WACHOVIA CORP NEW
Form 424B5
October 05, 2006
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The information in this preliminary prospectus supplement is not complete and may be changed.

SUBJECT TO COMPLETION, DATED OCTOBER 4, 2006

(To prospectus dated May 13, 2005)

PROSPECTUS SUPPLEMENT

Filed Pursuant to Rule 424(b)(5)

Registration No. 333-123311

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Wachovia Corporation

Enhanced Yield Notes

due , 2009

Offering 100% Principal Protection

Issuer:	Wachovia Corporation
Principal Amount:	Each note will have a principal amount of $1,000. Each note will be offered at an initial public offering price of $1,000.
Maturity Date:	•, 2009
Interest:	The notes will bear interest at a rate equal to 10% to 12% per annum (to be determined on the pricing date), payable annually, unless the closing price of any one of the following seven commodities is less than or equal to that commodities barrier level on the relevant interest valuation date: gold, WTI crude oil, zinc, aluminum, copper, nickel and lead (each, a Component Commodity , and collectively the Component Commodities), in which case the interest rate and, therefore, the interest payment for that interest period will be zero. The barrier levels for gold, WTI crude oil, zinc, aluminum, copper, nickel and lead will equal: $•, $•, $•, $•, $•, $• and $•, respectively, the prices that are 65% of the closing price of each Component Commodity on the pricing date, and will be determined by the calculation agent. *If the closing price of any Component Commodity is less than or equal to its respective barrier level on any interest valuation date, the interest rate for that interest period will be zero and you will not receive an interest payment on the corresponding interest payment date.*
Interest Payment Dates:	October • of each year, beginning October •, 2007
Maturity Payment Amount:	

	On the maturity date, for each note that you hold, you will receive a cash payment equal to the principal amount of your note, plus accrued but unpaid interest.
Listing:	The notes will not be listed or displayed on any securities exchange, the Nasdaq National Market or any electronic communications network.
Pricing Date:	•, 2006
Expected Settlement Date:	•, 2006
CUSIP number:	•

For a detailed description of the terms of the notes, see Summary Information beginning on page S-1 and Specific Terms of the Notes beginning on page S-15.

Investing in the notes involves risks. See Risk Factors beginning on page S-8.

	Per Note	Total
Public Offering Price		
Underwriting Discount and Commission		
Proceeds to Wachovia Corporation		

The notes solely represent a senior unsecured debt obligation of Wachovia and are not the obligation of, or guaranteed by, any other entity. The notes 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 nor 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 notes. 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 note 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.

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Prospectus Supplement

Prospectus

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 notes, 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 notes 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 notes in any circumstances under which the offer or solicitation is unlawful.

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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 Yield Notes due , 2009 Offering 100% Principal Protection (the notes). You should carefully read this prospectus supplement and the accompanying prospectus to fully understand the terms of the notes, the Component Commodities and the tax and other considerations that are important to you in making a decision about whether to invest in the notes. 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 notes, to determine whether an investment in the notes 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, member of the New York Stock Exchange and the Securities Investor Protection Corporation or Wachovia Securities Financial Network, LLC, member of the National Association of Securities Dealers, Inc. and the Securities Investor Protection Corporation, broker-dealer affiliates of Wachovia Corporation and Wachovia Capital Markets, LLC. Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement 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 notes?

The notes offered by this prospectus supplement will be issued by Wachovia Corporation and will mature on , 2009, the date that is three years following the settlement date. The annual interest rate on the notes will be dependent upon the closing prices of the Component Commodities on the applicable interest valuation date.

The Component Commodities are set forth below:

Gold (Bloomberg symbol GOLDLNPM)

WTI Crude Oil (Bloomberg symbol CL1)

Zinc (Bloomberg symbol LOZSDY)

Aluminum (Bloomberg symbol LOAHDY)

Copper (Bloomberg symbol LOCADY)

Nickel (Bloomberg symbol LONIDY)

Lead (Bloomberg symbol LOPBDY)

Similarly, the Component Commodities upon which the annual interest rate depends will not change, except as described under Specific Terms of the Notes Adjustments to the Component Commodities on page S-17.

As discussed in the accompanying prospectus, the notes 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 notes will rank equally with all other unsecured and unsubordinated debt of Wachovia Corporation. For more details, see Specific Terms of the Notes beginning on page S-15.

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Each note will have a principal amount of $1,000. Each note will be offered at an initial public offering price equal to $1,000. You may transfer only whole notes. Wachovia Corporation will issue the notes 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 notes.

Are the notes principal protected?

The notes are fully principal protected and guarantee a return of 100% of the principal amount of the notes at maturity. Even if the closing price of a Component Commodity is less than its respective barrier level on one or all interest valuation dates, you will still receive a return of 100% of the principal amount of your notes at maturity.

Will I receive interest on the notes?

The notes will bear interest at a rate of 10% to 12% per annum (to be determined on the pricing date) payable on each interest payment date, unless the closing price of any one of the Component Commodities is less than or equal to its respective barrier level on the relevant interest valuation date, in which case the interest rate and, therefore, the interest payment amount for that interest period will be zero.

The barrier levels for gold, WTI crude oil, zinc, aluminum, copper, nickel and lead will equal: $, $, $, $, $, $ and $, respectively, the prices tha are 65% of the initial component commodity price of each Component Commodity, and will be determined by the calculation agent on the pricing date.

The initial component commodity price of each Component Commodity will equal the closing price of each Component Commodity on the pricing date.

The closing price of each Component Commodity will be determined by reference to its official closing price or cash settlement price on the relevant exchange or market on the applicable interest valuation date, as follows:

(i) In the case of gold, the afternoon U.S. dollar fixing price per troy ounce of unallocated gold bullion for delivery in London through a member of the London Bullion Market Association (the LBMA) authorized to effect such delivery;

(ii) In the case of WTI crude oil, the U.S. dollar settlement price per barrel of West Texas Intermediate light sweet crude oil on the New York Mercantile Exchange (the NYMEX) of the first nearby futures contract;

(iii) In the case of zinc, the official U.S. dollar settlement price per ton of special high grade zinc on the London Metals Exchange (the LME) for cash delivery.

(iv) In the case of aluminum, the official U.S. dollar settlement price per ton of high grade primary aluminum on the LME for cash delivery;

(v) In the case of copper, the official U.S. dollar settlement price per ton of copper-Grade A on the LME for cash delivery;

(vi) In the case of nickel, the official U.S. dollar settlement price per ton of primary nickel on the LME for cash delivery; and

(vii) In the case of lead, the official U.S. dollar settlement price per ton of standard lead on the LME for cash delivery.

The interest payment dates are October of each year, beginning on October , 2007.

The interest valuation date mean the fifth trading day prior to each interest payment date. However, if any such day occurs on a day that is a disrupted day with respect to a Component Commodity, then the interest valuation date with

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respect to that Component Commodity will be postponed until the next succeeding trading day that is not a disrupted day with respect to the affected Component Commodity; provided that in no event will an interest valuation date be postponed by more than ten trading days. If an interest valuation date is postponed to the last possible day but that day is a disrupted day, that date will nevertheless be the interest valuation date. *If an interest valuation date is postponed, then the corresponding interest payment date will be postponed by an equal number of trading days.*

A business day means a day that is a Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions in New York City or London generally are authorized or obligated by law, regulation or executive order to close.

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

A disrupted day means any trading day on which a market disruption event has occurred or is continuing with respect to any Component Commodity.

Each interest period will start on an interest payment date and end on the immediately following interest payment date.

If the closing price of any Component Commodity is less than or equal to its respective barrier level on any interest valuation date, the interest rate for that interest period will be zero and you will not receive an interest payment on the corresponding interest payment date.

What will I receive upon maturity of the notes?

At maturity, for each note for own, you will receive a cash payment equal to the principal amount of the note, plus accrued but unpaid interest.

How is Wachovia able to offer a possible 10% to 12% interest rate on the notes?

Wachovia is able to offer a 10% to 12% interest rate on the notes (to be determined on the pricing date) because the notes are riskier than conventional principal protected debt securities. As previously described, if the closing price of any Component Commodity is less than or equal to its respective barrier level on any interest valuation date, the interest rate for that interest period will be zero and you will not receive an interest payment on the corresponding interest payment date. The interest rate reflects the value of our right to not pay you interest on the notes during one or all of the interest periods under these circumstances.

Hypothetical Examples

Set forth below are four hypothetical examples of the calculation of the interest rate for each interest period during the term of the notes. For purposes of these examples, we have assumed a hypothetical interest rate of 11% per annum in the absence of any hypothetical closing price of any Component Commodity on any valuation date being less than or equal to that Component Commodity s hypothetical barrier level (as shown in the following chart) and a term of 3 years:

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Component Commodity	Hypothetical Initial Component Commodity Prices	Hypothetical Barrier Levels
Gold	$ 600.00	$ 390.00
WTI Crude Oil	$ 62.00	$ 40.30
Zinc	$ 3,360.00	$ 2,184.00
Aluminum	$ 2,570.00	$ 1,670.50
Copper	$ 7,600.00	$ 4,940.00
Nickel	$ 31,500.00	$ 20,475.00
Lead	$ 1,425.00	$ 926.25

Example 1

The hypothetical closing price of each Component Commodity on each interest valuation date is greater than that Component Commodity s respective hypothetical barrier level.

Component Commodity	Hypothetical Closing Prices on the First Interest Valuation Date	Hypothetical Closing Prices on the Second Interest Valuation Date	Hypothetical Closing Prices on Third the Interest Valuation Date
Gold	$ 580.00	$ 540.00	$ 630.00
WTI Crude Oil	$ 65.10	$ 65.10	$ 46.50
Zinc	$ 2,688.00	$ 2,688.00	$ 3,000.00
Aluminum	$ 2,500.00	$ 1,927.50	$ 3,084.00
Copper	$ 7,220.00	$ 7,220.00	$ 8,740.00
Nickel	$ 37,800.00	$ 37,800.00	$ 31,500.00
Lead	$ 1,425.00	$ 1,425.00	$ 1,353.80

Since the hypothetical closing price of each Component Commodity on each interest valuation date is *greater* than that Component Commodity s respective hypothetical barrier level, the interest rate for each interest period would equal 11% . The maturity payment amount, exclusive of accrued and unpaid interest, will equal the principal amount of your note.

Example 2

The hypothetical closing price of each Component Commodity on each of the first two interest valuation dates is greater than that Component Commodity s respective hypothetical barrier level. The hypothetical closing price of one Component Commodity on third interest valuation date is less than its hypothetical barrier level.

Component Commodity	Closing Prices on First Interest Valuation Date	Closing Prices on Second Interest Valuation Date	Closing Prices on Third Interest Valuation Date
Gold	$ 580.00	$ 540.00	$ 630.00
WTI Crude Oil	$ 65.10	$ 65.10	$ 46.50
Zinc	$ 2,688.00	$ 2,688.00	$ 2,016.00
Aluminum	$ 2,500.00	$ 1,927.50	$ 3,084.00
Copper	$ 7,220.00	$ 7,220.00	$ 8,740.00
Nickel	$ 37,800.00	$ 37,800.00	$ 31,500.00
Lead	$ 1,425.00	$ 1,425.00	$ 1,353.80

Since the hypothetical closing prices of each Component Commodity on the first and second interest valuation dates are *greater* than each Component Commodity s respective hypothetical barrier level, the interest rate for the first two interest periods would equal 11%. Since the hypothetical closing price of zinc on the third interest valuation date is *less* than that Component Commodities hypothetical barrier level, the interest rate for the third interest period would equal 0%. The maturity payment amount, exclusive of accrued and unpaid interest, will equal the principal amount of your note.

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Example 3

The hypothetical closing price of at least one Component Commodity on the first interest valuation date is less than that Component Commodity s hypothetical barrier level. The hypothetical closing price of each Component Commodity on the second and third interest valuation dates is greater than that Component Commodity s respective hypothetical barrier level.

Component Commodity	Closing Prices on First Interest Valuation Date	Closing Prices on Second Interest Valuation Date	Closing Prices on Third Interest Valuation Date
Gold	360.00	540.00	630.00
WTI Crude Oil	65.10	65.10	46.50
Zinc	2,688.00	2,688.00	3,000.00
Aluminum	1,285.00	1,927.50	3,084.00
Copper	7,220.00	7,220.00	8,740.00
Nickel	37,800.00	37,800.00	31,500.00
Lead	1,425.00	1,425.00	1,353.80

Since the hypothetical closing price of at least one Component Commodity on the first interest valuation date is *less* than that Component Commodity s respective hypothetical barrier level, the interest rate for the first interest period would equal 0%. Since the hypothetical closing prices of each Component Commodity on the second and third interest valuation dates are *greater* than each of the Component Commodity s respective hypothetical barrier levels, the interest rate for the second and third interest periods would equal 11%. The maturity payment amount, exclusive of accrued and unpaid interest, will equal the principal amount of your note.

Example 4

The hypothetical closing price of one Component Commodity is less than its hypothetical barrier level on each of the three interest valuation dates.

Component Commodity	Component Commodity Prices at Year 1	Component Commodity Prices at Year 2	Component Commodity Prices at Year 3
Gold	580.00	540.00	630.00
WTI Crude Oil	18.60	18.60	18.60
Zinc	2,688.00	2,688.00	3,000.00
Aluminum	2,500.00	1,927.50	3,084.00
Copper	7,220.00	7,220.00	8,740.00
Nickel	37,800.00	37,800.00	31,500.00
Lead	1,425.00	1,425.00	1,353.80

Since the hypothetical closing price of one Component Commodity on each of the three interest valuation dates is *less* than its hypothetical barrier level, the interest rate for each of the interest periods would equal 0%. The maturity payment amount will equal the principal amount of your note, and you would receive no interest.

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

We have designed the notes for investors who are willing to hold the notes to maturity, who seek exposure to commodities generally and the Component Commodities, who seek the ability to receive variable annual interest rate payments and are willing to receive no interest in any or all interest periods and who seek to protect their investment by receiving at least 100% of the principal amount of their investment at maturity.

The notes are not designed for, and may not be a suitable investment for, investors who are unable or unwilling to hold the notes to maturity, who seek an investment that bears a constant or fixed interest rate or who are unable or unwilling to invest in commodities generally or the Component Commodities.

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

The market value of the notes may fluctuate between the date you purchase them and the maturity date. Several factors and their interrelationship will influence the market value of the notes, including the price of the Component Commodities, the time remaining to the maturity date, interest rates and the volatility of the Component Commodities markets. The notes are 100% principal protected only if held to maturity. If you sell your notes prior to maturity, you may have to sell them at a discount and you will not have principal protection. Depending on the impact of these factors, you may receive less than the principal amount in any sale of your notes before the maturity date and less than what you would have received had you held the notes until maturity. For more details, see Risk Factors Many factors affect the market level of the notes .

How are the closing prices for the Component Commodities determined?

The closing prices of the Component Commodities are determined by reference to the official closing price or cash settlement price on the NYMEX, the LME or the LBMA as applicable, as described under Specific Terms of the Notes Maturity Payment Amount beginning on page S-15. The NYMEX is the world s largest physical commodities futures exchange and a leading trading forum for energy and precious metals. The NYMEX trades a variety of commodity products, including future contracts for WTI crude oil. The LME was established in 1877 and is the principal non-ferrous metals exchange in the world on which contracts for zinc, aluminum, copper, nickel and lead among other metals, are traded. The LME operates as a principals market and is, therefore, more closely analogous to over-the-counter physical commodity markets than futures markets. The LBMA is the principal gold clearing center for over-the-counter gold bullion transactions. Twice daily during London trading hours a fixing occurs which provides reference prices for that day s trading.

What about taxes?

The United States federal income tax consequences of your notes are complex and uncertain. The tax treatment of your notes will depend upon whether the notes are properly treated as variable rate debt instruments and this may depend upon whether or not it is reasonably expected that the return on the notes during the first half of the notes term will be significantly greater or less than the return on the notes during the second half of the notes term (Front or Back-Loaded). We believe that the notes should not be treated as Front or Back-Loaded and we intend to report payments on the notes in accordance with such position. Assuming that such position is correct, your notes should be treated as variable rate debt instruments for United States federal income tax purposes. Under this characterization, you will be subject to tax on interest payments, if any, as ordinary income at the time you receive or accrue such payments, depending on your method of accounting for tax purposes and any gain or loss you recognize upon the sale or maturity of your notes will be capital gain or loss.

If the Internal Revenue Service disagrees with this tax treatment, the notes would likely be treated as a debt instrument subject to the special rules governing contingent debt instruments, as described under Supplemental Tax Considerations Supplemental U.S. Tax Considerations Alternative Characterization on page S-27. If the notes are so treated, you would be required to accrue interest income over the term of your notes based upon the yield at which we would issue a non-contingent fixed-rate debt investment with other terms and conditions similar to your notes.

For further discussion, see Supplemental Tax Considerations beginning on page S-27.

Will the notes be listed on a stock exchange?

The notes will not be listed or displayed on any securities exchange, the Nasdaq National Market or any electronic communications network. There can be no assurance that a liquid trading market will develop for the notes. Accordingly, if you sell your notes prior to the maturity date, 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 notes in this prospectus supplement.

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Are there any risks associated with my investment?

Yes, an investment in the notes is subject to significant risks. We urge you to read the detailed explanation of risks in Risk Factors beginning on page S-8.

How to reach us

You may reach us by calling (704) 715-8400 and asking for Structured Notes.

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RISK FACTORS

An investment in the notes 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 notes are a riskier investment than ordinary debt securities. Also, your notes are not equivalent to investing directly in the Component Commodities, the performance of which will affect the amount of interest that you will receive in any interest period. You should carefully consider whether the notes are suited to your particular circumstances.

The notes are intended to be held to maturity. Your principal is only protected if you hold your notes to maturity

You will receive 100% of the principal amount of your notes if you hold your notes to maturity, subject to our ability to pay our obligations. If you sell your notes in the secondary market prior to maturity, you will not receive principal protection on the portion of your notes sold. You should be willing to hold your notes to maturity.

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

The yield that you will receive on your notes, which will be zero, may be less than the return you could earn on other investments. Your investment may not reflect the full opportunity cost to you when you take into account factors that affect the time value of money.

Even if the closing prices of each Component Commodity is greater than its respective barrier level on each interest valuation date, the maturity payment amount with respect to your notes will always be limited to the principal amount. Therefore, aside from interest payments, you should be prepared to realize no return over the principal amount of your notes at maturity.

Owning the notes is not the same as having rights in exchange-traded futures contracts on the Component Commodities

You will not have rights that holders of the exchange-traded futures on the Component Commodities may have. Even if the prices of some or all of the Component Commodities increase during the term of the notes, the market value of the notes may not increase by the same amount. It is also possible for the prices of all of the Component Commodities to increase while the market value of the notes declines.

There may not be an active trading market for the notes

You should be willing to hold your notes to maturity. The notes will not be listed or displayed on any securities exchange, the Nasdaq National Market or any electronic communications network. There can be no assurance that a liquid trading market will develop for the notes. The development of a trading market for the notes will depend on our financial performance and other factors such as the increase, if any, in the prices of the Component Commodities. Even if a secondary market for the notes develops, it may not provide significant liquidity and we expect that transaction costs in any secondary market would be high. As a result, the difference between bid and asked prices for your note in any secondary market could be substantial. If you sell your notes before maturity, you may have to do so at a discount from the original 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 notes, although they are not required to do so and may stop any market-making activities at any time. As market makers, trading of the notes may cause Wachovia Capital Markets, LLC or any other broker-dealer affiliates of Wachovia to have long or short positions of the notes in their inventory. The supply and demand for the notes, including inventory positions of market makers, may affect the secondary market for the notes.

Many factors affect the market value of the notes

The market value of the notes 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 notes caused by another factor and that the effect of one factor may exacerbate the decrease in the market value of the notes caused by another factor. For example, a change in the volatility of the Component Commodities markets may offset some or all of any increase in

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the market value of the notes attributable to another factor, such as an increase in the prices of the Component Commodities. In addition, a change in interest rates may offset other factors that would otherwise change the prices of the Component Commodities and, therefore, may change the market value of the notes. The following paragraphs describe some of the factors that could have an impact on the market value of the notes, assuming all other conditions remain constant.

- Changes in the volatility (the frequency and magnitude of changes in market prices) of the Component Commodities are expected to affect the market value of the notes in unforeseeable ways;

- Changes in the levels of interest rates are expected to affect the market value of the notes;

- Changes in our credit ratings may affect the market value of the notes;

- Changes in correlation among the prices of the Component Commodities may affect the value of the notes;

- Suspension or disruptions of market trading in a Component Commodity and related futures markets may adversely affect the value of your notes;

- The time remaining to maturity may affect the value of the notes.

There are specific risks associated with many of the Component Commodities

Gold Gold prices are subject to volatile price movements over short periods of time and are affected by numerous factors. These include economic factors, including, among other things the structure of and confidence in the global monetary system, expectations of the future rate of inflation, the relative strength of, and confidence in, the U.S. dollar (the currency in which the price of gold is generally quoted), interest rates and gold borrowing and lending rates, and global or regional economic, financial, political, regulatory, judicial or other events. Gold prices may also be affected by industry factors such as industrial and jewelry demand, lending, sales and purchases of gold by the official sector, including central banks and other governmental agencies and multilateral institutions which hold gold, levels of gold production and production costs, and short-term changes in supply and demand because of trading activities in the gold market. It is not possible to predict the aggregate effect of all or any combination of these factors.

WTI Crude Oil Oil prices are highly volatile. They are affected by numerous factors in addition to economic activity. These include political events, weather, labor activity, and, especially, direct government intervention such as embargos, and supply disruptions in major producing or consuming regions such as the Middle East, the United States, Latin America and Russia. Such events tend to affect oil prices worldwide, regardless of the location of the event. The outcome of meetings of the Organization of Petroleum Exporting Countries can particularly affect world oil supply and oil prices. Oil prices could also be affected by any decision by the Organization of Petroleum Exporting Countries to quote oil prices in a currency other than U.S. dollars (such as Euros), which could decrease liquidity in the applicable futures contract, and thereby affect the value of such futures contract. Market expectations about these events and speculative activity also cause prices to fluctuate. Due to the recent rapid appreciation in energy prices, there is a significant possibility that a negative correction will occur and decrease oil prices, thereby adversely affecting the value of the notes.

Furthermore, a significant proportion of world oil production capacity is controlled by a small number of producers, and such producers have in the recent past implemented curtailments of output and trade. Such efforts at supply curtailment (or the cessation thereof) could affect the value of the applicable futures contract. Oil s major end-use as a refined product is as a transport fuel, industrial fuel and in-home heating fuel. Potential for substitution exists in most areas, although considerations including relative cost often limit substitution levels. However, the development of a substitute product or transport fuel could adversely affect the value of the applicable futures contract.

In the event of sudden disruptions in the supplies of oil, such as those caused by war, accidents, weather or acts of terrorism, prices of oil futures contracts and, consequently, the price of oil, could become extremely volatile and unpredictable. Also, sudden and dramatic declines in futures contract prices may occur, for example, upon a cessation of hostilities that may exist in countries producing oil, the discovery of significant additional sources or reserves of oil, the introduction of new or previously withheld supplies into the market (e.g., oil from Iraq) or the introduction of substitute products or commodities. Any such declines could have a significant adverse effect on the annual interest rate of the notes and on the value of the notes. In addition, the price of oil has on occasion been subject to very rapid and significant short-term changes due to speculative activities which, if such activities result in a price decrease, may cause the value of the notes to decrease. Such volatility could lead some investors in oil futures contracts to withdraw from the applicable futures markets, which could adversely affect the liquidity of such markets and could adversely affect the value of the annual interest rate on the notes and, correspondingly, the value of the notes.

Zinc The price of zinc is primarily affected by the global demand for, and supply of, zinc. Demand for zinc is significantly influenced by the level of global industrial economic activity. The galvanized steel industrial sector is particularly important given that the use of zinc in the manufacture of galvanized steel accounts for approximately 50% of world-wide zinc demand. The galvanized steel sector is in turn heavily dependent on the automobile and construction sectors. A relatively widespread increase in the demand for zinc by the galvanized steel sector, particularly in China and the United States, has been the primary cause of the recent rise in zinc prices. An additional, but highly volatile, component of demand is adjustments to inventory in response to changes in economic activity and/or pricing levels.

The supply of zinc concentrate (the raw material) is dominated by China, Australia, North America and Latin America. The supply of zinc is also affected by current and previous price levels, which will influence investment decisions in new mines and smelters.

Aluminum Market prices for aluminum are highly volatile and are affected by numerous factors, with the two principal factors being the level of economic activity in the main consuming markets and the rate of supply of new metal from producers. Other factors influencing market prices for aluminum include disruptions in aluminum output, the level of metal exports from Russia, producer cut-backs and speculative activity.

Production of aluminum is a three-stage process beginning with the mining of bauxite. The mining of bauxite occurs mainly in the tropics, with the major producing regions being the Caribbean, South America, Africa, Southeast Asia and Australia. Fluctuation in the supplies of bauxite or social or political disruptions in the major producing regions could affect the price of aluminum and, therefore, the annual interest rate on the notes. The production of aluminum from alumina is a power-intensive process and a continuous supply of electrical power is essential. A significant proportion of aluminum production capacity is located close to resources of hydroelectric power. Other economical energy sources for producing aluminum include low-grade coal and waste gases from oil production. However, disruptions in the supply of energy to aluminum producers or an increase in the cost thereof could affect the price of aluminum and, therefore, the annual interest rate on the notes as well as the value of the notes. Furthermore, a significant proportion of western world aluminum production capacity is controlled by a small number of companies, and such producers have in the past implemented temporary curtailments of output. Such efforts at supply curtailment (or the cessation thereof) could affect the price of aluminum and, therefore, the annual interest rate on the notes. Aluminum s major end-uses include applications in the transportation, construction, packaging ad electrical industries. Potential for substitution exists in all areas, although considerations including relative weight and cost often limit substitution levels. However, the development of a substitute product could adversely affect the price of aluminum and, therefore, the annual interest rate on the notes.

In the event of sudden disruptions in the supplies of aluminum, such as those caused by war, accidents, weather of acts of terrorism, aluminum prices and, consequently, the annual interest rate on the notes, could become extremely volatile and unpredictable. Also, sudden and dramatic declines in aluminum prices as may occur, for example, upon cessation of hostilities that may exist in countries producing aluminum or upon the discovery of significant additional sources or reserves of the raw materials necessary to produce aluminum (e.g., bauxite or electricity), the introduction of new or previously withheld supplies into the market (e.g., aluminum from the former Soviet Union) or the introduction of substitute products of commodities, could have a significant adverse effect on the price of aluminum and, therefore, the annual interest rate on the notes and on the value of the notes. In addition, the price of aluminum has on occasion been subject to very rapid and significant short-term changes due to speculative activities which, if such activities result in a price decrease, may cause the value of the notes to decrease.

Copper The price of copper is primarily affected by the global demand for, and supply of, copper. Demand for copper is significantly influenced by the level of global industrial economic activity. Industrial sectors which are particularly important include the electrical and construction sectors. In recent years demand has been supported by strong consumption from newly industrializing countries, which continue to be in a copper-intensive period of economic growth as they develop their infrastructure. An additional, but highly volatile, component of demand is adjustments to inventory in response to changes in economic activity and/or pricing levels.

Apart from the United States, Canada and Australia, the majority of copper concentrate supply (the raw material) comes from countries that have experienced political instability and upheaval and, as a result, copper supply has been affected by strikes, financial problems and terrorist activity in recent years.

Nickel The price of nickel is primarily affected by the global demand for, and supply of, nickel. Demand for nickel is significantly influenced by the level of global industrial economic activity. The stainless steel industrial sector is particularly important given that the use of nickel in the manufacture of stainless steel accounts for approximately two-thirds of worldwide nickel demand. An additional, but highly volatile, component of demand is adjustments to inventory in response to changes in economic activity and/or pricing levels.

Nickel supply is dominated by Russia, the world s largest producer by far. Australia and Canada are also large producers. The supply of nickel is also affected by current and previous price levels, which will influence investment decisions in new mines and smelters.

Lead The price of lead is primarily affected by the global demand for and supply of lead. Demand for lead is significantly influenced by the level of global industrial economic activity. The storage battery market is particularly important given that the use of lead in the manufacture of batteries accounts for approximately two-thirds of worldwide lead demand. Lead is also used to house power generation units as it protects against electrical charges and dangerous radiations. Additional applications of lead include petrol additives, pigments, chemicals and crystal glass.

The supply of lead is widely spread around the world. It is affected by current and previous price levels, which influence important decisions regarding new mines and smelters. A critical factor influencing supply is the environmental regulatory regimes of the countries in which lead is mined and processed. It is not possible to predict the aggregate effect of all or any combination of these factors.

Risks relating to trading of Component Commodities on the LME

The closing prices of zinc, aluminum, copper, nickel and lead will be determined by reference to the U.S. dollar settlement prices of contracts traded on the LME. The LME is a principals market which operates in a manner more closely analogous to the over-the-counter physical commodity markets than regulated futures markets, and certain features of U.S. futures markets are not present in the context of LME trading. For example, there are no daily price limits on the LME, which would otherwise restrict the extent of daily fluctuations in the prices of LME contracts. In a declining market, therefore, it is possible that prices would continue to decline without limitation within a trading day or over a period of trading days. In addition, depending on the underlying commodity, a contract may be entered into on the LME calling for daily delivery from one day to three months following the date of such contract and for monthly delivery from the seventh month following the date of such contract up to 63 months following the date of such contract, in contrast to trading on futures exchanges, which call for delivery in stated delivery months. As a result, there may be a greater risk of a concentration of positions in LME contracts on particular delivery dates, which in turn could cause temporary aberrations in the prices of LME contracts for certain delivery dates. If such aberrations occur on an interest valuation date, the U.S. dollar settlement prices used to determine the closing price of copper, aluminum and nickel, and consequently the interest payment amount, could be adversely affected.

Risks relating to trading of Component Commodities on the LBMA

The price of gold will be determined by reference to fixing prices reported by the LBMA. The LBMA is a self-regulatory association of bullion market participants. Although all market-making members of the LBMA are supervised by the Bank of England and are required to satisfy a capital adequacy test, the LBMA itself is not a regulated entity. If the LBMA could stop operations, or if bullion trading should become subject to a value added tax, any other tax or any other form of regulation currently not in place, the role of the LBMA price fixings as a global benchmark for the value of gold may be adversely affected. The LBMA is a principals market which operates in a manner more closely analogous to the over-the-counter physical commodity market than U.S. futures markets, and certain features of U.S. futures contracts are not present in the context of LBMA trading. For example, there are no daily price limits on the LBMA which would otherwise restrict fluctuations in the prices of LBMA contracts. In a declining market, it is possible that prices would continue to decline without limitation within a trading day or over a period of trading days.

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Historical prices of the Component Commodities should not be taken as an indication of the future prices of the Component Commodities during the term of the notes

The closing prices of the Component Commodities will be influenced by complex and interrelated political, economic, financial and other factors that can affect the markets in which those commodities are traded and the values of those commodities themselves. As a result, it is impossible to predict whether the closing prices of the Component Commodities will rise or fall.

Risks associated with the Component Commodities may adversely affect the market price of the notes

Because the annual interest rate on the notes is linked to the closing price of the Component Commodities on each interest valuation date which, in part, reflects the return on futures contracts and settlement prices on seven different exchange-traded physical commodities, the notes will be less diversified than other funds or investment portfolios investing in a broader range of products and, therefore, could experience greater volatility. An investment in the notes may therefore carry risks similar to a concentrated securities investment in a limited number of industries or sectors.

Wachovia and its affiliates have no affiliation with the NYMEX, the LME or the LBMA and are not responsible for their public disclosure of information

Wachovia and its affiliates are not affiliated with the NYMEX, the LME or the LBMA in any way and have no ability to control or predict any of their actions, including any errors in or discontinuation of disclosure regarding any of their methods or policies relating to the determination of the closing prices of the Component Commodities. The NYMEX, the LME or the LBMA are not under any obligation to continue to determine the closing prices for the Component Commodities. If the NYMEX, the LME or the LBMA discontinue, or materially change the method of determining the closing prices for the Component Commodities, it may become difficult to determine the market value of the notes or the maturity payment amount. Under these circumstances, the calculation agent in its sole discretion may designate a successor provider of closing prices. If the calculation agent determines in its sole discretion that no comparable provider of closing prices exists, the maturity payment amount will be determined by the calculation agent in its sole discretion. See Specific Terms of the Notes Market Disruption Event and Specific Terms of the Notes Adjustments to the Component Commodities Prices beginning on page S-17.

We have derived the information about the Component Commodities and the NYMEX, the LME and the LBMA 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 Component Commodities or the NYMEX, the LME or the LBMA contained in this prospectus supplement. You, as an investor in the notes, should make your own investigation into the Component Commodities, the NYMEX, the LME and the LBMA. In addition, each prospective investor should consult its legal advisors in determining the appropriate treatment of the notes under any applicable capital or similar rules, and under applicable tax and accounting requirements. Furthermore, prospective investors whose investment activities are subject to investment laws and regulations or to review by certain authorities may be subject to restrictions on investment in certain types of securities, which may include the notes. Prospective investors should review and consider such restrictions prior to investing in the notes.

The calculation agent may modify the Component Commodities and the determination of the prices of the Component Commodities

The Component Commodities upon which the annual interest rate of the notes depends and the method of calculating the closing prices of the Component Commodities may be adjusted by the calculation agent from time to time upon the occurrence of certain extraordinary events. For example, if the method used for determining the closing price of a Component Commodity is changed in a material respect by the commodity exchange upon which futures or forwards contracts with respect to that Component Commodity trades, or if a closing price is not available for a Component Commodity for any reason, then the calculation agent may take such action, including adjusting the composition of the Component Commodities or to the method of calculating the closing price of a Component Commodity, as it deems appropriate. See Specific Terms of the Notes Adjustments to the Component Commodities on page S-17. Such changes could adversely affect the annual interest rate on the notes and, consequently, the value of the notes.

The calculation agent may postpone the determination of the annual interest rate on each interest valuation date and therefore, the maturity date, if a market disruption event occurs on the final interest valuation date

Each interest valuation date and, therefore, the determination of the annual interest rate may be postponed if the calculation agent determines that a market disruption event has occurred or is continuing on the applicable interest valuation date with respect to one or more of the Component Commodities. If a postponement occurs, the calculation agent will use the closing price of the affected Component Commodity on the next succeeding trading day on which no market disruption event occurs or is continuing for calculation of the applicable closing price. As a result, the maturity date for the notes may be postponed if the final interest valuation date is postponed, but in no event will the maturity date be postponed by more than ten trading days. 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. See Specific Terms of the Notes Market Disruption Event beginning on page S-17.

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

As described below under Use of Proceeds and Hedging on page S-31, we or one or more affiliates may hedge our obligations under the notes by purchasing Component Commodities, futures or options on Component Commodities, or exchange-traded funds or other derivative instruments with returns linked or related to changes in the performance of Component Commodities, and we may adjust these hedges by, among other things, purchasing or selling Component Commodities, futures, options or exchange-traded funds or other derivative instruments at any time.

Although they are not expected to, any of these hedging activities may adversely affect the closing prices of Component Commodities and the annual interest rate. 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 notes declines.

Potential conflicts of interest could arise

Our subsidiary, WBNA, is our agent for the purposes of calculating the annual interest rate. Under certain circumstances, WBNA s role as our subsidiary and its responsibilities as calculation agent for the notes could give rise to conflicts of interest. These conflicts could occur, for instance, in connection with its determination as to whether the closing price of a Component Commodity can be calculated on a particular trading day. See the sections Specific Terms of the Notes Market Disruption Event and Specific Terms of the Notes Adjustments to the Component Commodities beginning on page S-17. WBNA is required to carry out its duties as calculation agent in good faith and using its reasonable judgment.

Wachovia or its affiliates may engage in trading activities related to the Component Commodities and the exchange-traded futures and forward contracts on the Component Commodities, which are not for the account of holders of the notes or on their behalf. These trading activities may present a conflict between the holders interest in the notes and the interests we and our affiliates will have in our proprietary accounts, in facilitating transactions, including options and other derivatives transactions, for our customers and in accounts under our management. These trading activities, if they influence the prices of the Component Commodities, could be adverse to the interests of the holders of the notes. We and one or more of our affiliates have published and in the future expect to publish research reports with respect to some or all of the Component Commodities. This research is modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the notes. The research should not be viewed as a recommendation or endorsement of the notes in any way and investors must make their own independent investigation of the merits of this investment. Any of these activities by us or our other affiliates may affect the market price of the Component Commodities and the related exchange-traded futures and forward contracts and, therefore, the market value of the notes.

The inclusion of commissions and projected profits from hedging in the initial public offering 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 notes 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 notes, as well as the projected profit included in the cost of hedging our obligations under the notes. 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.

Tax consequences are uncertain

You should consider the tax consequences of investing in the notes, significant aspects of which are uncertain. See Supplemental Tax Considerations beginning on page S-27.

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 notes with the assets of a plan, should consult with its counsel regarding whether the purchase or holding of the notes 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-29.

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SPECIFIC TERMS OF THE NOTES

Please note that in this section entitled Specific Terms of the Notes , references to holders mean those who own notes 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 notes registered in street name or in notes 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 notes 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 notes 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 notes. 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 notes in more detail below.

Denominations

Wachovia will issue the notes in principal amount of $1,000 per note and integral multiples thereof.

Offering Price

Each note will be offered at an initial public offering price equal to $1,000.

Maturity Payment Amount

At maturity, for each note for own, you will receive a cash payment equal to the principal amount of the note, plus accrued but unpaid interest.

Interest

The notes will bear interest at a rate of 10% to 12% per annum (to be determined on the pricing date) payable on each interest payment date, unless the closing price of any one of the Component Commodities is less than or equal to its respective barrier level on the relevant interest valuation date, in which case the interest rate and, therefore, the interest payment amount for that interest period will be zero.

The barrier levels for gold, WTI crude oil, zinc, aluminum, copper, nickel and lead will equal: $, $, $, $, $, $ and $, respectively, the prices tha are 65% of the initial component commodity price of each Component Commodity, and will be determined by the calculation agent on the pricing date.

The initial component commodity price of each Component Commodity will equal the closing price of each Component Commodity on the pricing date.

The closing price of each Component Commodity will be determined by reference to its official closing price or cash settlement price on the relevant exchange or market on the applicable interest valuation date, as follows:

(i) In the case of gold, the afternoon U.S. dollar fixing price per troy ounce of unallocated gold bullion for delivery in London through a member of the London Bullion Market Association (the LBMA) authorized to effect such delivery;

(ii) In the case of WTI crude oil, the U.S. dollar settlement price per barrel of West Texas Intermediate light sweet crude oil on the New York Mercantile Exchange (the NYMEX) of the first nearby futures contract;

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(iii) In the case of zinc, the official U.S. dollar settlement price per ton of special high grade zinc on the London Metals Exchange (the LME) for cash delivery.

(iv) In the case of aluminum, the official U.S. dollar settlement price per ton of high grade primary aluminum on the LME for cash delivery;

(v) In the case of copper, the official U.S. dollar settlement price per ton of copper-Grade A on the LME for cash delivery;

(vi) In the case of nickel, the official U.S. dollar settlement price per ton of primary nickel on the LME for cash delivery; and

(vii) In the case of lead, the official U.S. dollar settlement price per ton of standard lead on the LME for cash delivery.

The interest payment dates are October of each year, beginning on October , 2007.

The interest valuation date mean the fifth trading day prior to each interest payment date. However, if any such day occurs on a day that is a disrupted day with respect to a Component Commodity, then the interest valuation date with respect to that Component Commodity will be postponed until the next succeeding trading day that is not a disrupted day with respect to the affected Component Commodity; provided that in no event will an interest valuation date be postponed by more than ten trading days. If an interest valuation date is postponed to the last possible day but that day is a disrupted day, that date will nevertheless be the interest valuation date. *If an interest valuation date is postponed, then the corresponding interest payment date will be postponed by an equal number of trading days.*

A business day means a day that is a Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions in New York City or London generally are authorized or obligated by law, regulation or executive order to close.

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

A disrupted day means any trading day on which a market disruption event has occurred or is continuing with respect to any Component Commodity.

Each interest period will start on an interest payment date and end on the immediately following interest payment date.

If any payment is due on the notes on a day which is not a day on which commercial banks settle payments in The City of New York, or a day that is a disrupted day, then that payment may be made on the next succeeding day that is a day on which commercial banks settle payments in The City of New York, or which is not a disrupted day, respectively, 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 shall be at the sole discretion of the calculation agent and, absent a determination of a manifest error, shall be conclusive for all purposes and binding on Wachovia and the holders and beneficial owners of the notes. Wachovia may at any time change the calculation agent without notice to holders of notes.

U.S. Bank National Association will serve as the U.S. registrar and the domestic paying agent.

If the closing price of any Component Commodity is less than or equal to its respective barrier level on any interest valuation date, the interest rate for that interest period will be zero and you will not receive an interest payment on the corresponding interest payment date.

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Adjustments to the Component Commodities

The Component Commodities and/or the method of determining the closing price for each Component Commodity may be adjusted from time to time by the calculation agent, in its sole discretion, as follows:

In the event that an official closing price is not available for a Component Commodity for whatever reason, including any discontinuance of trading in the relevant contract by the NYMEX, the LME or the LBMA, then the calculation agent may, in its sole discretion, take such action, including adjustments to the Component Commodities upon which the annual interest rate of the notes will depend, or to the method of determining such closing price as it deems appropriate. By way of example, and without limitation, if a contract which serves as the basis for determining the closing price of a particular Component Commodity is discontinued by the exchange or market on which it traded, the calculation agent may, in its sole discretion, determine such closing price for that Component Commodity by reference to another contract for the Component Commodity traded on another exchange or market or to its bid for the Component Commodity for delivery on the interest valuation date.

In the event that the terms of any contract used for determining the closing price of any Component Commodity are changed in a material respect by the commodity exchange upon which the contracts trade, the calculation agent may take such action, including adjustments to the Component Commodities upon which the annual interest rate will depend or to the method of determining the closing price of that Component Commodity, as it deems appropriate. Although we are not aware of any planned modification of the terms of any contract, no assurance can be given that such modifications will not occur prior to the stated maturity date.

No adjustments will be made unless the calculation agent determines, in its sole discretion, that such adjustment is appropriate to maintain the validity of the closing price as an economic benchmark for the affected Component Commodity. Such adjustments, if any, may be made by the calculation agent at any time, or from time to time, on or prior to the maturity date.

Market Disruption Event

A market disruption event with respect to a Component Commodity, as determined by the calculation agent in its sole discretion, means the occurrence or existence of any of the following events:

the failure of the relevant exchange, market or price source to announce or publish the closing price for a Component Commodity or the temporary or permanent discontinuance or unavailability of the relevant exchange, market or price source;

the failure of trading to commence, or the permanent discontinuation of trading, in the relevant futures and forward contracts on the relevant exchange or market or the disappearance of, or of trading in, the relevant Component Commodity;

a material change in the formula for or the method of calculating the closing price for a Component Commodity;

a material change in the content, composition or constitution of a Component Commodity or relevant futures and forward contracts; or

a suspension, absence of, or material limitation imposed on trading in the futures and forwards contracts or the relevant Component Commodity on its respective exchange or in any additional futures contract, options contract or Component Commodity on any exchange or principal trading market as specified in the relevant agreement or confirmation;

or any other event, if the calculation agent determines in its sole discretion that the event materially interferes with Wachovia s ability or the ability of any of its affiliates to unwind all or a material portion of a hedge with respect to the

notes that we or our affiliates have effected or may effect as described below under Use of Proceeds and Hedging beginning on page S-31.

For this purpose, an absence of trading in the primary exchange on which options or futures and forward contracts related to any Component Commodities are traded will not include any time when that exchange itself is closed for trading under ordinary circumstances.

The following events will not constitute market disruption events:

- A decision to permanently discontinue trading (without implementation of such decision) in the option or futures contract relating to any component commodity on the NYMEX, the LME or the LBMA.

- A limitation on the hours or numbers of days of trading that results from an announced change in the regular business hours of the relevant exchange will not be a market disruption event.

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

Events of Default and Acceleration

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

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

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THE COMPONENT COMMODITIES

The notes will bear interest at a rate per annum which depends on the closing price of the following seven commodities relative to their barrier levels on each interest valuation date: gold (Bloomberg symbol GOLDLNPM), WTI crude oil (Bloomberg symbol CL1), zinc (Bloomberg symbol LOZSDY), aluminum (Bloomberg symbol LOAHDY), copper (Bloomberg symbol LOCADY), nickel (Bloomberg symbol LONIDY) and lead (Bloomberg symbol LOPBDY).

The Commodities Markets

The closing prices of the Component Commodities are determined by reference to the official cash settlement prices of futures and forwards contracts traded on the NYMEX, the LME and the LBMA. The following discussion of the operation of the exchanges or markets on which the Component Commodities trade is based on publicly available information and is provided for informational purposes only. **You should make your own investigation into the NYMEX, the LME and the LBMA to determine whether the notes are a suitable investment for you.**

The NYMEX

The NYMEX, located in New York City, is the world s largest physical commodities futures exchange and a leading trading forum for energy and precious metals. NYMEX began commodities trading in 1872, organized as the Butter and Cheese Exchange of New York, and has since traded a variety of commodity products. The establishment of energy futures on the NYMEX occurred in 1978, with the introduction of heating oil futures contracts. NYMEX opened trading in leaded gasoline futures in 1981, followed by the crude oil futures contract in 1983 and unleaded gasoline futures in 1984.

The LME

The LME was established in 1877 and is the principal non-ferrous metal exchange in the world on which contracts for delivery of copper, aluminum, nickel and lead among other metals, are traded. In contrast to U.S. futures exchanges, the LME operates as a principals market for the trading of forward contracts, and is therefore more closely analogous to over-the-counter physical commodity markets than futures markets. As a result, members of the LME trade with each other as principals and not as agents for customers, although such members may enter into offsetting back-to-back contracts with their customers. In addition, while futures exchanges permit trading to be conducted in contracts for monthly delivery in stated delivery months, historically LME contracts used to be established for daily delivery (referred to as a prompt date) from one day to three months following the date of contract, the average amount of time it took a ship to sail from certain Commonwealth countries to London. Currently, LME contracts may be established for monthly delivery from the seventh month following the date of such contract up to 63, 27 and 15 months forward (depending on the commodity underlying the contract). Further, because it is a principals forward market, there are no price limits applicable to LME contracts, and prices could decline without limitation over a period of time. Trading is conducted on the basis of warrants that cover physical material held in listed warehouses.

The LME is not a cash cleared market. Both inter-office and floor trading are cleared and guaranteed by a system run by the London Clearing House, whose role is to act as a central counterparty to trades executed between clearing members and thereby reduce risk and settlement costs. The LME is subject to regulation by the Financial Services Authority in the United Kingdom.

The bulk of trading on the LME is transacted through inter-office dealing which allows the LME to operate as a 24-hour market. Trading on the floor takes place in two sessions daily, from 11:45 a.m. to 1:15 p.m. and from 3:10 p.m. to 4:35 p.m., London time. The two sessions are each broken down into two rings made up of five minutes trading in each contract. After the second ring of the first session the official prices for the day are announced. In addition to the ring trading and telephone markets, an official exchange operated electronic trading platform is available. Contracts may be settled by offset or delivery and can be cleared in U.S. dollars, pounds sterling, Japanese yen and euros.

Copper has traded on the LME since its establishment. The copper contract was upgraded to high grade copper in November 1981 and again to today s Grade-A contract which began trading in June 1986. The LME share (by weight) of world terminal market trading is over 90% of all copper.

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The LBMA

The London gold bullion market is the principal global clearing center for over-the-counter gold bullion transactions, including transactions in spot, forward and options contracts, together with exchange-traded futures and options and other derivatives. The principal representative body of the London gold bullion market is the LBMA whose membership represents all sectors of the gold bullion market. The LBMA is currently comprised of 60 members, of which 9 are market-making members, plus a number of associate members around the world.

Twice daily during London trading hours there is a fixing which provides reference gold prices for the day s trading. Formal participation in the London fixing is traditionally limited to five market-making members of the LBMA. The fixing is conducted twice each business day by telephone at 10:30 a.m., to determine the London morning fixing price, and at 3:00 p.m., to determine the London afternoon fixing price. The five members of the gold fixing are Barclays Bank PLC, the Bank of Nova Scotia ScotiaMocatta, Deutsche Bank AG, HSBC Bank USA, NA and Société Générale. The chairmanship of the gold fixing rotates annually amongst its members.

Clients place orders with the dealing rooms of fixing members, who net all orders before communicating their interest to their representative at the fixing. Orders may change at any time during these proceedings. The gold price is adjusted to reflect whether there are more buyers or sellers at a given price until supply and demand are balanced, at which time the price is declared to be fixed. All fixing orders are then fulfilled at this price, which is communicated to the market through various media.

The market for gold bullion is global and gold prices are subject to volatile price movements over short periods of time and are affected by numerous factors, including macroeconomic factors such as the structure of and confidence in the global monetary system; expectations of the future rate of inflation; the relative strength of, and confidence in, the U.S. dollar, the currency in which the price of gold is generally quoted; interest rates; gold borrowing and lending rates; and global or regional economic, financial, political, regulatory, judicial or other events. In addition, gold prices may be affected by industry factors such as industrial and jewelry demand; lending, sales and purchases of gold by the official sector, including central banks and other governmental agencies and multilateral institutions which hold gold; levels of gold production and production costs; and short-term changes in supply and demand because of trading activities in the gold market. It is not possible to predict the aggregate effect of all or any combination of these factors.

The Component Commodities

Gold

The closing price for gold is determined by reference to the London afternoon fixing price for one troy ounce of unallocated gold bullion for delivery in London through a member of the LMBA authorized to effect such delivery. Twice daily during London trading hours there is a fixing which provides reference gold prices for that day s trading. Formal participation in the London fixing is traditionally limited to five market-making members of the LBMA. The fixing is conducted twice each business day by telephone at 10:30 a.m. to determine the London morning fixing price, and at 3:00 p.m. to determine the London afternoon fixing price. The members of the gold fixing are Barclays Bank PLC, the Bank of NovaScotia ScottiaMocatta, Deutsche Bank AG, HSBC Bank USA, NA and Société Générale. The chairmanship of the gold fixing rotates annually amongst its members.

Clients place orders with the dealing rooms of fixing members, who net all orders before communicating their interest to their representative at the fixing. Orders may be changed at any time during these proceedings. The gold price is adjusted to reflect whether there are more buyers or sellers at a given price until supply and demand are balanced, at which time the price is declared fixed. All fixing orders are then fulfilled at this price, which is communicated to the market through various media.

WTI Crude Oil

The closing price of WTI crude oil is determined by reference to the U.S. dollar settlement price per barrel of West Texas Intermediate light sweet crude oil on the NYMEX of the first nearby futures contract.

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Although WTI crude oil is refined principally in the United States mid-continent region, it forms the basis for pricing other domestic crudes as well as some foreign grades. The WTI spot price, in turn, is usually determined by global (rather than regional) supply and demand conditions due to the availability of product and crude oil pipelines that link the mid-continent to the Gulf Coast, a major crude oil trading and refining center.

Demand for petroleum products by consumers, as well as agricultural, manufacturing and transportation industries, determines demand for crude oil by refiners. Since the precursors of product demand are linked to economic activity, crude oil demand will tend to reflect economic conditions. However, other factors such as weather will also influence crude oil demand.

Crude oil supply is determined by both economic and political factors. Oil prices (along with drilling costs, availability of attractive prospects for drilling, taxes and technology) determine exploration and development spending which influence output capacity with a lag. In the short run, production decisions by the Organization of Petroleum Exporting Countries also affect supply and prices. Oil export embargoes and the current conflict in Iraq represent other routes through which political developments move the market.

Zinc

The closing price of zinc is determined by reference to the official U.S. dollar settlement price per ton of special high grade zinc on the LME for cash delivery. The price of zinc is primarily affected by the global demand for and supply of zinc.

Demand for zinc is significantly influenced by the level of global industrial economic activity. The galvanized steel industrial sector is particularly important given that the use of zinc in the manufacture of galvanized steel accounts for approximately 50% of world-wide zinc demand. The galvanized steel sector is in turn heavily dependent on the automobile and construction sectors. A relatively widespread increase in the demand for zinc by the galvanized steel sector, particularly in China and the United States, has been the primary cause of the recent rise in zinc prices. An additional, but highly volatile, component of demand is adjustments to inventory in response to changes in economic activity and/or pricing levels.

The supply of zinc concentrate (the raw material) is dominated by China, Australia, North America and Latin America. The supply of zinc is also affected by current and previous price levels, which will influence investment decisions in new mines and smelters.

Aluminum

The closing price of aluminum is determined by reference to the official U.S. dollar settlement price per ton of high grade primary aluminum on the LME for cash delivery. The price of aluminum is primarily affected by the global demand for and supply of aluminum.

Demand for aluminum is significantly influenced by the level of global industrial economic activity. Industrial sectors which are particularly important include that transportation, packaging and building sectors. An additional, but highly volatile, component of demand is adjustments to inventory in response to changes in economic activity and/or availability and price will also affect the demand for aluminum.

The supply of aluminum is widely spread around the world, and the principal factor dictating the smelting of such aluminum is the ready availability of inexpensive power. The supply of aluminum is also affected by current and previous price levels, which will influence investment decisions in new smelters. Other factors influencing supply include droughts, transportation problems and shortages of power and raw materials.

Copper

The closing price of copper is determined by reference to the official U.S. dollar settlement price per ton of copper Grade A on the LME for cash delivery. The price of copper is primarily affected by the global demand for and supply of copper.

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Demand for copper is significantly influenced by the level of global industrial economic activity. Industrial sectors which are particularly important include the electrical and construction sectors. In recent years demand has been supported by strong consumption from newly industrializing countries, which continue to be in a copper-intensive period of economic growth as they develop their infrastructure. An additional, but highly volatile, component of demand is adjustments to inventory in response to changes in economic activity and/or pricing levels.

Apart from the United States, Canada and Australia, the majority of copper concentrate supply (the raw material) comes from outside the Organization for Economic Cooperation and Development countries. Chile is the largest producer of copper concentrate. In previous years, copper supply has been affected by strikes, financial problems and terrorist activity. Output has fallen particularly sharply in the African Copperbelt and in Bougainville, Papua New Guinea.

Nickel

The closing price of nickel is determined by reference to the official U.S. dollar settlement price per ton of primary nickel on the LME for cash delivery. The price of nickel is primarily affected by the global demand for and supply of nickel.

Demand for nickel is significantly influenced by the level of global industrial economic activity. The stainless steel industrial sector is particularly important given that the use of nickel in the manufacture of stainless steel accounts for approximately two-thirds of worldwide nickel demand. An additional, but highly volatile, component of demand is adjustments to inventory in response to changes in economic activity and/or pricing levels.

Nickel supply is dominated by Russia, the world s largest producer by far. Australia and Canada are also large producers. The supply of nickel is also affected by current and previous price levels, which will influence investment decisions in new mines and smelters.

Lead

The closing price of lead is determined by reference to the official U.S. dollar settlement price per ton of standard lead on the LME for cash delivery. The price of lead is primarily affected by the global demand for and supply of lead.

Demand for lead is significantly influenced by the level of global industrial economic activity. The storage battery market is particularly important given that the use of lead in the manufacture of batteries accounts for approximately two-thirds of worldwide lead demand. Lead is also used to house power generation units as it protects against electrical charges and dangerous radiations. Additional applications of lead include petrol additives, pigments, chemicals and crystal glass.

The supply of lead is widely spread around the world. It is affected by current and previous price levels, which influence important decisions regarding new mines and smelters. A critical factor influencing supply is the environmental regulatory regimes of the countries in which lead is mined and processed. It is not possible to predict the aggregate effect of all or any combination of these factors.

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Closing Levels of the Component Commodities

The following tables set forth the published high and low closing prices of the Component Commodities as well as the closing prices of the Component Commodities at the end of each quarter from January 1, 2003 through September 30, 2006. On September 29, 2006, the closing prices of gold, WTI crude oil, zinc, aluminum, copper, nickel and lead were $599.25, $62.91, $3,360.00, $2,572.00, $7,601.00, $31,500.00 and $1,425.00, respectively. Past movements of the Component Commodities are not indicative of future closing prices. We obtained the closing prices set forth in the tables below from Bloomberg Financial Products, without independent verification.

Quarterly High, Low and Closing Price of Gold

Quarter-Start Date	Quarter-End Date	High Closing Price of Gold	Low Closing Price of Gold	Quarter-End Closing Price of Gold
01/01/2003	03/31/2003	382.10	329.45	334.85
04/01/2003	06/30/2003	371.40	319.90	346.00
07/01/2003	09/30/2003	390.70	342.50	388.00
10/01/2003	12/31/2003	416.25	370.25	416.25
01/01/2004	03/31/2004	425.50	390.50	423.70
04/01/2004	06/30/2004	427.25	375.00	395.80
07/01/2004	09/30/2004	415.65	387.30	415.65
10/01/2004	12/31/2004	454.20	411.25	435.60
01/01/2005	03/31/2005	443.70	411.10	427.50
04/01/2005	06/30/2005	440.55	414.45	437.10
07/01/2005	09/30/2005	473.25	418.35	473.25
10/01/2005	12/31/2005	536.50	456.50	513.00
01/01/2006	03/31/2006	584.00	524.75	582.00
04/01/2006	06/30/2006	725.00	567.00	613.50
07/01/2006	09/30/2006	663.25	573.60	599.25

Quarterly High, Low and Closing Price of WTI Crude Oil

Quarter-Start Date	Quarter-End Date	High Closing Price of WTI Crude Oil	Low Closing Price of WTI Crude Oil	Quarter-End Closing Price of WTI Crude Oil
01/01/2003	03/31/2003	37.83	26.91	31.04
04/01/2003	06/30/2003	32.36	25.24	30.19
07/01/2003	09/30/2003	32.39	26.96	29.20
10/01/2003	12/31/2003	33.71	28.47	32.52
01/01/2004	03/31/2004	38.18	32.48	35.76
04/01/2004	06/30/2004	42.33	34.27	37.05
07/01/2004	09/30/2004	49.90	38.39	49.64
10/01/2004	12/31/2004	55.17	40.71	43.45
01/01/2005	03/31/2005	56.72	42.12	55.40
04/01/2005	06/30/2005	60.54	46.80	56.50
07/01/2005	09/30/2005	69.81	56.72	66.24
10/01/2005	12/31/2005	65.47	56.14	61.04
01/01/2006	03/31/2006	68.35	57.65	66.63
04/01/2006	06/30/2006	75.17	66.23	73.93

07/01/2006	09/30/2006	77.03	60.46	62.91

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Quarterly High, Low and Closing Price of Zinc

Quarter-Start Date	Quarter-End Date	High Closing Price of Zinc	Low Closing Price of Zinc	Quarter-End Closing Price of Zinc
01/01/2003	03/31/2003	810.50	755.00	763.00
04/01/2003	06/30/2003	809.00	741.00	783.50
07/01/2003	09/30/2003	863.00	781.00	825.00
10/01/2003	12/31/2003	1,008.00	834.00	1,008.00
01/01/2004	03/31/2004	1,155.50	1,002.00	1,086.50
04/01/2004	06/30/2004	1,125.00	967.00	967.00
07/01/2004	09/30/2004	1,079.00	943.00	1,079.00
10/01/2004	12/31/2004	1,270.00	1,004.50	1,270.00
01/01/2005	03/31/2005	1,430.00	1,197.50	1,349.00
04/01/2005	06/30/2005	1,365.50	1,216.00	1,223.00
07/01/2005	09/30/2005	1,439.00	1,165.00	1,411.00
10/01/2005	12/31/2005	1,915.00	1,405.00	1,915.00
01/01/2006	03/31/2006	2,690.50	1,912.00	2,690.50
04/01/2006	06/30/2006	3,990.00	2,710.00	3,260.00
07/01/2006	09/30/2006	3,671.50	3,125.50	3,360.00

Quarterly High, Low and Closing Price of Aluminum

Quarter-Start Date	Quarter-End Date	High Closing Price of Aluminum	Low Closing Price of Aluminum	Quarter-End Closing Price of Aluminum
01/01/2003	03/31/2003	1,459.00	1,340.50	1,350.00
04/01/2003	06/30/2003	1,440.50	1,314.50	1,389.00
07/01/2003	09/30/2003	1,505.00	1,378.00	1,407.50
10/01/2003	12/31/2003	1,592.50	1,415.00	1,592.50
01/01/2004	03/31/2004	1,754.00	1,578.50	1,688.50
04/01/2004	06/30/2004	1,826.00	1,575.00	1,698.50
07/01/2004	09/30/2004	1,823.00	1,647.00	1,823.00
10/01/2004	12/31/2004	1,964.00	1,748.00	1,964.00
01/01/2005	03/31/2005	2,031.50	1,809.00	1,973.00
04/01/2005	06/30/2005	1,991.00	1,694.00	1,716.00
07/01/2005	09/30/2005	1,909.00	1,675.00	1,857.00
10/01/2005	12/31/2005	2,289.00	1,831.00	2,285.00
01/01/2006	03/31/2006	2,634.00	2,267.00	2,512.50
04/01/2006	06/30/2006	3,275.00	2,397.50	2,550.50
07/01/2006	09/30/2006	2,614.00	2,367.50	2,572.00

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Quarterly High, Low and Closing Price of Copper

Quarter-Start Date	Quarter-End Date	High Closing Price of Copper	Low Closing Price of Copper	Quarter-End Closing Price of Copper
01/01/2003	03/31/2003	1,728.00	1,544.50	1,587.50
04/01/2003	06/30/2003	1,711.50	1,564.00	1,644.00
07/01/2003	09/30/2003	1,824.50	1,638.00	1,794.00
10/01/2003	12/31/2003	2,321.00	1,790.50	2,321.00
01/01/2004	03/31/2004	3,105.50	2,321.00	3,067.50
04/01/2004	06/30/2004	3,170.00	2,554.00	2,664.50
07/01/2004	09/30/2004	3,140.00	2,700.00	3,140.00
10/01/2004	12/31/2004	3,287.00	2,835.00	3,279.50
01/01/2005	03/31/2005	3,424.50	3,072.00	3,408.00
04/01/2005	06/30/2005	3,670.00	3,113.00	3,597.00
07/01/2005	09/30/2005	3,978.00	3,444.00	3,949.00
10/01/2005	12/31/2005	4,650.00	3,905.00	4,584.50
01/01/2006	03/31/2006	5,527.50	4,537.00	5,527.50
04/01/2006	06/30/2006	8,788.00	5,561.00	7,501.00
07/01/2006	09/30/2006	8,233.00	7,230.00	7,601.00

Quarterly High, Low and Closing Price of Nickel

Quarter-Start Date	Quarter-End Date	High Closing Price of Nickel	Low Closing Price of Nickel	Quarter-End Closing Price of Nickel
01/01/2003	03/31/2003	9,105.00	7,210.00	7,940.00
04/01/2003	06/30/2003	9,550.00	7,710.00	8,395.00
07/01/2003	09/30/2003	10,325.00	8,330.00	10,220.00
10/01/2003	12/31/2003	16,670.00	10,250.00	16,650.00
01/01/2004	03/31/2004	17,770.00	12,200.00	13,885.00
04/01/2004	06/30/2004	15,330.00	10,530.00	14,990.00
07/01/2004	09/30/2004	15,980.00	12,050.00	15,100.00
10/01/2004	12/31/2004	16,595.00	12,685.00	15,205.00
01/01/2005	03/31/2005	16,565.00	14,035.00	16,250.00
04/01/2005	06/30/2005	17,750.00	14,520.00	14,700.00
07/01/2005	09/30/2005	15,600.00	13,410.00	13,600.00
10/01/2005	12/31/2005	14,120.00	11,500.00	13,380.00
01/01/2006	03/31/2006	15,340.00	13,505.00	15,340.00
04/01/2006	06/30/2006	23,100.00	15,600.00	22,275.00
07/01/2006	09/30/2006	34,750.00	22,690.00	31,500.00

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Quarterly High, Low and Closing Price of Lead

Quarter-Start Date	Quarter-End Date	High Closing Price of Lead	Low Closing Price of Lead	Quarter-End Closing Price of Lead
01/01/2003	03/31/2003	486.00	428.00	440.50
04/01/2003	06/30/2003	484.50	429.00	484.50
07/01/2003	09/30/2003	542.50	469.50	542.50
10/01/2003	12/31/2003	739.50	551.00	739.50
01/01/2004	03/31/2004	975.00	730.00	829.00
04/01/2004	06/30/2004	925.00	696.50	868.00
07/01/2004	09/30/2004	1,039.00	873.50	964.00
10/01/2004	12/31/2004	1,056.00	873.00	1,056.00
01/01/2005	03/31/2005	1,033.50	912.00	1,023.00
04/01/2005	06/30/2005	1,020.00	927.00	927.00
07/01/2005	09/30/2005	1,015.00	824.00	975.00
10/01/2005	12/31/2005	1,155.50	970.00	1,100.00
01/01/2006	03/31/2006	1,448.00	1,101.00	1,210.00
04/01/2006	06/30/2006	1,316.00	914.50	955.00
07/01/2006	09/30/2006	1,425.00	975.50	1,425.00

SUPPLEMENTAL TAX CONSIDERATIONS

The following is a general description of certain United States federal income tax considerations relating to the notes. The following does not purport to be a complete analysis of all tax considerations relating to the notes. Prospective purchasers of the notes 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 notes and receiving payments under the notes. This summary is based on 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 notes 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 notes 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).

The United States federal income tax consequences of your notes are complex and uncertain. The tax treatment of your notes will depend upon whether the notes are properly treated as variable rate debt instruments and this may depend upon whether they are treated as Front or Back-Loaded (as defined above). We believe that the notes should not be treated as Front or Back-Loaded and we intend to report payments on the notes in accordance with such position. Assuming that such position is correct, in the opinion of Sullivan & Cromwell LLP, your notes should be treated as variable rate debt instruments for United States federal income tax purposes. Under this characterization, you will be subject to tax on interest payments, if any, as ordinary income at the time you receive or accrue such payments, depending on your method of accounting for tax purposes.

You will generally recognize capital gain or loss upon the sale or maturity of your notes equal to the difference between the amount you realize at such time, excluding any amounts attributable to accrued but unpaid interest, and your adjusted basis in your notes. In general, your adjusted basis in your notes will be equal to the amount you paid for them. Capital gain of a noncorporate United States holder is generally taxed at a maximum rate of 15% where the property is held for more than one year. The deductibility of capital losses is subject to limitations.

Alternative Characterization. If the Internal Revenue Service disagrees with the tax treatment discussed above, it is possible that the notes could be treated as a single debt instrument subject to the special tax rules governing contingent debt instruments. If the notes are so treated, you would be required to accrue interest income over the term of your notes based upon the yield at which we would issue a non-contingent fixed-rate debt instrument with other terms and conditions similar to your notes (the comparable yield). You would recognize gain or loss upon the sale or maturity of your notes in an amount equal to the difference, if any, between the amount you receive at such time and your adjusted basis in the notes. In general, your adjusted basis in your notes would be equal to the amount you paid for the notes, increased by the amount of interest you previously accrued with respect to your notes and decreased by the amount of any interest payment previously made with respect to your notes. Any gain you recognize upon the sale or maturity of your notes 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 notes, and thereafter would be capital loss.

If the notes are treated as a contingent debt instrument and you purchase your notes in the secondary market at a price that is at a discount from, or in excess of, the adjusted issue price of the notes, 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 notes in the secondary market, you should consult your tax advisor as to the possible application of such rules to you.

United States Alien Holders. If you are a United States alien holder (as defined in the accompanying prospectus), you generally will not be subject to United States withholding tax or to generally applicable information reporting and backup withholding requirements with respect to payments on your notes as long as you comply with certain

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certification and identification requirements as to your foreign status. Please see the discussion under United States Taxation United States Alien Holders in the accompanying prospectus.

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

The notes 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 in 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 notes or any interest in the notes will be deemed to have represented by its purchase and holding of the notes that it either (1) is not a plan or a plan asset entity and is not purchasing those notes 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 notes or any interest in the notes which is a non-ERISA arrangement will be deemed to have represented by its purchase and holding of the notes 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 notes 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.

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

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USE OF PROCEEDS AND HEDGING

The net proceeds from the sale of the notes 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 of the notes.

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

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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 notes less an underwriting discount and commission of $ per note.

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 notes. Wachovia Capital Markets, LLC has advised Wachovia that it proposes initially to offer part of the notes directly to the public at the public offering price set forth on the cover page of this prospectus supplement and part of the notes to dealers at the public offering price less a concession not to exceed $ per note. Wachovia Capital Markets, LLC may allow, and the dealers may reallow, a discount not to exceed $ per note on sales to other dealers. If all the notes are not sold to the public at the initial public offering price, the underwriters may change the public offering price and other selling terms. Wachovia Capital Markets, LLC is offering the notes subject to receipt and acceptance and subject to its right to reject any order in whole or in part.

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

Wachovia Capital Markets, LLC or any 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 notes. Wachovia Capital Markets, LLC or any 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, is an affiliate 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, distributes an affiliated company s debt securities. Wachovia Capital Markets, LLC, has 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 notes against payment therefor in The City of New York, New York 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 notes. 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 notes on the pricing date or the next succeeding business day will be required, by virtue of the fact that the notes 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 Capital Markets, LLC or any other broker-dealer affiliate of Wachovia that would permit a public offering of the notes 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 notes, 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, Wachovia Capital Markets, LLC or any other broker-dealer affiliate of Wachovia. In respect of specific jurisdictions, please note the following:

The notes, and the offer to sell such notes, does 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 notes been requested on any stock market in Argentina.

The notes 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 notes may not be offered or sold to the public in Brazil. Accordingly, the notes have not been submitted to the Comissão de Valores Mobiliáros 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.

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Neither the notes nor Wachovia Corporation are registered in the Securities Registry of the Superintendency of Securities and Insurance in Chile.

The notes 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.

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RECENT DEVELOPMENTS

On May 7, 2006, Wachovia and Golden West Financial Corporation (Golden West) announced that they had entered into an Agreement and Plan of Merger, dated as of May 7, 2006 (the Merger Agreement), that provides, among other things, for Golden West to be merged with and into a wholly-owned subsidiary of Wachovia (the Merger). As a result of the Merger, the outstanding shares of Golden West common stock, with respect to each shareholder of record of Golden West common stock, will be converted into the right to receive (A) a number of shares of Wachovia common stock equal to the product of (i) 1.365 times (ii) the number of shares of Golden West common stock held by such holder of record times (iii) 77%, and (B) an amount in cash equal to the product of (i) $81.07 times (ii) the number of shares of Golden West common stock held by such holder of record times (iii) 23%. Wachovia also entered into Voting Agreements, dated as of May 7, 2006 (the Voting Agreements), with the co-chairman and chief executive officers of Golden West, Marion Sandler and Herbert Sandler, and with one other director, Bernard Osher. Under the Voting Agreements, the Sandlers and Mr. Osher gave Wachovia an irrevocable proxy to vote, and they agreed to vote, their Golden West shares in favor of the Merger and agreed that they will not vote those shares in favor of another acquisition transaction. In the Merger Agreement, Golden West agreed to pay Wachovia a termination fee of $995 million under certain circumstances generally arising if Golden West or a third party takes certain actions that could prevent or impede consummation of the Merger. Wachovia agreed to elect two current Golden West directors to its board of directors upon consummation of the Merger.

The Merger is intended to be treated as a tax-free reorganization to Wachovia and Golden West and otherwise tax free to Golden West s shareholders, except to the extent they receive cash, and is to be accounted for as a purchase. Consummation of the Merger is subject to various conditions, including: (i) receipt of the approvals of Wachovia s and Golden West s shareholders; (ii) receipt of requisite regulatory approvals from the Board of Governors of the Federal Reserve System and other regulatory authorities; (iii) receipt of legal opinions as to the tax treatment of the Merger; (iv) listing on the New York Stock Exchange, Inc., subject to notice of issuance, of Wachovia s common stock to be issued in the Merger; and (v) satisfaction of certain other conditions.

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

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 Luxemburg 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

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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.

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.

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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.

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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.

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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 , i to , 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.

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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

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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.

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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.

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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.

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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 March 31,	Years Ended December 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.

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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.

(In millions, except per share data)	Three Months Ended March 31, 2005	Year Ended December 31, 2004
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

Total assets	$ 506,833	493,324
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
Total liabilities	457,555	443,189
Minority interest in net assets of consolidated subsidiaries	2,811	2,818
Stockholders equity	46,467	47,317
Total liabilities and stockholders equity	$ 506,833	493,324

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CAPITALIZATION

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

(In millions)	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.

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.

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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.

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 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 depositary. Unless we specify otherwise in the applicable pricing supplement, The Depository Trust Company, New York, New York, will be the depositary 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 depositary 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

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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.

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.

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.

Indexed Notes. A note of this type provides that the principal amount payable at its maturity, and/or the amount of interest payable on an interest payment date, will be determined by reference to:

- one or more securities;
- one or more currencies;
- one or more commodities;
- any other financial, economic or other measures or instruments, including the occurrence or non-occurrence of any event or circumstance; and/or
- indices or baskets of any of these items.

If you are a holder of an indexed note, you may receive a principal amount at maturity that is greater than or less than the face amount of your note depending upon the value of the applicable index at maturity. That value may fluctuate over time. If you purchase an indexed note your pricing supplement will include information about the relevant index and about how amounts that are to become payable will be determined by reference to that index. Before you purchase any indexed note, you should read carefully the section entitled Risk Factors Risks Relating to Indexed Notes above.

Exchangeable Notes. We may issue notes, which we refer to as exchangeable notes, that are exchangeable, at our option or the option of the holder, into securities of an issuer other than Wachovia or into other property. The exchangeable notes may or may not bear interest or be issued with original issue discount or at a premium. The general terms of the exchangeable notes are described below.

Optionally Exchangeable Notes. The holder of an optionally exchangeable note may, during a period, or at specific times, exchange the note for the underlying property at a specified rate of exchange. If specified in your pricing supplement, we will have the option to redeem the optionally exchangeable note prior to maturity. If the holder of an optionally exchangeable note does not elect to exchange the note prior to maturity or any redemption date, the holder will receive the principal amount of the note plus any accrued interest at maturity or upon redemption.

Mandatorily Exchangeable Notes. At maturity, the holder of a mandatorily exchangeable note must exchange the note for the underlying property at a specified rate of exchange, and, therefore, depending upon the value of the underlying property at maturity, the holder of a mandatorily exchangeable note may receive less than the principal amount of the note at maturity. If so indicated in your pricing supplement, the specified rate at which a mandatorily exchangeable note may be exchanged may vary depending on the value of the underlying property so that, upon exchange, the holder participates in a percentage, which may be less than, equal to, or greater than 100% of the change in value of the underlying property. Mandatorily exchangeable notes may include notes where we have the right, but not the obligation, to require holders of notes to exchange their notes for the underlying property.

Payments upon Exchange. Your pricing supplement will specify if upon exchange, at maturity or otherwise, the holder of an exchangeable note may receive, at the specified exchange rate, either the underlying property or the cash value of the underlying property. The underlying property may be the securities of either U.S. or foreign entities or both. The exchangeable notes may or may not provide for

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protection against fluctuations in the exchange rate between the currency in which that note is denominated and the currency or currencies in which the market prices of the underlying security or securities are quoted. Exchangeable notes may have other terms, which will be specified in your pricing supplement.

Special Requirements for Exchange of Global Securities. If an optionally exchangeable note is represented by a global security, the depositary s nominee will be the holder of that note and therefore will be the only entity that can exercise a right to exchange. In order to ensure that the depositary s nominee will timely exercise a right to exchange a particular note or any portion of a particular note, the beneficial owner of the note must instruct the broker or other direct or indirect participant through which it holds an interest in that note to notify the depositary of its desire to exercise a right to exchange. Different firms have different deadlines for accepting instructions from their customers. Each beneficial owner should consult the broker or other participant through which it holds an interest in a note in order to ascertain the deadline for ensuring that timely notice will be delivered to the depositary.

Payments upon Acceleration of Maturity or upon Tax Redemption. If the principal amount payable at maturity of any exchangeable note is declared due and payable prior to maturity, the amount payable on:

- an optionally exchangeable note will equal the face amount of the note plus accrued interest, if any, to but excluding the date of payment, except that if a holder has exchanged an optionally exchangeable note prior to the date of declaration or tax redemption without having received the amount due upon exchange, the amount payable will be an amount of cash equal to the amount due upon exchange and will not include any accrued but unpaid interest; and

- a mandatorily exchangeable note will equal an amount determined as if the date of declaration or tax redemption were the maturity date plus accrued interest, if any, to but excluding the date of payment.

Original Issue Discount Notes

A fixed rate note, a floating rate note or an indexed note may be an original issue discount note. A note of this type is issued at a price lower than its principal amount and provides that, upon redemption or acceleration of its maturity, an amount less than its principal amount will be payable. An original issue discount note may be a zero coupon note. A note issued at a discount to its principal may, for U.S. federal income tax purposes, be considered an original issue discount note, regardless of the amount payable upon redemption or acceleration of maturity. See United States Taxation below for a brief description of the U.S. federal income tax consequences of owning an original issue discount note.

Information in the Pricing Supplement

Your pricing supplement will describe one or more of the following terms of your note:

- the stated maturity;

- the specified currency or currencies for principal and interest, if not U.S. dollars;

the price at which we originally issue your note, expressed as a percentage of the principal amount, and the original issue date;

whether your note is a fixed rate note, a floating rate note, an indexed note or an exchangeable note;

if your note is a fixed rate note, the yearly rate at which your note will bear interest, if any, and the interest payment dates;

if your note is a floating rate note, the interest rate basis, which may be one of the nine interest rate bases described in Interest Rates Floating Rate Notes below; any applicable index currency or maturity, spread or spread multiplier or initial, maximum or minimum rate; and the

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- interest reset, determination, calculation and payment dates, all of which we describe under Interest Rates Floating Rate Notes below;
- if your note is an indexed note, the principal amount, if any, we will pay you at maturity, the amount of interest, if any, we will pay you on an interest payment date or the formula we will use to calculate these amounts, if any, and whether your note will be exchangeable for or payable in cash, securities of an issuer other than Wachovia or other property;
- if your note is an exchangeable note, the securities or property for which the notes may be exchanged, whether the notes are exchangeable at your option or at Wachovia s option, and the other items described in Exchangeable Notes above;
- if your note is an original issue discount note, the yield to maturity;
- if applicable, the circumstances under which your note may be redeemed at our option before the stated maturity, including any redemption commencement date, redemption price(s) and redemption period(s);
- if applicable, the circumstances under which you may demand repayment of your note before the stated maturity, including any repayment commencement date, repayment price(s) and repayment period(s);
- any special United States federal income tax consequences of the purchase, ownership or disposition of a particular issuance of notes;
- the use of proceeds, if materially different than those discussed in this prospectus; and
- any other terms of your note, which could be different from those described in this prospectus.

Market-Making Transactions. If you purchase your note in a market-making transaction, you will receive information about the price you pay and your trade and settlement dates in a separate confirmation of sale. A market-making transaction is one in which Wachovia Securities or another of our affiliates resells a note that it has previously acquired from another holder. A market-making transaction in a particular note occurs after the original sale of the note.

Redemption at the Option of Wachovia; No Sinking Fund

If an initial redemption date is specified in the applicable pricing supplement, we may redeem the particular notes prior to their stated maturity date at our option on any date on or after that initial redemption date in whole or from time to time in part in increments of $1,000 or any other integral multiple of an authorized denomination specified in the applicable pricing supplement (provided that any remaining principal amount thereof shall be at least $1,000 or other minimum authorized denomination applicable thereto), at the applicable redemption price (as defined below), together with unpaid interest accrued thereon to the date of redemption. We must give written notice to registered holders of the particular notes to be redeemed at our option not more than 60 nor less than 30 calendar days prior to the date of redemption. Redemption price , with respect to a note, means an amount equal to the initial redemption percentage specified in the applicable pricing supplement (as adjusted by the annual redemption percentage reduction, if applicable) multiplied by the unpaid principal amount thereof to be redeemed. The initial redemption percentage, if any, applicable to a note shall decline at each anniversary of the initial redemption date by an amount equal to the applicable annual redemption percentage reduction, if any, until the redemption price is equal to 100% of the unpaid principal amount thereof to be redeemed.

The notes will not be subject to, or entitled to the benefit of, any sinking fund.

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Repayment at the Option of the Holder

If one or more optional repayment dates are specified in the applicable pricing supplement, registered holders of the particular notes may require us to repay those notes prior to their stated maturity date on any optional repayment date in whole or from time to time in part in increments of $1,000 or any other integral multiple of an authorized denomination specified in the applicable pricing supplement (provided that any remaining principal amount thereof shall be at least $1,000 or other minimum authorized denomination applicable thereto), at a repayment price equal to 100% of the unpaid principal amount thereof to be repaid, together with unpaid interest accrued thereon to the date of repayment. A registered holder s exercise of the repayment option will be irrevocable.

For any note to be repaid, the applicable trustee must receive, at its corporate trust office in the Borough of Manhattan, The City of New York, not more than 60 nor less than 30 calendar days prior to the date of repayment, the particular notes to be repaid and, in the case of a book-entry note, repayment instructions from the applicable beneficial owner (as defined below) to the depositary and forwarded by the depositary.

Only the depositary may exercise the repayment option in respect of global notes representing book-entry notes. Accordingly, beneficial owners of global notes that desire to have all or any portion of the book-entry notes represented thereby repaid must instruct the participant (as defined below) through which they own their interest to direct the depositary to exercise the repayment option on their behalf by forwarding the repayment instructions to the applicable trustee as aforesaid. In order to ensure that these instructions are received by the applicable trustee on a particular day, the applicable beneficial owner must so instruct the participant through which it owns its interest before that participant s deadline for accepting instructions for that day. Different firms may have different deadlines for accepting instructions from their customers. Accordingly, beneficial owners should consult their participants for the respective deadlines. All instructions given to participants from beneficial owners of global notes relating to the option to elect repayment shall be irrevocable. In addition, at the time repayment instructions are given, each beneficial owner shall cause the participant through which it owns its interest to transfer the beneficial owner s interest in the global note representing the related book-entry notes, on the depositary s records, to the applicable trustee. See Global Notes.

If applicable, we will comply with the requirements of Section 14(e) of the Securities Exchange Act of 1934, as amended (the Exchange Act), and the rules promulgated thereunder, and any other securities laws or regulations in connection with any repayment of notes at the option of the registered holders thereof.

We may at any time purchase notes at any price or prices in the open market or otherwise. Notes so purchased by us may, at our discretion, be held, resold or surrendered to the applicable trustee for cancellation.

Interest

Each interest-bearing note will bear interest from its date of issue at the rate per annum, in the case of a fixed rate note, or pursuant to the interest rate formula, in the case of a floating rate note, in each case as specified in the applicable pricing supplement, until the principal thereof is paid. We will make interest payments in respect of fixed rate notes and floating rate notes in an amount equal to the interest accrued from and including the immediately preceding interest payment date in respect of which interest has been paid or from and including the date of issue, if no interest has been paid, to but excluding the applicable interest payment date or the maturity date, as the case may be (each, an interest period).

Interest on fixed rate notes and floating rate notes will be payable in arrears on each interest payment date and on the maturity date. The first payment of interest on any note originally issued between a regular record date and the related interest payment date will be made on the interest payment date immediately following the next succeeding record date to the registered holder on the next succeeding record date. The

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regular record date shall be the fifteenth calendar day, whether or not a business day , immediately preceding the related interest payment date. Business Day is defined below under Interest Rates Special Rate Calculation Terms . For the purpose of determining the holder at the close of business on a regular record date when business is not being conducted, the close of business will mean 5:00 P.M., New York City time, on that day.

Interest Rates

This subsection describes the different kinds of interest rates that may apply to your note, if it bears interest.

Fixed Rate Notes

The relevant pricing supplement will specify the interest payment dates for a fixed rate note as well as the maturity date. Interest on fixed rate notes will be computed on the basis of a 360-day year of twelve 30-day months or such other day count fraction set forth in the pricing supplement.

If any interest payment date or the maturity date of a fixed rate note falls on a day that is not a business day, we will make the required payment of principal, premium, if any, and/or interest on the next succeeding business day, and no additional interest will accrue in respect of the payment made on that next succeeding business day.

Floating Rate Notes

In this subsection, we use several specialized terms relating to the manner in which floating interest rates are calculated. These terms appear in ***bold, italicized*** *type the first time they appear, and we define these terms in Special Rate Calculation Terms at the end of this subsection.*

The following will apply to floating rate notes.

Interest Rate Basis. We currently expect to issue floating rate notes that bear interest at rates based on one or more of the following interest rate bases:

- commercial paper rate;

- prime rate;

- LIBOR;
- EURIBOR;
- treasury rate;
- CMT rate;
- CD rate;
- consumer price index (CPI) rate; and/or
- federal funds rate.

We describe each of the interest rate bases in further detail below in this subsection. If you purchase a floating rate note, your pricing supplement will specify the interest rate basis that applies to your note.

Calculation of Interest. Calculations relating to floating rate notes will be made by the calculation agent, an institution that we appoint as our agent for this purpose. That institution may include any affiliate of ours, such as Wachovia Securities or Wachovia Bank, National Association. If other than Wachovia

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Securities or Wachovia Bank, National Association, the pricing supplement for a particular floating rate note will name the institution that we have appointed to act as the calculation agent for that note as of its original issue date. We may appoint a different institution to serve as calculation agent from time to time after the original issue date of the note without your consent and without notifying you of the change.

For each floating rate note, the calculation agent will determine, on no later than the corresponding interest calculation date or on the interest determination date, as described below, the interest rate that takes effect on each interest reset date. In addition, the calculation agent will calculate the amount of interest that has accrued during each interest period i.e., the period from and including the original issue date, or the last date to which interest has been paid or made available for payment, to but excluding the payment date. For each interest period, the calculation agent will calculate the amount of accrued interest by multiplying the face or other specified amount of the floating rate note by an accrued interest factor for the interest period. This factor will equal the sum of the interest factors calculated for each day during the interest period. The interest factor for each day will be expressed as a decimal and will be calculated by dividing the interest rate, also expressed as a decimal, applicable to that day by 360 or by the actual number of days in the year, as specified in the relevant pricing supplement.

Upon the request of the holder of any floating rate note, the calculation agent will provide for that note the interest rate then in effect and, if determined, the interest rate that will become effective on the next interest reset date. The calculation agent s determination of any interest rate, and its calculation of the amount of interest for any interest period, will be final and binding in the absence of manifest error.

All percentages resulting from any calculation relating to a note will be rounded upward or downward, as appropriate, to the next higher or lower one hundred-thousandth of a percentage point, e.g., 9.876541% (or .09876541) being rounded down to 9.87654% (or ..0987654) and 9.876545% (or .09876545) being rounded up to 9.87655% (or .0987655). All amounts used in or resulting from any calculation relating to a floating rate note will be rounded upward or downward, as appropriate, to the nearest cent, in the case of U.S. dollars, or to the nearest corresponding hundredth of a unit, in the case of a currency other than U.S. dollars, with one-half cent or one-half of a corresponding hundredth of a unit or more being rounded upward.

In determining the interest rate basis that applies to a floating rate note during a particular interest period, the calculation agent may obtain rate quotes from various banks or dealers active in the relevant market, as discussed below. Those reference banks and dealers may include the calculation agent itself and its affiliates, as well as any agent participating in the distribution of the relevant floating rate notes and its affiliates, and they may include affiliates of Wachovia.

Initial Interest Rate. For any floating rate note, the interest rate in effect from the original issue date to the first interest reset date will be the initial interest rate. We will specify the initial interest rate or the manner in which it is determined in the relevant pricing supplement.

Spread or Spread Multiplier. In some cases, the interest rate basis for a floating rate note may be adjusted:

- by adding or subtracting a specified number of basis points, called the spread, with one basis point being 0.01%; or
- by multiplying the interest rate basis by a specified percentage, called the spread multiplier.

If you purchase a floating rate note, your pricing supplement will indicate whether a spread or spread multiplier will apply to your note and, if so, the amount of the spread or spread multiplier.

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Maximum and Minimum Rates. The actual interest rate, after being adjusted by the spread or spread multiplier, may also be subject to either or both of the following limits:

- a maximum rate i.e., a specified upper limit that the actual interest rate in effect at any time may not exceed; and/or
- a minimum rate i.e., a specified lower limit that the actual interest rate in effect at any time may not fall below.

If you purchase a floating rate note, your pricing supplement will indicate whether a maximum rate and/or minimum rate will apply to your note and, if so, what those rates are.

Whether or not a maximum rate applies, the interest rate on a floating rate note will in no event be higher than the maximum rate permitted by New York law, as it may be modified by U.S. law of general application. Under current New York law, the maximum rate of interest, with some exceptions, for any loan in an amount less than $250,000 is 16% and for any loan in the amount of $250,000 or more but less than $2,500,000 is 25% per year on a simple interest basis. These limits do not apply to loans of $2,500,000 or more.

The rest of this subsection describes how the interest rate and the interest payment dates will be determined, and how interest will be calculated, on a floating rate note.

Interest Reset Dates. The rate of interest on a floating rate note will be reset, by the calculation agent described below, daily, weekly, monthly, quarterly, semi-annually or annually. The date on which the interest rate resets and the reset rate becomes effective is called the interest reset date. Except as otherwise specified in the applicable pricing supplement, the interest reset date will be as follows:

- for floating rate notes that reset daily, each ***business day***;
- for floating rate notes that reset weekly and are not treasury rate notes, the Wednesday of each week;
- for treasury rate notes that reset weekly, the Tuesday of each week;
- for floating rate notes that reset monthly, the third Wednesday of each month;
- for floating rate notes that reset quarterly, the third Wednesday of March, June, September and December of each year;
- for floating rate notes that reset semi-annually, the third Wednesday of each of two months of each year as indicated in the relevant pricing supplement; and
- for floating rate notes that reset annually, the third Wednesday of one month of each year as indicated in the relevant pricing supplement.

For a floating rate note, the interest rate in effect on any particular day will be the interest rate determined with respect to the latest interest reset date that occurs on or before that day. There are several exceptions, however, to the reset provisions described above.

The interest rate in effect from the original issue date to the first interest reset date will be the initial interest rate.

If any interest reset date for a floating rate note would otherwise be a day that is not a business day, the interest reset date will be postponed to the next day that is a business day. For a LIBOR or EURIBOR note, however, if that business day is in the next succeeding calendar month, the interest reset date will be the immediately preceding business day.

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Interest Determination Dates. The interest rate that takes effect on an interest reset date will be determined by the calculation agent by reference to a particular date called an interest determination date. Except as otherwise indicated in the relevant pricing supplement:

for commercial paper rate, federal funds rate and prime rate notes, the interest determination date relating to a particular interest reset date will be the business day preceding the interest reset date;

for CD rate, CPI rate, and CMT rate notes, the interest determination date relating to a particular interest reset date will be the second business day preceding the interest reset date;

for LIBOR notes, the interest determination date relating to a particular interest reset date will be the second ***London business da***y preceding the interest reset date, unless the ***index currency*** is pounds sterling, in which case the interest determination date will be the interest reset date. We refer to an interest determination date for a LIBOR note as a LIBOR interest determination date;

for EURIBOR notes, the interest determination date relating to a particular interest reset date will be the second ***euro business day*** preceding the interest reset date. We refer to an interest determination date for a EURIBOR note as a EURIBOR interest determination date; and

for treasury rate notes, the interest determination date relating to a particular interest reset date, which we refer to as a treasury interest determination date, will be the day of the week in which the interest reset date falls on which treasury bills i.e., direct obligations of the U.S. government would normally be auctioned. Treasury bills are usually sold at auction on the Monday of each week, unless that day is a legal holiday, in which case the auction is usually held on the following Tuesday, except that the auction may be held on the preceding Friday. If as the result of a legal holiday an auction is held on the preceding Friday, that Friday will be the treasury interest determination date relating to the interest reset date occurring in the next succeeding week.

The interest determination date pertaining to a floating rate note the interest rate of which is determined with reference to two or more interest rate bases will be the latest business day which is at least two business days before the related interest reset date for the applicable floating rate note on which each interest rate basis is determinable.

Interest Calculation Dates. As described above, the interest rate that takes effect on a particular interest reset date will be determined by reference to the corresponding interest determination date. Except for LIBOR notes and EURIBOR notes, however, the determination of the rate will actually be made on a day no later than the corresponding interest calculation date. The interest calculation date will be the earlier of the following:

the tenth calendar day after the interest determination date or, if that tenth calendar day is not a business day, the next succeeding business day; and

the business day immediately preceding the interest payment date or the maturity, whichever is the day on which the next payment of interest will be due.

The calculation agent need not wait until the relevant interest calculation date to determine the interest rate if the rate information it needs to make the determination is available from the relevant sources sooner.

Interest Payment Dates. The interest payment dates for a floating rate note will depend on when the interest rate is reset and, unless we specify otherwise in the relevant pricing supplement, will be as follows:

- for floating rate notes that reset daily, weekly or monthly, the third Wednesday of each month or the third Wednesday of March, June, September and December of each year, as specified in the relevant pricing supplement;

- for floating rate notes that reset quarterly, the third Wednesday of March, June, September and December of each year;

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- for floating rate notes that reset semi-annually, the third Wednesday of the two months of each year specified in the relevant pricing supplement; or

- for floating rate notes that reset annually, the third Wednesday of the month specified in the relevant pricing supplement.

Regardless of these rules, if a note is originally issued after the regular record date and before the date that would otherwise be the first interest payment date, the first interest payment date will be the date that would otherwise be the second interest payment date.

In addition, the following special provision will apply to a floating rate note with regard to any interest payment date other than one that falls on the maturity. If the interest payment date would otherwise fall on a day that is not a business day, then the interest payment date will be the next day that is a business day. However, if the floating rate note is a LIBOR note or a EURIBOR note and the next business day falls in the next calendar month, then the interest payment date will be advanced to the next preceding day that is a business day. If the maturity date of a floating rate note falls on a day that is not a business day, we will make the required payment of principal, premium, if any, and interest on the next succeeding business day, and no additional interest will accrue in respect of the payment made on that next succeeding business day.

Calculation Agent. We have initially appointed Wachovia Capital Markets, LLC as our calculation agent for the notes. See Calculation of Interest above for details regarding the role of the calculation agent.

Commercial Paper Rate Notes

If you purchase a commercial paper rate note, your note will bear interest at an interest rate equal to the commercial paper rate and adjusted by the spread or spread multiplier, if any, indicated in your pricing supplement.

The commercial paper rate will be the ***money market yield*** of the rate, for the relevant interest determination date, for commercial paper having the ***index maturity*** indicated in your pricing supplement, as published in ***H.15(519)*** under the heading Commercial Paper Nonfinancial . If the commercial paper rate cannot be determined as described above, the following procedures will apply.

- If the rate described above does not appear in H.15(519) at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from that source at that time, then the commercial paper rate will be the rate, for the relevant interest determination date, for commercial paper having the index maturity specified in your pricing supplement, as published in ***H.15 daily update*** or any other recognized electronic source used for displaying that rate, under the heading Commercial Paper Nonfinancial .

- If the rate described above does not appear in H.15(519), H.15 daily update or another recognized electronic source at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, the commercial paper rate will be the money market yield of the arithmetic mean of the following offered rates for U.S. dollar commercial paper that has the relevant index maturity and is placed for an industrial issuer whose bond rating is AA , or the equivalent, from a nationally recognized rating agency: the rates offered as of 11:00 A.M., New York City time, on the relevant interest determination date, by three leading U.S. dollar commercial paper dealers in New York City selected by the calculation agent.

If fewer than three dealers selected by the calculation agent are quoting as described above, the commercial paper rate for the new interest period will be the commercial paper rate in effect for the prior interest period. If the initial interest rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

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Prime Rate Notes

If you purchase a prime rate note, your note will bear interest at an interest rate equal to the prime rate and adjusted by the spread or spread multiplier, if any, indicated in your pricing supplement.

The prime rate will be the rate, for the relevant interest determination date, published in H.15(519) under the heading Bank Prime Loan . If the prime rate cannot be determined as described above, the following procedures will apply.

If the rate described above does not appear in H.15(519) at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from that source at that time, then the prime rate will be the rate, for the relevant interest determination date, as published in H.15 daily update or another recognized electronic source used for the purpose of displaying that rate, under the heading Bank Prime Loan .

If the rate described above does not appear in H.15(519), H.15 daily update or another recognized electronic source at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, then the prime rate will be the arithmetic mean of the following rates as they appear on the ***Reuters screen US PRIME 1 page***: the rate of interest publicly announced by each bank appearing on that page as that bank s prime rate or base lending rate, as of 11:00 A.M., New York City time, on the relevant interest determination date.

If fewer than four of these rates appear on the Reuters screen US PRIME 1 page, the prime rate will be the arithmetic mean of the prime rates or base lending rates, as of the close of business on the relevant interest determination date, of three major banks in New York City selected by the calculation agent. For this purpose, the calculation agent will use rates quoted on the basis of the actual number of days in the year divided by a 360-day year.

If fewer than three banks selected by the calculation agent are quoting as described above, the prime rate for the new interest period will be the prime rate in effect for the prior interest period. If the initial interest rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

LIBOR Notes

If you purchase a LIBOR note, your note will bear interest at an interest rate equal to LIBOR, which will be the London interbank offered rate for deposits in U.S. dollars or any other index currency, as noted in your pricing supplement. In addition, when LIBOR is the interest rate basis the applicable LIBOR rate will be adjusted by the spread or spread multiplier, if any, indicated in your pricing supplement. LIBOR will be determined in the following manner:

LIBOR will be either:

the offered rate appearing on the ***Telerate LIBOR page***; or the arithmetic mean of the offered rates appearing on the ***Reuters screen LIBOR page*** unless that page by its terms cites only one rate, in which case that rate;

in either case, as of 11:00 A.M., London time, on the relevant LIBOR interest determination date, for deposits of the relevant index currency having the relevant index maturity beginning on the relevant interest reset date. Your pricing supplement will indicate the index currency, the index maturity and the reference page that apply to your LIBOR note. If no reference page is mentioned in your pricing supplement, Telerate LIBOR page will apply to your LIBOR note.

If Telerate LIBOR page applies and the rate described above does not appear on that page, or if Reuters screen LIBOR page applies and fewer than two of the rates described above appears on that page or no rate appears on any page on which only one rate normally appears, then LIBOR will be determined on the basis of the rates, at approximately 11:00 A.M., London time, on the relevant LIBOR interest determination date, at which deposits of the following kind are offered to prime banks in the London interbank market by four major banks in that market selected by the calculation agent: deposits of the index currency having the relevant index maturity, beginning on the relevant interest reset date, and in a ***representative amount***. The calculation agent will request the principal London office of each of these banks to provide a quotation of its rate. If at least two quotations are provided, LIBOR for the relevant LIBOR interest determination date will be the arithmetic mean of the quotations.

If fewer than two quotations are provided as described above, LIBOR for the relevant LIBOR interest determination date will be the arithmetic mean of the rates for loans of the following kind to leading European banks quoted, at approximately 11:00 A.M., in the principal financial center for the country of the index currency, on that LIBOR interest determination date, by three major banks in that financial center selected by the calculation agent: loans of the index currency having the relevant index maturity, beginning on the relevant interest reset date, and in a representative amount.

If fewer than three banks selected by the calculation agent are quoting as described above, LIBOR for the new interest period will be LIBOR in effect for the prior interest period. If the initial interest rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

EURIBOR Notes

If you purchase a EURIBOR note, your note will bear interest at an interest rate equal to the interest rate for deposits in euro, designated as EURIBOR and sponsored jointly by the European Banking Federation and ACI the Financial Market Association, or any company established by the joint sponsors for purposes of compiling and publishing that rate. In addition, when EURIBOR is the interest rate basis the EURIBOR base rate will be adjusted by the spread or spread multiplier, if any, specified in your pricing supplement. EURIBOR will be determined in the following manner:

EURIBOR will be the offered rate for deposits in euros having the index maturity specified in your pricing supplement, beginning on the second ***euro business day*** after the relevant EURIBOR interest determination date, as that rate appears on ***Telerate pag***e 248 as of 11:00 A.M., Brussels time, on the relevant EURIBOR interest determination date.

If the rate described above does not appear on Telerate page 248, EURIBOR will be determined on the basis of the rates, at approximately 11:00 A.M., Brussels time, on the relevant EURIBOR interest determination date, at which deposits of the following kind are offered to prime banks in the ***euro-zone*** interbank market by the principal euro-zone office of each of four major banks in that market selected by the calculation agent: euro deposits having the relevant index maturity, beginning on the relevant interest reset date, and in a representative amount. The calculation agent will request the principal euro-zone office of each of these banks to provide a quotation of its rate. If at least two quotations are provided, EURIBOR for the relevant EURIBOR interest determination date will be the arithmetic mean of the quotations.

If fewer than two quotations are provided as described above, EURIBOR for the relevant EURIBOR interest determination date will be the arithmetic mean of the rates for loans of the following kind to leading euro-zone banks quoted, at approximately 11:00 A.M., Brussels time on that EURIBOR interest determination date, by three major banks in the euro-zone selected by the calculation agent: loans of euros having the relevant index maturity, beginning on the relevant interest reset date, and in a representative amount.

If fewer than three banks selected by the calculation agent are quoting as described above, EURIBOR for the new interest period will be EURIBOR in effect for the prior interest period. If the initial interest rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

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Treasury Rate Notes

If you purchase a treasury rate note, your note will bear interest at an interest rate equal to the treasury rate and adjusted by the spread or spread multiplier, if any, indicated in your pricing supplement.

The treasury rate will be the rate for the auction, on the relevant treasury interest determination date, of treasury bills having the index maturity specified in your pricing supplement, as that rate appears on Telerate page 56 or 57 under the heading Investment Rate . If the treasury rate cannot be determined in this manner, the following procedures will apply.

If the rate described above does not appear on either page at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from that source at that time, the treasury rate will be the ***bond equivalent yield*** of the rate, for the relevant interest determination date, for the type of treasury bill described above, as published in H.15 daily update, or another recognized electronic source used for displaying that rate, under the heading U.S. Government Securities/Treasury Bills/Auction High .

If the rate described in the prior paragraph does not appear in H.15 daily update or another recognized electronic source at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, the treasury rate will be the bond equivalent yield of the auction rate, for the relevant treasury interest determination date and for treasury bills of the kind described above, as announced by the U.S. Department of the Treasury.

If the auction rate described in the prior paragraph is not so announced by 3:00 P.M., New York City time, on the relevant interest calculation date, or if no such auction is held for the relevant week, then the treasury rate will be the bond equivalent yield of the rate, for the relevant treasury interest determination date and for treasury bills having a remaining maturity closest to the specified index maturity, as published in H.15(519) under the heading U.S. Government Securities /Treasury Bills/Secondary Market .

If the rate described in the prior paragraph does not appear in H.15(519) at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, then the treasury rate will be the rate, for the relevant treasury interest determination date and for treasury bills having a remaining maturity closest to the specified index maturity, as published in H.15 daily update, or another recognized electronic source used for displaying that rate, under the heading U.S. Government Securities/Treasury Bills/Secondary Market .

If the rate described in the prior paragraph does not appear in H.15 daily update or another recognized electronic source at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, the treasury rate will be the bond equivalent yield of the arithmetic mean of the following secondary market bid rates for the issue of treasury bills with a remaining maturity closest to the specified index maturity: the rates bid as of approximately 3:30 P.M., New York City time, on the relevant treasury interest determination date, by three primary U.S. government securities dealers in New York City selected by the calculation agent.

If fewer than three dealers selected by the calculation agent are quoting as described in the prior paragraph, the treasury rate in effect for the new interest period will be the treasury rate in effect for the prior interest period. If the initial interest rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

CD Rate Notes

If you purchase a CD rate note, your note will bear interest at an interest rate equal to the CD rate and adjusted by the spread or spread multiplier, if any, indicated in your pricing supplement.

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The CD rate will be the rate, on the relevant interest determination date, for negotiable U.S. dollar certificates of deposit having the index maturity specified in your pricing supplement, as published in H.15(519) under the heading CDs (Secondary Market) . If the CD rate cannot be determined in this manner, the following procedures will apply.

If the rate described above does not appear in H.15(519) at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from that source at that time, then the CD rate will be the rate, for the relevant interest determination date, described above as published in H.15 daily update, or another recognized electronic source used for displaying that rate, under the heading CDs (Secondary Market).

If the rate described above does not appear in H.15(519), H.15 daily update or another recognized electronic source at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, the CD rate will be the arithmetic mean of the following secondary market offered rates for negotiable U.S. dollar certificates of deposit of major U.S. money market banks with a remaining maturity closest to the specified index maturity, and in a representative amount: the rates offered as of 10:00 A.M., New York City time, on the relevant interest determination date, by three leading nonbank dealers in negotiable U.S. dollar certificates of deposit in New York City, as selected by the calculation agent.

If fewer than three dealers selected by the calculation agent are quoting as described above, the CD rate in effect for the new interest period will be the CD rate in effect for the prior interest period. If the initial interest rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

CMT Rate Notes

If you purchase a CMT rate note, your note will bear interest at an interest rate equal to the CMT rate and adjusted by the spread or spread multiplier, if any, indicated in your pricing supplement.

The CMT rate will be the following rate displayed on the designated ***CMT Moneyline Telerate page*** under the heading . . . Treasury Constant Maturities . . . Federal Reserve Board Release H.15 Mondays Approximately 3:45 P.M., under the column for the ***designated CMT index maturity***:

if the designated CMT Moneyline Telerate page is Telerate page 7051, the rate for the relevant interest determination date; or

if the designated CMT Moneyline Telerate page is Telerate page 7052, the weekly or monthly average, as specified in your pricing supplement, for the week that ends immediately before the week in which the relevant interest determination date falls, or for the month that ends immediately before the month in which the relevant interest determination date falls, as applicable.

If the CMT rate cannot be determined in this manner, the following procedures will apply.

If the applicable rate described above is not displayed on the relevant designated CMT Moneyline Telerate page at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from that source at that time, then the CMT rate will be the applicable treasury constant maturity rate described above i.e., for the designated CMT index maturity and for either the relevant interest determination date or the weekly or monthly average, as applicable as published in H.15(519).

If the applicable rate described above does not appear in H.15(519) at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, then the CMT rate will be the treasury constant

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maturity rate, or other U.S. treasury rate, for the designated CMT index maturity and with reference to the relevant interest determination date, that:

is published by the Board of Governors of the Federal Reserve System, or the U.S. Department of the Treasury; *and*

is determined by the calculation agent to be comparable to the applicable rate formerly displayed on the designated CMT Moneyline Telerate page and published in H.15(519).

If the rate described in the prior paragraph does not appear at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, then the CMT rate will be the yield to maturity of the arithmetic mean of the following secondary market bid rates for the most recently issued treasury notes having an original maturity of approximately the designated CMT index maturity and a remaining term to maturity of not less than the designated CMT index maturity *minus* one year, and in a representative amount: the bid rates, as of approximately 3:30 P.M., New York City time, on the relevant interest determination date, of three primary U.S. government securities dealers in New York City selected by the calculation agent. In selecting these bid rates, the calculation agent will request quotations from five of these primary dealers and will disregard the highest quotation or, if there is equality, one of the highest and the lowest quotation or, if there is equality, one of the lowest. Treasury notes are direct, non-callable, fixed rate obligations of the U.S. government.

If the calculation agent is unable to obtain three quotations of the kind described in the prior paragraph, the CMT rate will be the yield to maturity of the arithmetic mean of the following secondary market bid rates for treasury notes with an original maturity longer than the designated CMT index maturity, with a remaining term to maturity closest to the designated CMT index maturity and in a representative amount: the bid rates, as of approximately 3:30 P.M., New York City time, on the relevant interest determination date, of three primary U.S. government securities dealers in New York City selected by the calculation agent. In selecting these bid rates, the calculation agent will request quotations from five of these primary dealers and will disregard the highest quotation or, if there is equality, one of the highest and the lowest quotation or, if there is equality, one of the lowest. If two treasury notes with an original maturity longer than the designated CMT index maturity have remaining terms to maturity that are equally close to the designated CMT index maturity, the calculation agent will obtain quotations for the treasury note with the shorter remaining term to maturity.

If fewer than five but more than two of these primary dealers are quoting as described in the prior paragraph, then the CMT rate for the relevant interest determination date will be based on the arithmetic mean of the bid rates so obtained, and neither the highest nor the lowest of those quotations will be disregarded.

If two or fewer primary dealers selected by the calculation agent are quoting as described above, the CMT rate in effect for the new interest period will be the CMT rate in effect for the prior interest period. If the initial interest rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

CPI Rate Notes

If you purchase a CPI rate note, your note will bear interest at an interest rate equal to the CPI rate and adjusted by the spread or spread multiplier, if any, indicated in your pricing supplement.

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Except as otherwise specified in the applicable pricing supplement, the CPI rate will be the rate, determined as of the relevant interest determination date, expressed as a percentage and calculated in accordance with the following formula:

$$\text{CPI rate} = \frac{(C \quad P)}{P} \qquad 1$$

where

C means the CPI (as defined below) applicable for the calendar month which is two months preceding the month of the relevant interest determination date;

P means the CPI applicable for the calendar month which is twelve months immediately preceding the calendar month for which C is determined; and

CPI means the non-seasonally adjusted U.S. City Average All Items Consumer Price Index for All Urban Consumers, published monthly by the Bureau of Labor Statistics of the U.S. Department of Labor. For reference purposes only, the CPI is available on Bloomberg page CPURNSA or any successor service. In the event of an inconsistency between the CPI published on Bloomberg page CPURNSA and the CPI published by the Bureau of Labor Statistics, the CPI shall be the CPI published by the Bureau of Labor Statistics.

Federal Funds Rate Notes

If you purchase a federal funds rate note, your note will bear interest at an interest rate equal to the federal funds rate and adjusted by the spread or spread multiplier, if any, indicated in your pricing supplement.

The federal funds rate will be the rate for U.S. dollar federal funds on the relevant interest determination date, as published in H.15 (519) under the heading Federal Funds (Effective) , as that rate is displayed on Telerate page 120. If the federal funds rate cannot be determined in this manner, the following procedures will apply.

If the rate described above is not displayed on Telerate page 120 at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from that source at that time, then the federal funds rate, for the relevant interest determination date, will be the rate described above as published in H.15 daily update, or another recognized electronic source used for displaying that rate, under the heading Federal Funds (Effective) .

If the rate described above is not displayed on Telerate page 120 and does not appear in H.15(519), H.15 daily update or another recognized electronic source at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, the federal funds rate will be the arithmetic mean of the rates for the last transaction in overnight, U.S. dollar federal funds arranged, before 9:00 A.M., New York City time, on the relevant interest determination date, by three leading brokers of U.S. dollar federal funds transactions in New York City selected by the calculation agent.

If fewer than three brokers selected by the calculation agent are quoting as described above, the federal funds rate in effect for the new interest period will be the federal funds rate in effect for the prior interest period. If the initial interest rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

If fewer than five but more than two of these primary dealers are quoting as described in the prior paragraph, then the CMT rate for the relevant interest determination date will be based on the arithmetic mean of the offered rates so obtained, and neither the highest nor the lowest of those quotations will be disregarded.

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Special Rate Calculation Terms

In this subsection entitled Interest Rates , we use several terms that have special meanings relevant to calculating floating interest rates. We define these terms as follows:

The term ***bond equivalent yield*** means a yield expressed as a percentage and calculated in accordance with the following formula:

$$\text{bond equivalent yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where

D means the annual rate for treasury bills quoted on a bank discount basis and expressed as a decimal;

N means 365 or 366, as the case may be; and

M means the actual number of days in the applicable interest reset period.

The term ***business day*** means, for any note, a day that meets all the following applicable requirements:

for all notes, is a Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions in New York City generally are authorized or obligated by law, regulation or executive order to close;

if the note is a LIBOR note, is also a London business day;

if the note has a specified currency other than U.S. dollars or euros, is also a day on which banking institutions are not authorized or obligated by law, regulation or executive order to close in the principal financial center of the country issuing the specified currency; and

if the note is a EURIBOR note or has a specified currency of euros, or is a LIBOR note for which the index currency is euros, is also a TARGET business day.

The term ***designated CMT index maturity*** means the index maturity for a CMT rate note and will be the original period to maturity of a U.S. treasury security either 1, 2, 3, 5, 7, 10, 20 or 30 years specified in the applicable pricing supplement.

The term ***designated CMT Moneyline Telerate page*** means the Telerate page mentioned in the relevant pricing supplement that displays treasury constant maturities as reported in H.15(519). If no Telerate page is so specified, then the applicable page will be Telerate page 7052. If Telerate page 7052 applies but the relevant pricing supplement does not specify whether the weekly or monthly average applies, the weekly average will apply.

The term ***euro business day*** means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System, or any successor system, is open for business.

The term ***euro-zone*** means, at any time, the region comprised of the member states of the European Economic and Monetary Union that, as of that time, have adopted a single currency in accordance with the Treaty on European Union of February 1992.

H.15(519) means the weekly statistical release entitled Statistical Release H.15 (519) , or any successor publication, published by the Board of Governors of the Federal Reserve System.

H.15 daily update means the daily update of H.15(519) available through the worldwide website of the Board of Governors of the Federal Reserve System, at http://www.federalreserve.gov/releases/h15/update, or any successor site or publication.

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The term *index currency* means, with respect to a LIBOR note, the currency specified as such in the relevant pricing supplement. The index currency may be U.S. dollars or any other currency, and will be U.S. dollars unless another currency is specified in the relevant pricing supplement.

The term *index maturity* means, with respect to a floating rate note, the period to maturity of the instrument or obligation on which the interest rate formula is based, as specified in the applicable pricing supplement.

London business day means any day on which dealings in the relevant index currency are transacted in the London interbank market.

The term *money market yield* means a yield expressed as a percentage and calculated in accordance with the following formula:

$$\text{money market yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where

D means the annual rate for commercial paper quoted on a bank discount basis and expressed as a decimal; and

M means the actual number of days in the relevant interest reset period.

The term *representative amount* means an amount that, in the calculation agent s judgment, is representative of a single transaction in the relevant market at the relevant time.

Reuters screen LIBOR page means the display on the Reuters Monitor Money Rates Service, or any successor service, on the page designated as LIBO or any replacement page or pages on which London interbank rates of major banks for the relevant index currency are displayed.

Reuters screen US PRIME 1 page means the display on the US PRIME 1 page on the Reuters Monitor Money Rates Service, or any successor service, or any replacement page or pages on that service, for the purpose of displaying prime rates or base lending rates of major U.S. banks.

Telerate LIBOR page means Telerate page 3750 or any replacement page or pages on which London interbank rates of major banks for the relevant index currency are displayed.

Telerate page means the display on Moneyline Telerate, or any successor service, on the page or pages specified in this prospectus or the relevant pricing supplement, or any replacement page or pages on that service.

If, when we use the terms designated CMT Moneyline Telerate page, H.15(519), H.15 daily update, Reuters screen LIBOR page, Reuters screen US PRIME 1 page, Telerate LIBOR page or Telerate page, we refer to a particular heading or headings on any of those pages, those references include any successor or replacement heading or headings as determined by the calculation agent.

Payment of Additional Amounts to United States Aliens

Wachovia will, subject to certain exceptions and limitations listed below (unless otherwise specified in any pricing supplement), pay to the holder of any note who is a United States Alien (as defined below), as additional interest, certain amounts (Additional Amounts) as may be necessary so that every net payment on that note (including payment of the principal of and interest on that note) by Wachovia or a paying agent, after deduction or withholding for or on account of any present or future tax, assessment or other

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governmental charge imposed upon or as a result of such payment by the United States (or any political subdivision or taxing authority of or in the United States), will not be less than the amount provided in that note to be then due and payable; this obligation to pay Additional Amounts, however, will not apply to:

(a) any tax, assessment or other governmental charge that would not have been so imposed but for (i) the existence of any present or former connection between the holder or beneficial owner of that note (or between a fiduciary, settlor or beneficiary of, or a person holding a power over, that holder, if that holder is an estate or a trust, or a member or shareholder of that holder, if that holder is a partnership or corporation) and the United States or any political subdivision or taxing authority, including but not limited to that holder (or the fiduciary, settlor, beneficiary, person holding a power, member or shareholder) being or having been a citizen or resident of the United States or treated as a resident of the United States or being or having been engaged in a trade or business in the United States or present in the United States or having or having had a permanent establishment in the United States or (ii) that holder s or beneficial owner s past or present status as a personal holding company, foreign personal holding company, foreign private foundation or other foreign tax-exempt organization relating to the United States, controlled foreign corporation for United States tax purposes or corporation that accumulates earnings to avoid United States Federal income tax;

(b) any estate, inheritance, gift, excise, sales, transfer, wealth or personal property tax or any similar tax, assessment or other governmental charge;

(c) any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the holder of a note for payment more than 30 days after the date on which that payment became due and payable or the date on which payment on that note was duly provided for, whichever occurred later;

(d) any tax, assessment or other governmental charge that is payable otherwise than by withholding from a payment on a note;

(e) any tax, assessment or other governmental charge required to be withheld by any paying agent from a payment on a note, if that payment can be made without that withholding by any other paying agent;

(f) any tax, assessment or other governmental charge that would not have been imposed but for a failure to comply with applicable certification, information, documentation, identification or other reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of a note if that compliance is required by statute or regulation of the United States or by an applicable tax treaty to which the United States is a party as a precondition to relief or exemption from that tax, assessment or other governmental charge;

(g) any tax, assessment or other governmental charge imposed on a holder that actually or constructively owns 10 percent or more of the combined voting power of all classes of Wachovia s stock;

(h) any withholding or deduction imposed pursuant to any European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of November 26 and 27, 2000 or any law or regulation implementing such directive; or

(i) any combination of items (a), (b), (c), (d), (e), (f), (g) and (h);

nor shall Additional Amounts be paid in relation to a payment on a note to a holder that is a fiduciary or partnership or other than the sole beneficial owner of that payment to the extent a beneficiary or settlor with respect to that fiduciary or a member of that partnership or a beneficial owner would not have been entitled to Additional Amounts (or payment of Additional Amounts would not have been necessary) had that beneficiary, settlor, member or beneficial owner been the holder of that note.

For the purposes of this discussion, a United States Alien means any person who, for United States Federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien

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fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States Federal income tax purposes, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary, of a foreign estate or trust. United States means the United States of America (including the States and the District of Columbia) and its territories, its possessions and other areas that come under its jurisdiction.

Redemption for Tax Purposes

If (a) as a result of any change in the laws, regulations or rulings of the United States (or any political subdivision or taxing authority of or in the United States), or any change in the official application (including a ruling by a court of competent jurisdiction in the United States) or interpretation of those laws, regulations or rulings, which change or amendment is announced or becomes effective on or after the consummation of any offering of the notes, Wachovia is obligated to pay Additional Amounts as described above or (b) any act is taken by a taxing authority of the United States on or after the consummation of any offering of the notes, whether or not this act is taken in relation to Wachovia or any affiliate, that results in a substantial likelihood that Wachovia will or may be required to pay these Additional Amounts, then Wachovia may, at its option, redeem, as a whole, but not in part, the notes on not less than 30 nor more than 60 days prior notice, at a redemption price equal to 100% of their principal amount, together with accrued interest to the date fixed for redemption; provided that Wachovia determines, in its business judgment, that the obligation to pay these Additional Amounts cannot be avoided by the use of reasonable measures available to it, not including substitution of the obligor under the notes or any action that would entail a material cost to Wachovia. No redemption under (b) above may be made unless Wachovia shall have received an opinion of independent counsel to the effect that an act taken by a taxing authority of the United States results in a substantial likelihood that it will or may be required to pay Additional Amounts described above and Wachovia shall have delivered to the Trustee a certificate, signed by a duly authorized officer, saying that based on this opinion Wachovia is entitled to redeem the notes according to their terms.

Other Provisions; Addenda

Any provisions relating to the notes, including the determination of the interest rate basis, calculation of the interest rate applicable to a floating rate note, its interest payment dates, any redemption or repayment provisions, or any other term relating thereto, may be modified and/or supplemented by the terms as specified under Other Provisions on the face of the applicable notes or in an Addendum relating to the applicable notes, if so specified on the face of the applicable notes, and, in each case, in the relevant pricing supplement.

Subordination of the Subordinated Notes

Wachovia s obligations to make any payment of the principal and interest on any subordinated notes will, to the extent the subordinated indenture specifies, be subordinate and junior in right of payment to all of Wachovia s senior indebtedness. Unless otherwise specified in the pricing supplement relating to a specific series of subordinated notes, Wachovia s senior indebtedness is defined in the subordinated indenture to mean the principal of, premium and interest, if any, on

- all Wachovia indebtedness for money borrowed, including indebtedness Wachovia guarantees, other than the subordinated notes, whether outstanding on the date of execution of the indenture or incurred afterward, except
  - any obligations on account of Existing Subordinated Indebtedness and

indebtedness as is by its terms expressly stated to be not superior in payment right to the subordinated notes or to rank equal to the subordinated notes and

any deferrals, renewals or extensions of any such senior indebtedness. (*Section 101* of the subordinated indenture)

The payment of the principal and interest on the subordinated notes will, to the extent described in the subordinated indenture, be subordinated in payment right to the prior payment of all senior indebtedness. Unless otherwise described in the pricing supplement relating to the specific series of subordinated notes, in certain events of insolvency, the payment of the principal and interest on the subordinated notes, other than subordinated notes that are also Existing Subordinated Indebtedness, will, to the extent described in the subordinated indenture, also be effectively subordinated in payment right to the prior payment of all Other Financial Obligations. Upon any payment or distribution of assets to creditors under Wachovia s liquidation, dissolution, winding up, reorganization, assignment for the benefit of creditors, or any bankruptcy, insolvency or similar proceedings, all senior indebtedness holders will be entitled to receive payment in full of all amounts due before the subordinated note holders will be entitled to receive any payment in respect of the principal or interest on their securities. If upon any such payment or asset distribution to creditors, there remains, after giving effect to those subordination provisions in favor of senior indebtedness holders, any amount of cash, property or securities available for payment or distribution in respect of subordinated notes (defined in the subordinated indenture as Excess Proceeds) and if, at that time, any Entitled Persons (as defined below) in respect of Other Financial Obligations have not received payment of all amounts due on such Other Financial Obligations, then such Excess Proceeds shall first be applied to pay these Other Financial Obligations before any payment may be applied to the subordinated notes which are not Existing Subordinated Indebtedness. In the event of the acceleration of the maturity of any subordinated notes, all senior indebtedness holders will be entitled to receive payment of all amounts due before the subordinated note holders will be entitled to receive any payment upon the principal of or interest on their subordinated notes. (*Sections 1403, 1404 and 1413* of the subordinated indenture)

By reason of such subordination in favor of senior indebtedness holders, in the event of insolvency, Wachovia s creditors who are not senior indebtedness holders or subordinated note holders may recover less, ratably, than senior indebtedness holders and may recover more, ratably, than subordinated note holders. By reason of subordinated note holders (other than Existing Subordinated Indebtedness) to pay over any Excess Proceeds to Entitled Persons in respect to Other Financial Obligations, in the event of insolvency, Existing Subordinated Indebtedness holders may recover less, ratably, than Entitled Persons in respect of Other Financial Obligations and may recover more, ratably, than the subordinated note holders (other than Existing Subordinated Indebtedness).

Unless otherwise specified in the pricing supplement relating to the particular subordinated notes series offered by it, Existing Subordinated Indebtedness means subordinated notes issued under the subordinated indenture prior to November 15, 1992. (*Section 101* of the subordinated indenture)

Unless otherwise specified in the pricing supplement relating to the particular subordinated notes series offered by it, Other Financial Obligations means all obligations of Wachovia to make payment under the terms of financial instruments, such as

- securities contracts and foreign currency exchange contracts;
- derivative instruments such as
  - swap agreements (including interest rate and foreign exchange rate swap agreements);
  - cap agreements;
  - floor agreements;
  - collar agreements;

interest rate agreements;

foreign exchange rate agreements;

options;

- commodity futures contracts;
- commodity option contracts; and

similar financial instruments other than

- obligations on account of senior indebtedness; and
- obligations on account of indebtedness for money borrowed ranking equal or subordinate to the subordinated notes. (*Section 101* of the subordinated indenture)

Unless otherwise described in the pricing supplement relating to a specific series of subordinated notes, Entitled Persons means any person who is entitled to payment under the terms of Other Financial Obligations. (*Section 101* of the subordinated indenture)

Wachovia s obligations under the subordinated notes shall rank equal in right of payment with each other and with the Existing Subordinated Indebtedness, subject, unless otherwise described in the pricing supplement relating to a specific series of subordinated notes, to the obligations of subordinated note holders (other than Existing Subordinated Indebtedness) to pay over any Excess Proceeds to Entitled Persons in respect of Other Financial Obligations as provided in the subordinated indenture. (*Section 1413* of the subordinated indenture)

The relevant pricing supplement may further describe the provisions, if any, applicable to the subordination of the subordinated notes of a particular series.

Defaults

The Senior Indenture

The senior indenture defines an event of default as

- default in any principal or premium payment on any senior note of that series at maturity;
- default for 30 days in interest payment of any senior note of that series;
- failure to deposit any sinking fund payment when due in respect of that series;

Wachovia s failure for 60 days after notice in performing any other covenants or warranties in the senior indenture (other than a covenant or warranty solely for the benefit of other senior notes series);

failure to pay when due any Wachovia indebtedness or Wachovia Bank, National Association indebtedness in excess of $5,000,000, or maturity acceleration of any indebtedness exceeding that amount if acceleration results from a default under the instrument giving rise to that indebtedness and is not annulled within 30 days after due notice;

Wachovia s or Wachovia Bank, National Association s bankruptcy, insolvency or reorganization; and

any other event of default provided for senior notes of that series. (*Section 501*)

The senior indenture provides that, if any event of default for senior notes of any series outstanding occurs and is continuing, either the senior trustee or the holders of not less than 25% in principal amount of the outstanding senior notes of that series may declare the principal amount (or, if the notes of that series are original issue discount notes, such principal amount portion as the terms of that series specify) of all senior notes of that series to be due and payable immediately. However, no such declaration is required upon certain bankruptcy events. In addition, upon fulfillment of certain conditions, this declaration may be annulled and past defaults waived by the holders of a majority in principal amount of the outstanding senior notes of that

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series on behalf of all senior note holders of that series. (*Sections 502 and 513*) In the event of Wachovia s bankruptcy, insolvency or reorganization, senior note holders claims would fall under the broad equity power of a federal bankruptcy court, and to that court s determination of the nature of those holders rights.

The senior indenture contains a provision entitling the senior trustee, acting under the required standard of care, to be indemnified by the holders of any outstanding senior note series before proceeding to exercise any right or power under the senior indenture at the holders request. (*Section 603*) The holders of a majority in principal amount of outstanding senior notes of any series may direct the time, method and place of conducting any proceeding for any remedy available to the senior trustee, or exercising any trust or other power conferred on the senior trustee, with respect to the senior notes of such series. The senior trustee, however, may decline to act if that direction is contrary to law or the senior indenture or would involve the senior trustee in personal liability. (*Section 512*)

Wachovia will file annually with the senior trustee a compliance certificate as to all conditions and covenants in the senior indenture. (*Section 1007*)

The Subordinated Indenture

Subordinated notes principal payment may be accelerated only upon an event of default. There is no acceleration right in the case of a default in the payment of interest or principal prior to the maturity date or a default in Wachovia performing any covenants in the subordinated indenture, unless a specific series of subordinated notes provide otherwise, which will be described in the relevant pricing supplement.

The subordinated indenture defines an event of default as certain events involving Wachovia s bankruptcy, insolvency or reorganization and any other event of default provided for the subordinated notes of that series. (*Section 501*) The subordinated indenture defines a default to include

- any event of default;
- a default in any principal or premium payment of any subordinated debt security of that series at maturity;
- default in any interest payment when due and continued for 30 days;
- a default in any required designation of funds as available funds ; or
- default in the performance, or breach, of Wachovia s covenants in the subordinated indenture or in the subordinated notes of that series and continued for 90 days after written notice to
  - Wachovia by the subordinated trustee; or
  - Wachovia and the subordinated trustee by the holders of not less than 25% in aggregate principal amount of the outstanding subordinated notes of that series. (*Section 503*)

If an event of default for subordinated notes of any series occurs and is continuing, either the subordinated trustee or the holders of not less than 25% in aggregate principal amount of the outstanding subordinated notes of that series may accelerate the maturity of all outstanding subordinated notes of such series. The holders of a majority in aggregate principal amount of the outstanding subordinated notes of that series may waive an event of default resulting in acceleration of the subordinated notes of such series, but only if all events of default have been remedied and all payments due on the subordinated notes of that series (other than those due as a result of acceleration) have been made and certain other conditions have been met. (*Section 502*) Subject to subordinated indenture provisions relating to the subordinated trustee s duties, in case a default shall occur and be continuing, the subordinated trustee will be under no obligation to exercise any of its rights or powers under the subordinated indenture at the holders request or direction, unless such holders shall have offered to the subordinated trustee reasonable indemnity. (*Section 603*) Subject to such indemnification provisions, the holders of a majority in aggregate principal amount of the outstanding

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subordinated notes of that series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the subordinated trustee or exercising any trust or power conferred on the subordinated trustee. (*Section 512*) The holders of a majority in aggregate principal amount of the outstanding subordinated notes of that series may waive any past default under the subordinated indenture with respect to such series, except a default in principal or interest payment or a default of a subordinated indenture covenant which cannot be modified without the consent of each outstanding subordinated note holder of the series affected. (*Section 513*) In the event of Wachovia s bankruptcy, insolvency or reorganization, subordinated note holders claims would fall under the broad equity power of a federal bankruptcy court, and to that court s determination of the nature of those holders rights.

Wachovia will file annually with the subordinated trustee a compliance certificate as to all conditions and covenants in the subordinated indenture. (*Section 1007*)

Modification and Waiver