omissions in calculating or disseminating information regarding the Index or any successor index or as to modifications, adjustments or calculations by the Index Sponsor or any successor index sponsor in order to arrive at the level of the Index or any successor index.

Market Disruption Event

A market disruption event, as determined by the calculation agent in its sole discretion, means a relevant exchange or any related exchange fails to open for trading during its regular trading session or the occurrence or existence of any of the following events:

Edgar Filing: WACHOVIA CORP NEW - Form 424B5

a trading disruption, if the calculation agent determines it is material, at any time during the one hour period that ends at the close of trading for a relevant exchange or related exchange; or

S-12

Table of Contents

an exchange disruption, if the calculation agent determines it is material, at any time during the one hour period that ends at the close of trading for a relevant exchange or related exchange; or

an early closure.

For the purposes of determining whether a market disruption event exists at any time, if a market disruption event occurs in respect of a security included in the Index at any time, then the relevant percentage contribution of that security to the level of the Index will be based on a comparison of (i) the portion of the level of the Index attributable to that security and (ii) the overall level of the Index, in each case immediately before the occurrence of such market disruption event.

A trading disruption means any suspension of or limitation imposed on trading by the relevant exchange or related exchange or otherwise, whether by reason of movements in price exceeding limits permitted by the relevant exchange or related exchange or otherwise, (i) relating to securities that compose 20 percent or more of the level of the Index or (ii) in options contracts or futures contracts relating to the Index on any relevant related exchange.

An exchange disruption means any event (other than a scheduled early closure) that disrupts or impairs (as determined by the calculation agent in its sole discretion) the ability of market participants in general to (i) effect transactions in or obtain market values on any relevant exchange or related exchange in securities that compose 20 percent or more of the level of the Index or (ii) effect transactions in options contracts or futures contracts relating to the Index on any relevant related exchange.

An early closure means the closure on any exchange business day of any relevant exchange relating to securities that compose 20 percent or more of the level of the Index or any related exchange prior to its normally scheduled closing time unless such earlier closing time is announced by such exchange or related exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such exchange or related exchange on such exchange business day and (ii) the submission deadline for orders to be entered into the relevant exchange system for execution at the close of trading on such exchange business day.

An exchange means the primary organized exchange or quotation system for trading any securities included in the Index and any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in any securities underlying the Index has temporarily relocated (provided that the calculation agent has determined that there is comparable liquidity relative to the securities underlying the Index on such substitute exchange or quotation system as on the original exchange).

An exchange business day means any trading day on which each exchange and related exchange is open for business during its regular trading session, notwithstanding any such exchange or related exchange closing prior to its scheduled weekday closing time, without regard to after hours or other trading outside its regular trading session hours.

A related exchange means each exchange or quotation system on which futures or options contracts relating to the Index are traded, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the futures or options contracts relating to such Index has temporarily relocated (provided that the calculation agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index on such temporary substitute exchange or quotation system as on the original related exchange).

Events of Default and Acceleration

In case an event of default with respect to any securities has occurred and is continuing, the amount payable to a beneficial owner of a security upon any acceleration permitted by the securities, with respect to each \$10 principal amount of each security, will be equal to the maturity payment amount, calculated as though the date of early repayment were the maturity date of the securities. If a bankruptcy proceeding is commenced in respect of Wachovia, the claim of the beneficial owner of a security may be limited, under Section 502(b)(2) of Title 11 of the United States Code, to the principal amount of the security plus an additional amount of contingent interest calculated as though the date of the commencement of the proceeding were the maturity date of the securities.

Table of Contents

In case of default in payment of the securities, whether at their maturity or upon acceleration, the securities will not bear a default interest rate.

HYPOTHETICAL RETURNS

The following table illustrates, for the hypothetical initial Index level and a range of hypothetical final Index levels:

the hypothetical percentage change from the hypothetical initial Index level to the hypothetical final Index level;

the hypothetical pre-tax annualized rate of total return of an investment in the common stocks included in the Index;

the hypothetical maturity payment amount per security;

the hypothetical total rate of return to beneficial owners of the securities; and

the hypothetical pre-tax annualized rate of return to beneficial owners of the securities, as more fully described below.

The figures below are for purposes of illustration only. The actual maturity payment amount and the resulting total and pre-tax annualized rate of return will depend on the actual final Index level as determined by the calculation agent as described in this prospectus supplement.

Table of Contents

Hypothetical final Index level	Percentage change from the hypothetical initial Index level to the hypothetical final Index level	Hypothetical pre-tax annualized rate of		Hypothetical maturity payment amount per security(4)	Hypothetical total rate of return on the securities(4)	Hypothetical pre-tax annualized rate of return on the securities(1)(4)
		total return of common stocks included in the Index(1)(2)				
1,340	-20.00%	-11.04%		\$ 8.00	-20.00%	-11.40%
1,374	-18.00	-9.84		8.20	-18.00	-10.20
1,407	-16.00	-8.66		8.40	-16.00	-9.02
1,441	-14.00	-7.48		8.60	-14.00	-7.85
1,474	-12.00	-6.32		8.80	-12.00	-6.70
1,508	-10.00	-5.17		9.00	-10.00	-5.55
1,541	-8.00	-4.04		9.20	-8.00	-4.42
1,575	-6.00	-2.91		9.40	-6.00	-3.30
1,608	-4.00	-1.80		9.60	-4.00	-2.19
1,642	-2.00	-0.69		9.80	-2.00	-1.09
1,675(3)	0.00	0.40		10.00	0.00	0.00
1,709	2.00	1.48		10.60	6.00	3.21
1,742	4.00	2.56		11.20	12.00	6.34
1,776	6.00	3.62		11.80	18.00	9.39
1,809	8.00	4.68		11.90	19.00	9.89
1,843	10.00	5.73		11.90	19.00	9.89
1,876	12.00	6.76		11.90	19.00	9.89
1,910	14.00	7.79		11.90	19.00	9.89
1,943	16.00	8.82		11.90	19.00	9.89
1,977	18.00	9.83		11.90	19.00	9.89
2,010	20.00	10.83		11.90	19.00	9.89

- (1) The annualized rates of return specified in the preceding table are calculated on (a) annual compounding and (b) an actual/365 day count.
- (2) This rate of return is solely based on the following assumptions:
- (a) quarterly dividends paid on the stocks included in the Index based on a constant dividend yield of 0.40% per year;
 - (b) no transaction fees or expenses; and
 - (c) an investment term equivalent to the term of the securities, assuming an issue date of May 2, 2006.
- (3) This is also the hypothetical initial Index level.
- (4) Assumes a maximum payment at maturity of \$11.90. The actual maximum payment at maturity will be determined on the pricing date.

Table of Contents

The following graph sets forth the return at maturity for a range of final Index levels (as a percentage of the initial Index level), assuming a maximum payment at maturity of \$11.90 per \$10 security (119% of the principal amount).

S-16

Table of Contents

THE NASDAQ-100® INDEX

The Nasdaq-100® Index

We have obtained all information regarding the Index contained in this prospectus supplement, including its make-up, method of calculation and changes in its components, from publicly available information. That information reflects the policies of, and is subject to change by, the Index Sponsor. The Index Sponsor has no obligation to continue to publish, and may discontinue publication of the Index at any time. We make no representation or warranty as to the accuracy or completeness of such information.

The Index was developed by Nasdaq, is determined, comprised and calculated by Nasdaq and was first published in January 1985. The Index is a modified capitalization-weighted index of 100 of the largest non-financial companies listed on the Nasdaq National Market System tier of The Nasdaq Stock Market, Inc. The Index constitutes a broadly diversified segment of the largest securities listed on The Nasdaq Stock Market, Inc. and includes companies across a variety of major industry groups. As of March 29, 2006, the major industry groups covered in the Index (listed according to their respective capitalization in the Index) were as follows: technology (55.85%), consumer services (19.64%), health care (15.19%), industrials (5.35%), consumer goods (2.39%), telecommunications (0.96%), oil & gas (0.34%), basic materials (0.29%). The identity and capitalization weightings of the five largest companies represented in the Index as of March 9, 2006 were as follows: Microsoft Corporation (6.92%), QUALCOMM Incorporated (6.57%), Apple Computer, Inc. (5.66%), Cisco Systems, Inc. (3.12%) and Google Inc. (3.09%). Current information regarding the market value of the Index is available from Nasdaq as well as numerous market information services. The Index is determined, calculated and maintained by the Index Sponsor without regard to the securities.

At any moment in time, the value of the Index equals the aggregate value of the then-current Index share weights of each of the Index component securities, which are based on the total shares outstanding of each such Index component security, multiplied by each such security's respective last sale price on The Nasdaq Stock Market, Inc., and divided by a scaling factor (the divisor), which becomes the basis for the reported Index value. The divisor serves the purpose of scaling such aggregate value (otherwise in the trillions) to a lower order of magnitude which is more desirable for the Index reporting purposes.

Underlying Stock Eligibility Criteria and Annual Ranking Review of the Nasdaq-100® Index

Initial Eligibility Criteria

To be eligible for initial inclusion in the Index, a security must be traded on the Nasdaq National Market System tier of the The Nasdaq Stock Market, Inc. and meet other eligibility criteria, including the following:

the security's U.S. listing must be exclusively on the the Nasdaq National Market (unless the security was dually listed on another U.S. market prior to January 1, 2004 and has continuously maintained such listing);

the security must be of a non-financial company;

the security may not be issued by an issuer currently in bankruptcy proceedings;

the security must have an average daily trading volume on The Nasdaq Stock Market, Inc. of at least 200,000 shares;

if the security is of a foreign issuer (a foreign issuer is determined based on its country of incorporation), it must have listed options or be eligible for listed-options trading;

only one class of security per issuer is allowed;

Edgar Filing: WACHOVIA CORP NEW - Form 424B5

the issuer of the security may not have entered into a definitive agreement or other arrangement which would result in the security no longer being listed on The Nasdaq Stock Market, Inc. within the next six months;

S-17

Table of Contents

the issuer of the security may not have annual financial statements with an audit opinion which the auditor or the company have indicated cannot be currently relied upon;

the security must have been seasoned on The Nasdaq Stock Market, Inc. or another recognized market (generally, a company is considered to be seasoned if it has been listed on a market for at least two years; in the case of spin-offs, the operating history of the spin-off will be considered); and

if the security would otherwise qualify to be in the top 25% of the securities included in the Index by market capitalization for the six prior consecutive month ends, then a one-year seasoning criteria would apply.

Continued Eligibility Criteria

In addition, to be eligible for continued inclusion in the Index the following criteria apply:

the security must be listed on the Nasdaq National Market (unless the security was dually listed on another U.S. market prior to January 1, 2004 and has continuously maintained such listing);

the security must be of a non-financial company;

the security may not be issued by an issuer currently in bankruptcy proceedings;

the security must have an average daily trading volume of at least 200,000 shares;

if the security is of a foreign issuer, it must have listed options or be eligible for listed-options trading;

the security must have an adjusted market capitalization equal to or exceeding 0.10% of the aggregate adjusted market capitalization of the Index at each month end. In the event a company does not meet this criterion for two consecutive month ends, it will be removed from the Index effective after the close of trading on the third Friday of the following month; and

the issuer of the security may not have annual financial statements with an audit opinion which the auditor or the company has indicated cannot be currently relied upon.

The securities in the Index are monitored every day by Nasdaq with respect to changes in total shares outstanding arising from secondary offerings, stock repurchases, conversions or other corporate actions. Nasdaq has adopted the following quarterly scheduled weight adjustment procedures with respect to such changes. If the change in total shares outstanding arising from such corporate action is greater than or equal to 5.0%, such change is made to the Index on the evening prior to the effective date of such corporate action or as soon as practical thereafter. Otherwise, if the change in total shares outstanding is less than 5.0%, then all such changes are accumulated and made effective at one time on a quarterly basis after the close of trading on the third Friday in each of March, June, September and December. In either case, the Index share weights for such underlying stocks are adjusted by the same percentage amount by which the total shares outstanding have changed in such Index securities.

Additionally, Nasdaq may periodically (ordinarily, several times per quarter) replace one or more component securities in the Index due to mergers, acquisitions, bankruptcies or other market conditions, or due to delisting if an issuer chooses to list its securities on another marketplace, or if the issuers of such component securities fail to meet the criteria for continued inclusion in the Index.

The Index share weights are also subject, in certain cases, to a rebalancing (see [Rebalancing of the Nasdaq-100 Index](#) below).

Edgar Filing: WACHOVIA CORP NEW - Form 424B5

Ordinarily, whenever there is a change in the Index share weights or a change in a component security included in the Index, Nasdaq adjusts the divisor to assure that there is no discontinuity in the value of the Index which might otherwise be caused by any such change.

S-18

Table of Contents

Annual Ranking Review

The Index securities are evaluated on an annual basis, except under extraordinary circumstances which may result in an interim evaluation, as follows (such evaluation is referred to herein as the Ranking Review). Securities listed on The Nasdaq Stock Market, Inc. that meet the eligibility criteria described above are ranked by market value using closing prices as of the end of October and publicly available total shares outstanding as of the end of November. Index-eligible securities that are already in the Index and that are in the top 150 eligible securities (based on market value) are retained in the Index provided that such security was ranked in the top 100 eligible securities as of the previous ranking review. Securities not meeting such criteria are replaced. The replacement securities chosen are those Nasdaq Index-eligible securities not currently in the Index that has the largest market capitalization.

Generally, the list of annual additions and deletions is publicly announced via a press release in the early part of December. Replacements are made effective after the close of trading on the third Friday in December. Moreover, if at any time during the year an Index component security is no longer traded on The Nasdaq Stock Market, Inc. or is otherwise determined by Nasdaq to become ineligible for continued inclusion in the Index, the security will be replaced with the largest market capitalization security not currently in the Index and meeting the Index eligibility criteria listed above.

Rebalancing of the Nasdaq-100® Index

Effective after the close of trading on December 18, 1998, the Index is calculated under a modified capitalization-weighted methodology, which is a hybrid between equal weighting and conventional capitalization weighting. This methodology is expected to: (1) retain in general the economic attributes of capitalization weighting; (2) promote portfolio weight diversification (thereby limiting domination of the Index by a few large stocks); (3) reduce Index performance distortion by preserving the capitalization ranking of companies; and (4) reduce market impact on the smallest Index securities from necessary weight rebalancings.

Under the methodology employed, on a quarterly basis coinciding with Nasdaq's quarterly scheduled weight adjustment procedures, the Index securities are categorized as either Large Stocks or Small Stocks depending on whether their current percentage weights (after taking into account such scheduled weight adjustments due to stock purchases, secondary offerings or other corporate actions) are greater than, or less or equal to, the average percentage weight in the Index (i.e., as a 100-stock index, the average percentage weight in the Index is 1.0%).

Such quarterly examination will result in a Index rebalancing if either one or both of the following two weight distribution requirements are not met: (1) the current weight of the single largest market capitalization Index security must be less than or equal to 24.0% and (2) the collective weight of those Index securities whose individual current weights are in excess of 4.5%, when added together, must be less than or equal to 48.0%. In addition, Nasdaq may conduct a special rebalancing if it is determined necessary to maintain the integrity of the Index.

If either one or both of these weight distribution requirements are not met upon quarterly review, or Nasdaq determines that a special rebalancing is required, a weight rebalancing will be performed. First, relating to weight distribution requirement (1) above, if the current weight of the single largest Index security exceeds 24.0%, then the weights of all Large Stocks will be scaled down proportionately towards 1.0% by enough for the adjusted weight of the single largest Index security to be set to 20.0%. Second, relating to weight distribution requirement (2) above, for those Index securities whose individual current weights or adjusted weights in accordance with the preceding step are in excess of 4.5%, if their collective weight exceeds 48.0%, then the weights of all Large Stocks will be scaled down proportionately towards 1.0% by just enough for the collective weight, so adjusted, to be set to 40.0%.

The aggregate weight reduction among the Large Stocks resulting from either or both of the above rescalings will then be redistributed to the Small Stocks in the following iterative manner. In the first iteration, the weight of the largest Small Stock will be scaled upwards by a factor which sets it equal to the average Index weight of 1.0%. The weights of each of the smaller remaining Small Stocks will be scaled up by the same factor reduced in relation to each stock's relative ranking among the Small Stocks such that the smaller the Index security in the ranking, the less the scale-up of its weight. This is intended to reduce the market impact of the weight rebalancing on the smallest component securities in the Index.

In the second iteration, the weight of the second largest Small Stock, already adjusted in the first iteration, will be scaled upwards by a factor which sets it equal to the average index weight of 1.0%. The weights of each of the smaller

Table of Contents

remaining Small Stocks will be scaled up by this same factor reduced in relation to each stock's relative ranking among the Small Stocks such that, once again, the smaller the stock in the ranking, the less the scale-up of its weight.

Additional iterations will be performed until the accumulated increase in weight among the Small Stocks exactly equals the aggregate weight reduction among the Large Stocks from rebalancing in accordance with weight distribution requirement (1) and/or weight distribution requirement (2).

Then, to complete the rebalancing procedure, once the final percentage weights of each of the Index securities are set, the Index share weights will be determined anew based upon the last sale prices and aggregate capitalization of the Index at the close of trading on the Thursday in the week immediately preceding the week of the third Friday in March, June, September and December. Changes to the Index share weights will be made effective after the close of trading on the third Friday in March, June, September and December and an adjustment to the Index divisor will be made to ensure continuity of the Index.

Ordinarily, new rebalanced weights will be determined by applying the above procedures to the current Index share weights. However, Nasdaq may from time to time determine rebalanced weights, if necessary, by instead applying the above procedure to the actual current market capitalization of the Index components. In such instances, Nasdaq would announce the different basis for rebalancing prior to its implementation.

Historical Closing Levels of the Index

Since its inception, the Index has experienced significant fluctuations. Any historical upward or downward trend in the closing level of the Index during any period shown below is not an indication that the closing level of the Index is more or less likely to increase or decrease at any time during the term of the securities. The historical levels of the Index do not give an indication of future performance of the Index. We cannot make any assurance that the future performance of the Index or the trading prices of the underlying common stocks will result in holders of the securities receiving a positive total return on their investment.

We obtained the closing levels of the Index listed below from Bloomberg Financial Markets without independent verification. The actual level of the Index at or near maturity of the securities may bear little relation to the historical levels shown below.

The following table sets forth the published high and low closing levels of the Index and the level of the Index at the end of each quarter from January 1, 2003, through December 31, 2005, and for the period from January 1, 2006, through March 15, 2006. On March 31, 2006, the closing level of the Index was 1703.66. This historical data on the Index is not indicative of the future levels of the Index or what the market value of the securities may be. Any historical upward or downward trend in the level of the Index during any period set forth below is not any indication that the level of the Index is more or less likely to increase or decrease at any time during the term of the securities.

Table of Contents**Quarterly High, Low and Closing Levels of the Index**

Quarter	Start	Quarter	End	High Closing	Low Closing	Quarter	End
				Level of the	Level of the	Closing Level	
Date	Date	Date	Date	Index	Index	of the Index	
01/01/03	03/31/03	01/01/03	03/31/03	1,094.87	951.90	1,018.66	
04/01/03	06/30/03	04/01/03	06/30/03	1,247.90	1,022.63	1,201.69	
07/01/03	09/30/03	07/01/03	09/30/03	1,400.13	1,207.28	1,303.70	
10/01/03	12/31/03	10/01/03	12/31/03	1,470.37	1,335.34	1,467.92	
01/01/04	03/31/04	01/01/04	03/31/04	1,553.66	1,370.04	1,438.41	
04/01/04	06/30/04	04/01/04	06/30/04	1,516.64	1,379.90	1,516.64	
07/01/04	09/30/04	07/01/04	09/30/04	1,489.57	1,304.43	1,412.74	
10/01/04	12/31/04	10/01/04	12/31/04	1,627.46	1,425.21	1,621.12	
01/01/05	03/31/05	01/01/05	03/31/05	1,603.51	1,464.34	1,482.53	
04/01/05	06/30/05	04/01/05	06/30/05	1,568.96	1,406.85	1,493.52	
07/01/05	09/30/05	07/01/05	09/30/05	1,627.19	1,490.53	1,601.66	
10/01/05	12/31/05	10/01/05	12/31/05	1,709.10	1,521.19	1,645.20	
01/01/06	03/31/06	01/01/06	03/31/06	1,758.24	1,645.09	1,703.66	

License Agreement

The Nasdaq Stock Market, Inc. and WBNA have entered into a non-exclusive license agreement providing for the license to WBNA, its subsidiaries and affiliates, including Wachovia, in exchange for a fee, of the right to use the Index, which is owned and published by Nasdaq, in connection with some securities, including the securities.

The license agreement between The Nasdaq Stock Market, Inc. and WBNA provides that the following language must be stated in this prospectus supplement:

The securities are not sponsored, endorsed, sold or promoted by The Nasdaq Stock Market, Inc. (including its affiliates, Nasdaq). Nasdaq has not passed on legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to, the securities. Nasdaq makes no representation or warranty, express or implied, to the owners of the securities or any member of the public regarding the advisability of investing in securities generally or in the securities particularly, or the ability of the Nasdaq-100 Index[®] to track general stock market performance. Nasdaq's only relationship to WBNA, is in the licensing of the Nasdaq-100[®], Nasdaq-100 Index[®], and Nasdaq[®] trademarks or service marks, and certain trade names of Nasdaq and the use of the Nasdaq-100 Index[®] which is determined, composed and calculated by Nasdaq without regard to WBNA or the securities. Nasdaq has no obligation to make the needs of WBNA or the owners of the securities into consideration in determining, composing or calculating the Nasdaq-100 Index[®]. Nasdaq is not responsible for and has not participated in the determination or calculation of the equation by which the securities are to be converted into cash. Nasdaq has no liability in connection with the administration, marketing or trading to the securities.

NASDAQ DOES NOT GUARANTEE THE ACCURACY AND/OR UNINTERRUPTED CALCULATION OF THE NASDAQ-100 INDEX[®] OR ANY DATA INCLUDED THEREIN. NASDAQ MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY WBNA, OWNERS OF THE SECURITIES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE NASDAQ-100 INDEX[®] OR ANY DATA INCLUDED THEREIN. NASDAQ MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE NASDAQ-100 INDEX[®] OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NASDAQ HAVE ANY LIABILITY FOR ANY LOST PROFITS OR SPECIAL,

Table of Contents

INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Nasdaq-100[®], Nasdaq-100 Index[®], and Nasdaq[®] are trade or service marks of The Nasdaq Stock Market, Inc. (together with its affiliates Nasdaq) and have been licensed for use by WBNA, its subsidiaries and affiliates. The securities are not sponsored, endorsed, sold or promoted by Nasdaq and Nasdaq makes no representation regarding the advisability of investing in the securities.

SUPPLEMENTAL TAX CONSIDERATIONS

The following is a general description of certain United States federal income tax considerations relating to the securities. The following does not purport to be a complete analysis of all tax considerations relating to the securities. Prospective purchasers of the securities should consult their tax advisors as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of the United States of acquiring, holding and disposing of the securities and receiving payments of interest, principal and/or other amounts under the securities. This summary is based upon the law as in effect on the date of this prospectus supplement and is subject to any change in law that may take effect after such date. This summary does not address all aspects of United States federal income taxation of the securities that may be relevant to you in light of your particular circumstances, nor does it address all of your tax consequences if you are a holder of securities who is subject to special treatment under the United States federal income tax laws.

Supplemental U.S. Tax Considerations

The discussion below supplements the discussion under United States Taxation in the accompanying prospectus and is subject to the limitations and exceptions set forth therein. Except as otherwise noted under United States Alien Holders below, this discussion is only applicable to you if you are a United States holder (as defined in the accompanying prospectus).

In the opinion of Sullivan & Cromwell LLP (tax counsel), the securities should be treated as pre-paid derivative contracts linked to the level of the Index and the terms of the securities require you and us (in the absence of an administrative or judicial ruling to the contrary) to treat the securities for all tax purposes in accordance with such characterization. If the securities are so treated, you should recognize capital gain or loss upon the sale or maturity of your securities (which will be long-term capital gain or loss if you hold your securities for more than one year) in an amount equal to the difference between the amount you receive at such time and your tax basis in the securities. Capital gain of a non-corporate United States holder that is recognized before January 1, 2009 is generally taxed at a maximum rate of 15% where the holder has a holding period with respect to its securities of more than one year. In general, your tax basis in your securities will be equal to the price you paid for them. The deductibility of capital losses is subject to limitations.

Alternative Treatments. Notwithstanding the opinion of tax counsel, it is possible that the securities could be treated as a single debt instrument subject to the special tax rules governing contingent debt instruments. If the securities are so treated, you would be required to accrue interest income over the term of your securities based upon the yield at which we would issue a non-contingent fixed-rate debt instrument with other terms and conditions similar to your securities (the comparable yield). You would recognize gain or loss upon the sale or maturity of your securities in an amount equal to the difference, if any, between the amount you receive at such time and your adjusted basis in your securities. In general, your adjusted basis in your securities would be equal to the amount you paid for your securities, increased by the amount of interest you previously accrued with respect to your securities. Any gain you recognize upon the sale, redemption or maturity of your securities would be ordinary income and any loss recognized by you at such time would be ordinary loss to the extent of interest you included in income in the current or previous taxable years with respect to your securities, and thereafter would be capital loss.

If the securities are treated as a contingent debt instrument and you purchase your securities in the secondary market at a price that is at a discount from, or in excess of, the adjusted issue price of the securities, such excess or discount would not be subject to the generally applicable market discount or amortizable bond premium rules described in the accompanying prospectus but rather would be subject to special rules set forth in treasury regulations governing contingent debt instruments. Accordingly, if you purchase your securities in the secondary market, you should consult your tax advisor as to the possible application of such rules to you.

Table of Contents

Because of the absence of authority regarding the appropriate tax characterization of your securities, it is possible that the Internal Revenue Service could seek to characterize your securities in a manner that results in tax consequences to you that are different from those described above. For example, the Internal Revenue Service could characterize your securities in part as a nonequity option that is subject to special mark-to-market rules under Section 1256 of the Internal Revenue Code. You should consult your tax advisor as to the tax consequences of such characterization and any possible alternative characterizations of your securities for U.S. federal income tax purposes.

United States Alien Holders. If the securities are treated as pre-paid derivative contracts, as discussed above, and you are a United States alien holder (as defined in the accompanying prospectus), you will not be subject to United States withholding tax with respect to payments on your securities but you will be subject to generally applicable information reporting and backup withholding requirements with respect to payments on your securities unless you comply with certain certification and identification requirements as to your foreign status.

As discussed above, alternative characterizations of the securities for U.S. federal income tax purposes are possible. Should an alternative characterization of the securities, by reason of a change or clarification of the law, by regulation or otherwise, cause payments with respect to the securities to become subject to withholding tax, we will withhold tax at the applicable statutory rate and we will not make payments of any Additional Amounts (as defined in the accompanying prospectus). Prospective United States alien holders of the securities should consult their own tax advisors in this regard.

EMPLOYEE RETIREMENT INCOME SECURITY ACT

A fiduciary of a pension, profit-sharing or other employee benefit plan (a plan) subject to the Employee Retirement Income Security Act of 1974, as amended (ERISA), should consider the fiduciary standards of ERISA in the context of the plan's particular circumstances before authorizing an investment in the securities. Accordingly, among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the plan, and whether the investment would involve a prohibited transaction under Section 406 of ERISA or Section 4975 of the Internal Revenue Code (the Code).

Section 406 of ERISA and Section 4975 of the Code prohibit plans, as well as individual retirement accounts and Keogh plans subject to Section 4975 of the Internal Revenue Code (also plans), from engaging in certain transactions involving plan assets with persons who are parties in interest under ERISA or disqualified persons under the Code (parties in interest) with respect to the plan or account. A violation of these prohibited transaction rules may result in civil penalties or other liabilities under ERISA and/or an excise tax under Section 4975 of the Code for those persons, unless exemptive relief is available under an applicable statutory, regulatory or administrative exemption. Certain employee benefit plans and arrangements including those that are governmental plans (as defined in section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and foreign plans (as described in Section 4(b)(4) of ERISA) (non-ERISA arrangements) are not subject to the requirements of ERISA or Section 4975 of the Code but may be subject to similar provisions under applicable federal, state, local, foreign or other regulations, rules or laws (similar laws).

The acquisition of the securities by a plan with respect to which Wachovia, Wachovia Capital Markets, LLC or certain of our affiliates is or becomes a party in interest may constitute or result in a prohibited transaction under ERISA or Section 4975 of the Code, unless those securities are acquired pursuant to and in accordance with an applicable exemption. The U.S. Department of Labor has issued five prohibited transaction class exemptions, or PTCEs, that may provide exemptive relief if required for direct or indirect prohibited transactions that may arise from the purchase or holding of the securities. These exemptions are:

PTCE 84-14, an exemption for certain transactions determined or effected by independent qualified professional asset managers;

PTCE 90-1, an exemption for certain transactions involving insurance company pooled separate accounts;

PTCE 91-38, an exemption for certain transactions involving bank collective investment funds;

PTCE 95-60, an exemption for transactions involving certain insurance company general accounts; and

Table of Contents

PTCE 96-23, an exemption for plan asset transactions managed by in-house asset managers.

The securities may not be purchased or held by (1) any plan, (2) any entity whose underlying assets include plan assets by reason of any plan's investment in the entity (a plan asset entity) or (3) any person investing plan assets of any plan, unless in each case the purchaser or holder is eligible for the exemptive relief available under one or more of the PTCEs listed above or another applicable similar exemption. Any purchaser or holder of the securities or any interest in the securities will be deemed to have represented by its purchase and holding of the securities that it either (1) is not a plan or a plan asset entity and is not purchasing those securities on behalf of or with plan assets of any plan or plan asset entity or (2) with respect to the purchase or holding, is eligible for the exemptive relief available under any of the PTCEs listed above or another applicable exemption. In addition, any purchaser or holder of the securities or any interest in the securities which is a non-ERISA arrangement will be deemed to have represented by its purchase and holding of the securities that its purchase and holding will not violate the provisions of any similar law.

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is important that fiduciaries or other persons considering purchasing the securities on behalf of or with plan assets of any plan, plan asset entity or non-ERISA arrangement consult with their counsel regarding the availability of exemptive relief under any of the PTCEs listed above or any other applicable exemption, or the potential consequences of any purchase or holding under similar laws, as applicable.

If you are an insurance company or the fiduciary of a pension plan or an employee benefit plan, and propose to invest in the securities, you should consult your legal counsel.

USE OF PROCEEDS AND HEDGING

The net proceeds from the sale of the securities will be used as described under Use of Proceeds in the accompanying prospectus and to hedge market risks of Wachovia associated with its obligation to pay the maturity payment amount at the maturity of the securities.

The hedging activity discussed above may adversely affect the market value of the securities from time to time and the maturity payment amount you will receive on the securities at maturity. See Risk Factors Purchases and sales by us or our affiliates may affect your return and Risk Factors Potential conflicts of interest could arise for a discussion of these adverse effects.

SUPPLEMENTAL PLAN OF DISTRIBUTION

Wachovia Capital Markets, LLC has agreed, subject to the terms and conditions of the distribution agreement and a terms agreement, to purchase from Wachovia as principal \$• aggregate principal amount of securities and will receive an underwriting discount and commission of •%. Wachovia Capital Markets, LLC has engaged the services of each of Wachovia Securities, LLC and Wachovia Securities Financial Network, LLC, as broker, to resell \$• and \$•, respectively, aggregate principal amount of the securities purchased by Wachovia Capital Markets, LLC and has agreed to reallow Wachovia Securities, LLC and Wachovia Securities Financial Network, LLC •% of the principal amount of each security sold through Wachovia Securities, LLC or Wachovia Securities Financial Network, LLC, respectively, as broker.

The distribution agreement provides that the obligations of Wachovia Capital Markets, LLC are subject to certain conditions and that Wachovia Capital Markets, LLC is obligated to purchase the securities. Wachovia Capital Markets, LLC has advised Wachovia that it proposes initially to offer all or part of the securities directly to the public at the offering price set forth on the cover page of this prospectus supplement. In addition to the compensation paid at the time of the initial public offering of the securities, an additional administrative fee of •% and an additional referral fee of •% will be paid to Wachovia Securities, LLC in connection with the administration of orders for the securities and the referral of a broker-dealer participating in this offering, respectively. After the initial public offering, the public offering price may be changed and a concession to dealers may be offered. Wachovia Capital Markets, LLC is offering the securities subject to receipt and acceptance and subject to its right to reject any order in whole or in part.

In addition, additional agents under the distribution agreement, subject to the terms and conditions of the distribution agreement, may act as Wachovia's agents in the sale of \$• aggregate principal amount of the securities. The

Table of Contents

total commission payable on securities sold by the additional agents on an agency basis, pursuant to the distribution agreement, will be •%. We refer to the additional agents, together with Wachovia Capital Markets, LLC, as the Agents .

Proceeds to be received by Wachovia in this offering will be net of the underwriting discount, commission and expenses payable by Wachovia.

The Agents, Wachovia Securities, LLC, Wachovia Securities Financial Network, LLC or any other broker-dealer affiliate of Wachovia may use this prospectus supplement and the accompanying prospectus for offers and sales related to market-making transactions in the securities. The Agents, Wachovia Securities, LLC, Wachovia Securities Financial Network, LLC or any other broker-dealer affiliate of Wachovia may act as principal or agent in these transactions, and the sales will be made at prices related to prevailing market prices at the time of sale.

Wachovia Capital Markets, LLC, Wachovia Securities, LLC and Wachovia Securities Financial Network, LLC are affiliates of Wachovia. Rule 2720 of the Conduct Rules of the National Association of Securities Dealers, Inc. (the NASD) imposes certain requirements when an NASD member such as Wachovia Capital Markets, LLC, Wachovia Securities, LLC or Wachovia Securities Financial Network, LLC distributes an affiliated company s debt securities. Wachovia Capital Markets, LLC, Wachovia Securities, LLC and Wachovia Securities Financial Network, LLC have advised Wachovia that this offering will comply with the applicable requirements of Rule 2720. No NASD member participating in this offering will confirm initial sales to accounts over which it exercises discretionary authority without the prior written approval of the customer.

We expect to deliver the securities against payment therefor in New York City on or about the expected settlement date specified on the cover page of this prospectus supplement, which will be the fifth business day following the date of this prospectus supplement and of the pricing of the securities. Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade securities on the pricing date or the next succeeding business day will be required, by virtue of the fact that the securities initially will settle in five business days (T+5), to specify alternative settlement arrangements to prevent a failed settlement.

No action has been or will be taken by Wachovia, the Agents, Wachovia Securities, LLC, Wachovia Securities Financial Network, LLC or any other broker-dealer affiliate of Wachovia that would permit a public offering of the securities or possession or distribution of this prospectus supplement or the accompanying prospectus in any jurisdiction, other than the United States, where action for that purpose is required. No offers, sales or deliveries of the securities, or distribution of this prospectus supplement or the accompanying prospectus, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on Wachovia, the Agents, Wachovia Securities, LLC, Wachovia Securities Financial Network, LLC or any other broker-dealer affiliate of Wachovia. In respect of specific jurisdictions, please note the following:

The securities, and the offer to sell such securities, do not constitute a public offering in Argentina. Consequently, no public offering approval has been requested or granted by the Comisión Nacional de Valores, nor has any listing authorization of the securities been requested on any stock market in Argentina.

The securities will not be offered or sold to any persons who are residents of the Bahamas within the meaning of the Exchange Control Regulations of 1956 issued by the Central Bank of the Bahamas.

The securities may not be offered or sold to the public in Brazil. Accordingly, the securities have not been submitted to the Comissão de Valores Mobiliários for approval. Documents relating to this offering may not be supplied to the public as a public offering in Brazil or be used in connection with any offer for subscription or sale to the public in Brazil.

Neither the securities nor Wachovia Corporation is registered in the Securities Registry of the Superintendency of Securities and Insurance in Chile.

The securities have not been registered with the National Registry of Securities maintained by the Mexican National Banking and Securities Commission and may not be offered or sold publicly in Mexico. This prospectus supplement and the accompanying prospectus may not be publicly distributed in Mexico.

Table of Contents

RECENT DEVELOPMENTS

On January 19, 2006, Wachovia announced its results of operations for the quarter ended December 31, 2005. Wachovia's earnings were \$1.71 billion in the fourth quarter of 2005 compared with earnings of \$1.45 billion in the fourth quarter of 2004. On a per share basis, earnings were \$1.09 compared with \$0.95 a year ago.

For the full year of 2005, earnings were \$6.64 billion, or \$4.19 per share, compared with \$5.21 billion, or \$3.81 per share, for the full year of 2004.

These results included a discontinued operations gain of \$214 million after-tax, or \$0.14 per share, related to the fourth quarter 2005 sale of Wachovia's corporate and institutional trust businesses.

Tax-equivalent net interest income was \$3.58 billion in the fourth quarter of 2005 compared with \$3.36 billion in the fourth quarter of 2004. Fee and other income was \$2.99 billion in the fourth quarter of 2005 compared with \$2.80 billion in the fourth quarter of 2004.

Nonperforming assets were \$720 million, or 0.28% of net loans and foreclosed properties, at December 31, 2005, compared with \$1.10 billion, or 0.49%, at December 31, 2004. Annualized net charge-offs as a percentage of average net loans were 0.09% in the fourth quarter of 2005 compared with 0.23% in the fourth quarter of 2004. The provision for credit losses was \$81 million in the fourth quarter of 2005 compared with \$109 million a year ago.

Net loans at December 31, 2005 were \$259.0 billion compared with \$223.8 billion a year ago. Total deposits were \$324.9 billion at December 31, 2005, compared with \$295.1 billion a year ago. Stockholders' equity was \$47.6 billion at December 31, 2005, compared with \$47.3 billion a year ago. At December 31, 2005, Wachovia had assets of \$520.8 billion.

Table of Contents

\$9,100,000,000

WACHOVIA CORPORATION

Senior Global Medium-Term Notes, Series G

and

Subordinated Global Medium-Term Notes, Series H

Terms of Sale

Wachovia Corporation may from time to time offer and sell notes with various terms, including the following:

stated maturity of 9 months or longer	amount of principal or interest may be determined by reference to an index or formula
fixed or floating interest rate, zero-coupon or issued with original issue discount; a floating interest rate may be based on:	book-entry form through The Depository Trust Company, Euroclear, Clearstream or any other clearing system or financial institution named in the applicable pricing supplement
commercial paper rate	redemption at the option of Wachovia or repayment at the option of the holder
prime rate	interest on notes paid monthly, quarterly, semi-annually or annually
LIBOR	denominations of \$1,000 and multiples of \$1,000
EURIBOR	denominated in U.S. dollars, a currency other than U.S dollars or in a composite currency
treasury rate	settlement in immediately available funds
CMT rate	

CD rate

CPI rate

federal funds rate

ranked as senior or subordinated indebtedness
of Wachovia

The final terms of each note will be included in a pricing supplement. Wachovia will receive between \$9,090,000,000 and \$8,372,000,000 of the proceeds from the sale of the notes, after paying the agents' commissions of between \$10,000,000 and \$728,000,000, unless otherwise agreed with the agents.

Wachovia has filed an application to list notes issued under this prospectus on the Luxembourg Stock Exchange. The Luxembourg Stock Exchange has advised us that with respect to notes so listed, this prospectus is valid for one year from the date of this prospectus.

Investing in the notes involves risks. See Risk Factors beginning on page 5.

Neither the Securities and Exchange Commission, any state securities commission or the Commissioner of Insurance of the state of North Carolina has approved or disapproved of the securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

These securities will be our unsecured obligations and will not be savings accounts, deposits or other obligations of any bank or non-bank subsidiary of ours and are not insured by the Federal Deposit Insurance Corporation, the Bank Insurance Fund or any other governmental agency.

Wachovia may sell the notes directly or through one or more agents or dealers, including the agents listed below. The agents are not required to sell any particular amount of the notes.

Wachovia may use this prospectus in the initial sale of any notes. In addition, Wachovia Capital Markets, LLC, or any other affiliate of Wachovia may use this prospectus in a market-making or other transaction in any note after its initial sale. *Unless Wachovia or its agent informs the purchaser otherwise in the confirmation of sale or pricing supplement, this prospectus is being used in a market-making transaction.*

Wachovia Securities



This prospectus is dated May 13, 2005

Table of Contents

TABLE OF CONTENTS

	Page
<u>About This Prospectus</u>	1
<u>Where You Can Find More Information</u>	3
<u>Forward-Looking Statements</u>	4
<u>Wachovia Corporation</u>	4
<u>Risk Factors</u>	5
<u>Use of Proceeds</u>	9
<u>Consolidated Earnings Ratios</u>	9
<u>Selected Consolidated Condensed Financial Data</u>	10
<u>Capitalization</u>	11
<u>Regulatory Considerations</u>	11
<u>Description of the Notes We May Offer</u>	12
<u>Global Notes</u>	45
<u>United States Taxation</u>	49
<u>Proposed European Union Directive on Taxation of Savings</u>	62
<u>Employee Retirement Income Security Act</u>	62
<u>Plan of Distribution</u>	64
<u>Validity of the Notes</u>	69
<u>Experts</u>	70
<u>Listing and General Information</u>	70

Table of Contents

ABOUT THIS PROSPECTUS

General

This document is called a prospectus and is part of a registration statement that we filed with the SEC using a shelf registration or continuous offering process. Under this shelf registration, we may from time to time sell any combination of the securities described in this prospectus in one or more offerings up to a total aggregate initial offering price of \$9,100,000,000 or the equivalent amount in one or more other currencies or composite currencies.

This prospectus provides you with a general description of the securities we may offer. Each time we sell securities we will provide a pricing supplement containing specific information about the terms of the securities being offered. That pricing supplement may include a discussion of any risk factors or other special considerations that apply to those securities. The pricing supplement may also add, update or change the information in this prospectus. If there is any inconsistency between the information in this prospectus and any pricing supplement, you should rely on the information in that pricing supplement. You should read both this prospectus and any pricing supplement together with additional information described under the heading **Where You Can Find More Information**.

The registration statement containing this prospectus, including exhibits to the registration statement, provides additional information about us and the securities offered under this prospectus. The registration statement can be read at the SEC web site or at the SEC offices mentioned under the heading **Where You Can Find More Information**.

When acquiring any securities discussed in this prospectus, you should rely only on the information provided in this prospectus and in any pricing supplement, including the information incorporated by reference. Neither we nor any underwriters or agents have authorized anyone to provide you with different information. We are not offering the securities in any state where the offer is prohibited. You should not assume that the information in this prospectus, any pricing supplement or any document incorporated by reference is truthful or complete at any date other than the date mentioned on the cover page of these documents.

We may sell securities to underwriters who will sell the securities to the public on terms fixed at the time of sale. In addition, the securities may be sold by us directly or through dealers or agents designated from time to time, which agents may be our affiliates. If we, directly or through agents, solicit offers to purchase the securities, we reserve the sole right to accept and, together with our agents, to reject, in whole or in part, any of those offers.

The pricing supplement will contain the names of the underwriters, brokers, dealers or agents, if any, together with the terms of offering, the compensation of those persons and the net proceeds to us. Any underwriters, brokers, dealers or agents participating in the offering may be deemed underwriters within the meaning of the Securities Act of 1933 (the **Securities Act**).

One or more of our subsidiaries, including Wachovia Capital Markets, LLC may buy and sell any of the securities after the securities are issued as part of their business as a broker-dealer. Those subsidiaries may use this prospectus and the related pricing supplement in those transactions. Any sale by a subsidiary will be made at the prevailing market price at the time of sale. Wachovia Capital Markets, LLC and Wachovia Securities, LLC another of our subsidiaries, each conduct business under the name **Wachovia Securities**. Any reference in this prospectus to **Wachovia Securities** means Wachovia Capital Markets, LLC, unless otherwise mentioned or unless the context requires otherwise.

Edgar Filing: WACHOVIA CORP NEW - Form 424B5

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus to Wachovia , we , us , our or similar references mean Wachovia Corporation and its subsidiaries.

Table of Contents

Selling Restrictions Outside the United States

Offers and sales of the notes are subject to restrictions in the United Kingdom. The distribution of this prospectus and the offering of the notes in certain other jurisdictions may also be restricted by law. This prospectus does not constitute an offer of, or an invitation on Wachovia's behalf or on behalf of the agents or any of them to subscribe to or purchase, any of the notes. This prospectus may not be used for or in connection with an offer or solicitation by anyone in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. Please refer to the section entitled "Plan of Distribution".

As long as the notes are listed on the Luxembourg Stock Exchange, a supplemental prospectus will be prepared and filed with the Luxembourg Stock Exchange in the event of a material change in the financial condition of Wachovia that is not reflected in this prospectus, for the use in connection with any subsequent issue of debt securities to be listed on the Luxembourg Stock Exchange. As long as the notes are listed on the Luxembourg Stock Exchange, if the terms and conditions of the notes are modified or amended in a manner which would make this prospectus materially inaccurate or misleading, a new prospectus or supplemental prospectus will be prepared.

Wachovia accepts responsibility for the information contained in this prospectus. The Luxembourg Stock Exchange takes no responsibility for the contents of this document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss no matter how arising from or in reliance upon the whole or any part of the contents of this prospectus.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file at the SEC's public reference room in Washington, D.C. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. In addition, our SEC filings are available to the public at the SEC's web site at <http://www.sec.gov>. You can also inspect reports, proxy statements and other information about us at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York.

The SEC allows us to incorporate by reference into this prospectus the information in documents we file with it. This means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus and should be read with the same care. When we update the information contained in documents that have been incorporated by reference by making future filings with the SEC the information incorporated by reference in this prospectus is considered to be automatically updated and superseded. In other words, in the case of a conflict or inconsistency between information contained in this prospectus and information incorporated by reference into this prospectus, you should rely on the information contained in the document that was filed later. We incorporate by reference the documents listed below and any documents we file with the SEC in the future under Section 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 (the Exchange Act) until the offering of securities by means of this prospectus is completed:

Annual Report on Form 10-K for the year ended December 31, 2004;

Quarterly Report on Form 10-Q for the period ended March 31, 2005; and

Current Reports on Form 8-K dated January 5, 2005, January 14, 2005, January 19, 2005, April 15, 2005 and May 2, 2005.

You may request a copy of these filings, other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing, at no cost, by writing to or telephoning us at the following address:

Corporate Relations

Wachovia Corporation

One Wachovia Center

301 South College Street

Charlotte, North Carolina 28288-0206

(704) 374-6782

As long as the notes are listed on the Luxembourg Stock Exchange, you may also obtain documents incorporated by reference in this prospectus free of charge from the Luxembourg Listing Agent or the Luxembourg Paying Agent and Transfer Agent.

Table of Contents

FORWARD-LOOKING STATEMENTS

This prospectus and applicable pricing supplements contain or incorporate statements that are forward-looking statements. These statements can be identified by the use of forward-looking language such as will likely result, may, are expected to, is anticipated, estimate, projected, intend, or other similar words. Our actual results, performance or achievements could be significantly different from the results expressed in or implied by these forward-looking statements. These statements are subject to certain risks and uncertainties, including but not limited to certain risks described in the pricing supplement or the documents incorporated by reference. When considering these forward-looking statements, you should keep in mind these risks, uncertainties and other cautionary statements made in this prospectus and the pricing supplements. You should not place undue reliance on any forward-looking statement, which speaks only as of the date made. You should refer to our periodic and current reports filed with the SEC for specific risks which could cause actual results to be significantly different from those expressed or implied by these forward-looking statements.

WACHOVIA CORPORATION

Wachovia was incorporated under the laws of North Carolina in 1967. We are registered as a financial holding company and a bank holding company under the Bank Holding Company Act of 1956, as amended, and are supervised and regulated by the Board of Governors of the Federal Reserve System. Our banking and securities subsidiaries are supervised and regulated by various federal and state banking and securities regulatory authorities. On September 1, 2001, the former Wachovia Corporation merged with and into First Union Corporation, and First Union Corporation changed its name to Wachovia Corporation.

In addition to North Carolina, Wachovia's full-service banking subsidiaries operate in Alabama, Connecticut, Delaware, Florida, Georgia, Maryland, Mississippi, New Jersey, New York, Pennsylvania, South Carolina, Tennessee, Texas, Virginia and Washington, D.C. These full-service banking subsidiaries provide a wide range of commercial and retail banking and trust services. Wachovia also provides various other financial services, including mortgage banking, home equity lending, leasing, investment banking, insurance and securities brokerage services through other subsidiaries.

In 1985, the Supreme Court upheld regional interstate banking legislation. Since then, Wachovia has concentrated its efforts on building a large regional banking organization in what it perceives to be some of the better banking markets in the eastern United States. Since November 1985, Wachovia has completed over 100 banking-related acquisitions.

Wachovia continually evaluates its business operations and organizational structures to ensure they are aligned closely with its goal of maximizing performance in its core business lines, Capital Management, Wealth Management, the General Bank and Corporate and Investment Banking. When consistent with our overall business strategy, we may consider the disposition of certain of our assets, branches, subsidiaries or lines of business. We continue to routinely explore acquisition opportunities, particularly in areas that would complement our core business lines, and frequently conduct due diligence activities in connection with possible acquisitions. As a result, acquisition discussions and, in some cases, negotiations frequently take place, and future acquisitions involving cash, debt or equity securities can be expected.

Wachovia is a separate and distinct legal entity from its banking and other subsidiaries. Dividends received from our subsidiaries are our principal source of funds to pay dividends on our common and preferred stock and debt service on our debt. Various federal and state statutes and regulations limit the amount of dividends that our banking and other subsidiaries may pay to us without regulatory approval.

Table of Contents

RISK FACTORS

Our Credit Ratings May Not Reflect All Risks of An Investment in the Notes

The credit ratings of our medium-term note program may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or trading value of, your notes. In addition, real or anticipated changes in our credit ratings will generally effect any trading market for, or trading value of, your notes.

Risks Relating to Indexed Notes

We use the term *indexed notes* to mean notes whose value is linked to an underlying property or index. Indexed notes may present a high level of risk, and those who invest in indexed notes may lose their entire investment. In addition, the treatment of indexed notes for U.S. federal income tax purposes is often unclear due to the absence of any authority specifically addressing the issues presented by any particular indexed note. Thus, if you propose to invest in indexed notes, you should independently evaluate the federal income tax consequences of purchasing an indexed note that apply in your particular circumstances. You should also read *United States Taxation* for a discussion of U.S. tax matters.

Investors in Indexed Notes Could Lose Their Investment

The amount of principal and/or interest payable on an indexed note and the cash value or physical settlement value of a physically settled note will be determined by reference to the price, value or level of one or more securities, currencies, commodities or other properties, any other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance, and/or one or more indices or baskets of any of these items. We refer to each of these as an *index*. The direction and magnitude of the change in the price, value or level of the relevant index will determine the amount of principal and/or interest payable on the indexed note, and the cash value or physical settlement value of a physically settled note. The terms of a particular indexed note may or may not include a guaranteed return of a percentage of the face amount at maturity or a minimum interest rate. Thus, if you purchase an indexed note, you may lose all or a portion of the principal or other amount you invest and may receive no interest on your investment.

The Issuer of a Security or Currency That Serves as an Index Could Take Actions That May Adversely Affect an Indexed Note

The issuer of a security that serves as an index or part of an index for an indexed note will have no involvement in the offer and sale of the indexed note and no obligations to the holder of the indexed note. The issuer may take actions, such as a merger or sale of assets, without regard to the interests of the holder. Any of these actions could adversely affect the value of a note indexed to that security or to an index of which that security is a component.

If the index for an indexed note includes a non-U.S. dollar currency or other asset denominated in a non-U.S. dollar currency, the government that issues that currency will also have no involvement in the offer and sale of the indexed note and no obligations to the holder of the indexed note. That government may take actions that could adversely affect the value of the note. See *Risks Relating to Notes Denominated or Payable*

in or Linked to a Non-U.S. Dollar Currency below for more information about these kinds of government actions.

An Indexed Note May Be Linked to a Volatile Index, Which Could Hurt Your Investment

Some indices are highly volatile, which means that their value may change significantly, up or down, over a short period of time. The amount of principal or interest that can be expected to become payable on an

Table of Contents

indexed note may vary substantially from time to time. Because the amounts payable with respect to an indexed note are generally calculated based on the value or level of the relevant index on a specified date or over a limited period of time, volatility in the index increases the risk that the return on the indexed note may be adversely affected by a fluctuation in the level of the relevant index.

The volatility of an index may be affected by political or economic events, including governmental actions, or by the activities of participants in the relevant markets. Any of these events or activities could adversely affect the value of an indexed note.

An Index to Which a Note Is Linked Could Be Changed or Become Unavailable

Some indices compiled by us or our affiliates or third parties may consist of or refer to several or many different securities, commodities or currencies or other instruments or measures. The compiler of such an index typically reserves the right to alter the composition of the index and the manner in which the value or level of the index is calculated. An alteration may result in a decrease in the value of or return on an indexed note that is linked to the index. The indices for our indexed notes may include published indices of this kind or customized indices developed by us or our affiliates in connection with particular issues of indexed notes.

A published index may become unavailable, or a customized index may become impossible to calculate in the normal manner, due to events such as war, natural disasters, cessation of publication of the index or a suspension or disruption of trading in one or more securities, commodities or currencies or other instruments or measures on which the index is based. If an index becomes unavailable or impossible to calculate in the normal manner, the terms of a particular indexed note may allow us to delay determining the amount payable as principal or interest on an indexed note, or we may use an alternative method to determine the value of the unavailable index. Alternative methods of valuation are generally intended to produce a value similar to the value resulting from reference to the relevant index. However, it is unlikely that any alternative method of valuation we use will produce a value identical to the value that the actual index would produce. If we use an alternative method of valuation for a note linked to an index of this kind, the value of the note, or the rate of return on it, may be lower than it otherwise would be.

Some indexed notes are linked to indices that are not commonly used or that have been developed only recently. The lack of a trading history may make it difficult to anticipate the volatility or other risks associated with an indexed note of this kind. In addition, trading in these indices or their underlying stocks, commodities or currencies or other instruments or measures, or options or futures contracts on these stocks, commodities or currencies or other instruments or measures, may be limited, which could increase their volatility and decrease the value of the related indexed notes or the rates of return on them.

We May Engage in Hedging Activities that Could Adversely Affect an Indexed Note

In order to hedge an exposure on a particular indexed note, we may, directly or through our affiliates, enter into transactions involving the securities, commodities or currencies or other instruments or measures that underlie the index for the note, or involving derivative instruments, such as swaps, options or futures, on the index or any of its component items. By engaging in transactions of this kind, we could adversely affect the value of an indexed note. It is possible that we could achieve substantial returns from our hedging transactions while the value of the indexed note may decline.

Information About Indices May Not Be Indicative of Future Performance

If we issue an indexed note, we may include historical information about the relevant index in the relevant pricing supplement. Any information about indices that we may provide will be furnished as a matter of information only, and you should not regard the information as indicative of the range of, or trends in, fluctuations in the relevant index that may occur in the future.

Table of Contents

We May Have Conflicts of Interest Regarding an Indexed Note

Wachovia Securities and our other affiliates may have conflicts of interest with respect to some indexed notes. Wachovia Securities and our other affiliates may engage in trading, including trading for hedging purposes, for their proprietary accounts or for other accounts under their management, in indexed notes and in the securities, commodities or currencies or other instruments or measures on which the index is based or in other derivative instruments related to the index or its component items. These trading activities could adversely affect the value of indexed notes. We and our affiliates may also issue or underwrite securities or derivative instruments that are linked to the same index as one or more indexed notes. By introducing competing products into the marketplace in this manner, we could adversely affect the value of an indexed note.

Wachovia Bank, National Association or another of our affiliates may serve as calculation agent for the indexed notes and may have considerable discretion in calculating the amounts payable in respect of the notes. To the extent that Wachovia Bank, National Association or another of our affiliates calculates or compiles a particular index, it may also have considerable discretion in performing the calculation or compilation of the index. Exercising discretion in this manner could adversely affect the value of an indexed note based on the index or the rate of return on the security.

Risks Relating to Notes Denominated or Payable in or Linked to a Non-U.S. Dollar Currency

If you intend to invest in a non-U.S. dollar note e.g., a note whose principal and/or interest is payable in a currency other than U.S. dollars or that may be settled by delivery of or reference to a non-U.S. dollar currency or property denominated in or otherwise linked to a non-U.S. dollar currency you should consult your own financial and legal advisors as to the currency risks entailed by your investment. Notes of this kind may not be an appropriate investment for investors who are unsophisticated with respect to non-U.S. dollar currency transactions.

An Investment in a Non-U.S. Dollar Note Involves Currency-Related Risks

An investment in a non-U.S. dollar note entails significant risks that are not associated with a similar investment in a note that is payable solely in U.S. dollars and where settlement value is not otherwise based on a non-U.S. dollar currency. These risks include the possibility of significant changes in rates of exchange between the U.S. dollar and the various non-U.S. dollar currencies or composite currencies and the possibility of the imposition or modification of foreign exchange controls or other conditions by either the United States or non-U.S. governments. These risks generally depend on factors over which we have no control, such as economic and political events and the supply of and demand for the relevant currencies in the global markets.

Changes in Currency Exchange Rates Can Be Volatile and Unpredictable

Rates of exchange between the U.S. dollar and many other currencies have been highly volatile, and this volatility may continue and perhaps spread to other currencies in the future. Fluctuations in currency exchange rates could adversely affect an investment in a note denominated in, or where value is otherwise linked to, a specified currency other than U.S. dollars. Depreciation of the specified currency against the U.S. dollar could result in a decrease in the U.S. dollar-equivalent value of payments on the note, including the principal payable at maturity. That in turn could cause the market value of the note to fall. Depreciation of the specified currency against the U.S. dollar could result in a loss to the investor on a U.S. dollar basis.

In courts outside of New York, investors may not be able to obtain judgment in a specified currency other than U.S. dollars. For example, a judgment for money in an action based on a non-U.S. dollar note in many other U.S. federal or state courts ordinarily would be enforced in the United States only in U.S. dollars.

Table of Contents

The date used to determine the rate of conversion of the currency in which any particular note is denominated into U.S. dollars will depend upon various factors, including which court renders the judgment.

Information About Exchange Rates May Not Be Indicative of Future Performance

If we issue a non-U.S. dollar note, we may include in the relevant pricing supplement a currency supplement that provides information about historical exchange rates for the relevant non-U.S. dollar currency or currencies. Any information about exchange rates that we may provide will be furnished as a matter of information only, and you should not regard the information as indicative of the range of, or trends in, fluctuations in currency exchange rates that may occur in the future. That rate will likely differ from the exchange rate used under the terms that apply to a particular note.

Table of Contents

USE OF PROCEEDS

Wachovia currently intends to use the net proceeds from the sale of any notes for general corporate purposes, which may include:

reducing debt;

investments at the holding company level;

investing in, or extending credit to, our operating subsidiaries;

acquisitions;

stock repurchases; and

other purposes as mentioned in any pricing supplement.

Pending such use, we may temporarily invest the net proceeds. The precise amounts and timing of the application of proceeds will depend upon our funding requirements and the availability of other funds. Except as mentioned in any pricing supplement, specific allocations of the proceeds to such purposes will not have been made at the date of that pricing supplement.

Based upon our historical and anticipated future growth and our financial needs, we may engage in additional financings of a character and amount that we determine as the need arises.

CONSOLIDATED EARNINGS RATIOS

The following table provides Wachovia's consolidated ratios of earnings to fixed charges and preferred stock dividends:

Three Months Ended	Years Ended December 31,				
March 31,					
2005	2004	2003	2002	2001	2000

Consolidated Ratios of Earnings to Fixed Charges and Preferred Stock

Dividends

Excluding interest on deposits	3.31x	3.83	3.63	2.91	1.61	1.13
Including interest on deposits	2.16x	2.37	2.30	1.79	1.27	1.06

For purposes of computing these ratios

earnings represent income from continuing operations before extraordinary items and cumulative effect of a change in accounting principles, plus income taxes and fixed charges (excluding capitalized interest);

fixed charges, excluding interest on deposits, represent interest (including capitalized interest), one-third of rents and all amortization of debt issuance costs; and

fixed charges, including interest on deposits, represent all interest (including capitalized interest), one-third of rents and all amortization of debt issuance costs.

One-third of rents is used because it is the proportion deemed representative of the interest factor.

Table of Contents**SELECTED CONSOLIDATED CONDENSED FINANCIAL DATA**

The following is selected unaudited consolidated condensed financial information for Wachovia for the three months ended March 31, 2005, and the year ended December 31, 2004. The summary below should be read in conjunction with the consolidated financial statements of Wachovia, and the related notes thereto, and the other detailed information contained in Wachovia's 2005 First Quarter Report on Form 10-Q and in Wachovia's 2004 Annual Report on Form 10-K.

	Three Months	
	Ended March 31, 2005	Year Ended December 31, 2004
(In millions, except per share data)		
CONSOLIDATED CONDENSED SUMMARIES OF INCOME		
Interest income	\$ 5,453	17,288
Interest expense	2,040	5,327
Net interest income	3,413	11,961
Provision for credit losses	36	257
Net interest income after provision for credit losses	3,377	11,704
Securities losses	(2)	(10)
Fee and other income	2,997	10,789
Merger-related and restructuring expenses	61	444
Other noninterest expense	3,811	14,222
Minority interest in income of consolidated subsidiaries	64	184
Income before income taxes	2,436	7,633
Income taxes	815	2,419
Net income	\$ 1,621	5,214
PER COMMON SHARE DATA		
Basic earnings	\$ 1.03	3.87
Diluted earnings	1.01	3.81
Cash dividends	\$ 0.46	1.66
Average common shares Basic	1,571	1,346
Average common shares Diluted	1,603	1,370
CONSOLIDATED CONDENSED PERIOD-END BALANCE SHEET		
Cash and cash equivalents	\$ 38,227	38,591
Trading account assets	47,149	45,932
Securities	116,731	110,597
Loans, net of unearned income	227,266	223,840
Allowance for loan losses	(2,732)	(2,757)
Loans, net	224,534	221,083
Loans held for sale	14,173	12,988
Goodwill	21,635	21,526
Other intangible assets	1,428	1,581
Other assets	42,956	41,026

Edgar Filing: WACHOVIA CORP NEW - Form 424B5

Total assets	\$ 506,833	493,324
	<hr/>	<hr/>
LIABILITIES AND STOCKHOLDERS EQUITY		
Deposits	297,657	295,053
Short-term borrowings	73,401	63,406
Trading account liabilities	22,418	21,709
Other liabilities	16,147	16,262
Long-term debt	47,932	46,759
	<hr/>	<hr/>
Total liabilities	457,555	443,189
Minority interest in net assets of consolidated subsidiaries	2,811	2,818
Stockholders equity	46,467	47,317
	<hr/>	<hr/>
Total liabilities and stockholders equity	\$ 506,833	493,324
	<hr/>	<hr/>

Table of Contents**CAPITALIZATION**

The following table sets forth the unaudited capitalization of Wachovia at March 31, 2005.

<i>(In millions)</i>	March 31, 2005
Long-term Debt	
Total long-term debt	\$ 47,932
Stockholders Equity	
Dividend Equalization Preferred shares, issued 97 million shares	
Common stock, authorized 3 billion shares, issued 1.576 billion shares	5,255
Paid-in capital	30,976
Retained earnings	10,319
Accumulated other comprehensive income, net	(83)
Total stockholders equity	46,467
Total long-term debt and stockholders equity	\$ 94,399

As of the date of this prospectus, there has been no material change in the capitalization of Wachovia since March 31, 2005.

REGULATORY CONSIDERATIONS

As a financial holding company and a bank holding company under the Bank Holding Company Act, the Federal Reserve Board regulates, supervises and examines Wachovia. For a discussion of the material elements of the regulatory framework applicable to financial holding companies, bank holding companies and their subsidiaries and specific information relevant to Wachovia, please refer to Wachovia's annual report on Form 10-K for the fiscal year ended December 31, 2004, and any subsequent reports we file with the SEC, which are incorporated by reference in this prospectus. This regulatory framework is intended primarily for the protection of depositors and the federal deposit insurance funds and not for the protection of security holders. As a result of this regulatory framework, Wachovia's earnings are affected by actions of the Federal Reserve Board, the Office of Comptroller of the Currency, that regulates our banking subsidiaries, the Federal Deposit Insurance Corporation, that insures the deposits of our banking subsidiaries within certain limits, and the SEC, that regulates the activities of certain subsidiaries engaged in the securities business.

Wachovia's earnings are also affected by general economic conditions, our management policies and legislative action.

In addition, there are numerous governmental requirements and regulations that affect our business activities. A change in applicable statutes, regulations or regulatory policy may have a material effect on Wachovia's business.

Edgar Filing: WACHOVIA CORP NEW - Form 424B5

Depository institutions, like Wachovia's bank subsidiaries, are also affected by various federal laws, including those relating to consumer protection and similar matters. Wachovia also has other financial services subsidiaries regulated, supervised and examined by the Federal Reserve Board, as well as other relevant state and federal regulatory agencies and self-regulatory organizations. Wachovia's non-bank subsidiaries may be subject to other laws and regulations of the federal government or the various states in which they are authorized to do business.

Table of Contents**DESCRIPTION OF THE NOTES WE MAY OFFER**

The following information outlines some of the provisions of the indentures and the notes. This information may not be complete in all respects, and is qualified entirely by reference to the indenture under which the notes are issued. These indentures are incorporated by reference as exhibits to the registration statement of which this prospectus is a part. This information relates to certain terms and conditions that generally apply to the notes. The specific terms of any series of notes will be described in the relevant pricing supplement. As you read this section, please remember that the specific terms of your note as described in your pricing supplement will supplement and, if applicable, may modify or replace the general terms described in this section. If your pricing supplement is inconsistent with this prospectus, your pricing supplement will control with regard to your note. Thus, the statements we make in this section may not apply to your note.

General

Senior notes will be issued under an indenture, dated as of April 1, 1983, as amended and supplemented, between Wachovia and JPMorgan Chase Bank, National Association, (formerly known as The Chase Manhattan Bank) as trustee. Subordinated notes will be issued under an indenture, dated as of March 15, 1986, as amended and supplemented, between Wachovia and J.P. Morgan Trust Company, National Association (formerly known as Bank One Trust Company, N.A.), as trustee. Each of the senior and the subordinated notes constitutes a single series of debt securities of Wachovia issued under the senior and the subordinated indenture, respectively. The provisions of each indenture allow us not only to issue debt securities with terms different from those of debt securities previously issued under that indenture, but also to reopen a previously issued series of debt securities and issue additional debt securities of that series. The term debt securities, as used in this prospectus, refers to all debt securities, including the notes, issued and issuable from time to time under the relevant indenture. The indentures are subject to, and governed by, the Trust Indenture Act of 1939, as amended. These indentures are more fully described below in this section. Whenever we refer to specific provisions or defined terms in one or both of the indentures, those provisions or defined terms are incorporated in this prospectus by reference. Section references used in this discussion are references to the relevant indenture. Capitalized terms which are not otherwise defined shall have the meaning given to them in the relevant indenture. As long as the notes are listed on the Luxembourg Stock Exchange, the indentures will be available for inspection at the offices of the Luxembourg Listing Agent and Luxembourg Paying Agent and Transfer Agent.

The notes will be limited to an aggregate initial offering price of \$9,100,000,000, or at Wachovia's option if so specified in the relevant pricing supplement, the equivalent of this amount in any other currency or currency unit, and will be Wachovia's direct, unsecured obligations. The notes will not be deposits or other bank obligations and will not be FDIC insured.

The notes are being offered on a continuous basis by Wachovia through one or more agents listed under Plan of Distribution. The indentures do not limit the aggregate principal amount of senior or subordinated notes that we may issue. We may, from time to time, without the consent of the holders of the notes, provide for the issuance of notes or other debt securities under the indentures in addition to the \$9,100,000,000 aggregate initial offering price of notes noted on the cover of this prospectus. Each note issued under this prospectus will mature nine months or more from its date of issue, as selected by the purchaser and agreed to by Wachovia and may be subject to redemption or repayment before its stated maturity. Notes may be issued at significant discounts from their principal amount due on the stated maturity (or on any prior date on which the principal or an installment of principal of a note becomes due and payable, whether by the declaration of acceleration, call for redemption at the option of Wachovia, repayment at the option of the holder or otherwise), and some notes may not bear interest. Wachovia may from time to time, without the consent of the existing holders of the relevant notes, create and issue further notes having the same terms and conditions as such notes in all respects, except for the issue date, issue price and, if applicable, the first payment of interest thereon. Additional notes issued in this manner will be consolidated with, and will form a single series with, the previously outstanding notes.

Edgar Filing: WACHOVIA CORP NEW - Form 424B5

Unless we specify otherwise in the relevant pricing supplement, currency amounts in this prospectus are expressed in United States dollars.
Unless we specify otherwise in any note and pricing supplement, the notes

Table of Contents

will be denominated in U.S. dollars and payments of principal, premium, if any, and any interest on the notes will be made in U.S. dollars. If any note is to be denominated other than exclusively in U.S. dollars, or if the principal of, premium, if any, or any interest on the note is to be paid in one or more currencies (or currency units or in amounts determined by reference to an index or indices) other than that in which that note is denominated, additional information (including authorized denominations and related exchange rate information) will be provided in the relevant pricing supplement. Unless we specify otherwise in any pricing supplement, notes denominated in U.S. dollars will be issued in denominations of \$1,000 or any integral multiple of \$1,000.

Interest rates that we offer on the notes may differ depending upon, among other factors, the aggregate principal amount of notes purchased in any single transaction. Notes with different variable terms other than interest rates may also be offered concurrently to different investors. We may change interest rates or formulas and other terms of notes from time to time, but no change of terms will affect any note we have previously issued or as to which we have accepted an offer to purchase.

Each note will be issued as a book-entry note in fully registered form without coupons. Each note issued in book-entry form will be represented by a global note that we deposit with and register in the name of a financial institution or its nominee, that we select. The financial institution that we select for this purpose is called the depository. Unless we specify otherwise in the applicable pricing supplement, The Depository Trust Company, New York, New York, will be the depository for all notes in global form. Except as discussed below under "Global Notes", owners of beneficial interests in book-entry notes will not be entitled to physical delivery of notes in certificated form. We will make payments of principal of, and premium, if any and interest, if any, on the notes through the applicable trustee to the depository for the notes. See "Global Notes".

The indentures do not limit the aggregate principal amount of debt securities or of any particular series of debt securities which may be issued under the indentures and provide that these debt securities may be issued at various times in one or more series, in each case with the same or various maturities, at par or at a discount. (*Section 301*) The indentures provide that there may be more than one trustee under the indentures with respect to different series of debt securities. As of March 31, 2005, \$16.0 billion aggregate principal amount of senior debt securities was outstanding under the senior indenture. The senior trustee is trustee for such series. As of March 31, 2005, \$31.9 billion aggregate principal amount of subordinated debt securities was outstanding under the subordinated indenture. The subordinated trustee is trustee for such series.

The indentures do not limit the amount of other debt that Wachovia may issue and do not contain financial or similar restrictive covenants. As of March 31, 2005, Wachovia had an aggregate of \$27.4 billion of short-term senior indebtedness outstanding which consisted primarily of commercial paper and other borrowed money. Wachovia expects from time to time to incur additional senior indebtedness and Other Financial Obligations (as defined below). The indentures do not prohibit or limit additional senior indebtedness or Other Financial Obligations.

Because Wachovia is a holding company and a legal entity separate and distinct from its subsidiaries, Wachovia's rights to participate in any distribution of assets of any subsidiary upon its liquidation, reorganization or otherwise, and the holders of notes' ability to benefit indirectly from such distribution, would be subject to prior creditor's claims, except to the extent that Wachovia itself may be a creditor of that subsidiary with recognized claims. Claims on Wachovia's subsidiary banks by creditors other than Wachovia include long-term debt and substantial obligations with respect to deposit liabilities and federal funds purchased, securities sold under repurchase agreements, other short-term borrowings and various other financial obligations. The indentures do not contain any covenants designed to afford holders of notes protection in the event of a highly leveraged transaction involving Wachovia.

Legal Ownership

Street Name and Other Indirect Holders

Investors who hold their notes in accounts at banks or brokers will generally not be recognized by us as legal holders of notes. This is called holding in street name. Instead, we would recognize only the bank or

Table of Contents

broker, or the financial institution the bank or broker uses to hold its notes. These intermediary banks, brokers and other financial institutions pass along principal, interest and other payments on the notes, either because they agree to do so in their customer agreements or because they are legally required to do so. If you hold your notes in street name, you should check with your own institution to find out:

how it handles note payments and notices;

whether it imposes fees or charges;

how it would handle voting if it were ever required;

whether and how you can instruct it to send you notes registered in your own name so you can be a direct holder as described below; and

how it would pursue rights under the notes if there were a default or other event triggering the need for holders to act to protect their interests.

Direct Holders

Our obligations, as well as the obligations of the trustee and those of any third parties employed by us or the trustee, under the notes run only to persons who are registered as holders of notes. As noted above, we do not have obligations to you if you hold in street name or other indirect means, either because you choose to hold your notes in that manner or because the notes are issued in the form of global securities as described below. For example, once we make payment to the registered holder we have no further responsibility for the payment even if that holder is legally required to pass the payment along to you as a street name customer but does not do so.

Global Notes

A global note is a special type of indirectly held security, as described above under [Street Name and Other Indirect Holders](#) . If we choose to issue notes in the form of global notes, the ultimate beneficial owners of global notes can only be indirect holders. We require that the global note be registered in the name of a financial institution we select.

We also require that the notes included in the global note not be transferred to the name of any other direct holder except in the special circumstances described in the section [Global Notes](#) . The financial institution that acts as the sole direct holder of the global note is called the depositary. Any person wishing to own a global note must do so indirectly by virtue of an account with a broker, bank or other financial institution that in turn has an account with the depositary. The pricing supplement indicates whether your series of notes will be issued only in the form of global notes.

Further details of legal ownership are discussed in the section [Global Notes](#) below.

Edgar Filing: WACHOVIA CORP NEW - Form 424B5

In the remainder of this description you or holder means direct holders and not street name or other indirect holders of notes. Indirect holders should read the previous subsection titled Street Name and Other Indirect Holders .

Types of Notes

We may issue the following four types of notes:

Fixed Rate Notes. A note of this type will bear interest at a fixed rate described in the applicable pricing supplement. This type includes zero-coupon notes, which bear no interest and are instead issued at a price lower than the principal amount.

Table of Contents

Floating Rate Notes. A note of this type will bear interest at rates that are determined by reference to an interest rate formula. In some cases, the rates may also be adjusted by adding or subtracting a spread or multiplying by a spread multiplier and may be subject to a minimum rate or a maximum rate. The various interest rate formulas and these other features are described below in Interest Rates Floating Rate Notes . If your note is a floating rate note, the formula and any adjustments that apply to the interest rate will be specified in your pricing supplement.