

WACHOVIA CORP NEW  
Form 424B2  
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## WACHOVIA CORPORATION

Wachovia Corporation has acquired financial services institutions that have issued unsecured debt securities consisting of the senior debt securities and subordinated debt securities listed below. As a result of these acquisitions, Wachovia Corporation has assumed these debt securities as indicated below.

### WACHOVIA CORPORATION

#### Assumed Debt Securities

##### Senior Debt Securities

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\$550,000,000 of 7.45% Global Senior Notes of the former Wachovia Corporation due July 15, 2005  
\$200,000,000 of 6.625% Senior Notes of the former Wachovia Corporation due November 15, 2006

##### Subordinated Debt Securities

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\$175,000,000 of 6<sup>5</sup>/<sub>8</sub>% Notes of CoreStates Capital Corp. due March 15, 2005  
\$200,000,000 of 6.75% Medium-Term Notes of CoreStates Capital Corp. due November 15, 2006  
\$250,000,000 of 6.80% Subordinated Notes of the former Wachovia Corporation due June 1, 2005  
\$350,000,000 of 6<sup>1</sup>/<sub>4</sub>% Subordinated Notes of the former Wachovia Corporation due August 4, 2008  
\$400,000,000 of 5<sup>5</sup>/<sub>8</sub>% Subordinated Notes of the former Wachovia Corporation due December 15, 2008  
\$250,000,000 of 6<sup>3</sup>/<sub>8</sub>% Subordinated Notes of the former Wachovia Corporation due February 1, 2009  
\$400,000,000 of 6.150% Subordinated Notes of the former Wachovia Corporation due March 15, 2009  
\$250,000,000 of 6.605% Subordinated Notes of the former Wachovia Corporation due October 1, 2025  
\$400,000,000 of 5.80% Subordinated Notes of SouthTrust Corporation due June 15, 2014

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

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This prospectus has been prepared in connection with offers and sales related to market-making and other transactions in the debt securities listed above and will be used by Wachovia Capital Markets, LLC, and Wachovia Securities, LLC, each an indirect, wholly-owned subsidiary of Wachovia Corporation. Wachovia Capital Markets, LLC or Wachovia Securities, LLC may act as principal or agent in these transactions. The sales may be made at prices related to prevailing market rates at the time of sale or otherwise. Wachovia Corporation conducts its investment banking, institutional and capital markets businesses through its various bank, broker-dealer and non-bank subsidiaries (including Wachovia Capital Markets, LLC and Wachovia Securities, LLC) under the trade name Wachovia Securities .

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### WACHOVIA SECURITIES

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**The date of this prospectus is February 9, 2005.**

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**WACHOVIA CORPORATION**

Wachovia was incorporated under the laws of North Carolina in 1967 and is registered as a financial holding company and a bank holding company under the Bank Holding Company Act. Prior to our merger in September 2001 with the former Wachovia Corporation (which we also refer to as Legacy Wachovia), Wachovia's name was First Union Corporation. Wachovia provides a wide range of commercial and retail banking and trust services through full-service banking offices in Alabama, Connecticut, Delaware, Florida, Georgia, Maryland, Mississippi, New Jersey, New York, North Carolina, Pennsylvania, South Carolina, Tennessee, Texas, Virginia and Washington, D.C. Wachovia also provides various other financial services, including asset and wealth management, mortgage banking, credit card, investment banking, investment advisory, home equity lending, asset-based lending, leasing, insurance, international and securities brokerage services through its subsidiaries. As used in this prospectus, the terms Wachovia, we, our and us refer to Wachovia Corporation, the holding company, and not the consolidated entity.

Wachovia's principal executive offices are located at One Wachovia Center, Charlotte, North Carolina 28288-0013, and our telephone number is (704) 374-6565.

Wachovia continually evaluates its operations and organizational structures to ensure they are closely aligned with its goal of maximizing performance in core business lines. When consistent with overall business strategy, Wachovia may consider the disposition of certain assets, branches, subsidiaries or lines of business. While acquisitions are no longer a primary business activity, Wachovia continues to explore routinely acquisition opportunities, particularly in areas that would complement core business lines, and frequently conducts 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.

Wachovia and its affiliates have completed numerous acquisitions of financial services institutions since 1985. These financial services institutions either have merged into Wachovia or wholly-owned subsidiaries of Wachovia. See General Information Regarding the Debt Securities for a brief description of the acquisitions of the entities that originally issued the debt securities covered by this prospectus.

**CONSOLIDATED EARNINGS RATIOS**

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

<b>Nine Months Ended September 30,</b>	<b>Year Ended December 31,</b>				
	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>
<b>2004</b>					

**Consolidated Ratios of Earnings to Fixed Charges and Preferred Stock Dividends**

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Excluding interest on deposits	4.03x	3.63	2.93	1.61	1.13	2.29
Including interest on deposits	2.45x	2.30	1.80	1.27	1.06	1.62

For purposes of computing these ratios:

earnings represent income from continuing operations before extraordinary items and cumulative effect of a change in accounting principle, plus income taxes and fixed charges;

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.

#### **GENERAL INFORMATION REGARDING THE DEBT SECURITIES**

The debt securities covered by this prospectus were issued by financial services institutions which were subsequently acquired by Wachovia.

Wachovia acquired CoreStates Financial Corp. on April 28, 1998, by merging CoreStates into Wachovia. CoreStates Capital Corp. became a wholly-owned subsidiary of Wachovia as a result of the CoreStates acquisition, and merged into Wachovia on May 15, 1998.

Wachovia acquired Legacy Wachovia on September 1, 2001, by merging Legacy Wachovia into Wachovia.

Wachovia acquired SouthTrust Corporation on November 1, 2004, by merging SouthTrust into Wachovia.

As a result of these mergers, Wachovia is responsible for the obligations of CoreStates, CoreStates Capital Corp., Legacy Wachovia, and SouthTrust with respect to their debt securities.

The debt securities covered by this prospectus are not deposits or other obligations of a bank and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

The debt securities covered by this prospectus have been issued under various indentures between the issuers and the trustees named in this prospectus. A copy of each indenture is incorporated by reference as an exhibit to the registration statement of which this prospectus is a part. As used in this prospectus, the term issuer refers to Wachovia.

The descriptions of the debt securities and the indentures in this prospectus are only summaries. These descriptions are not complete and are qualified by reference to the indentures, including the definitions of certain terms used in this prospectus. Section references in this prospectus refer to sections of the applicable indenture.

None of the indentures limits the amount of debt securities or of any particular series of debt securities which may be issued under that indenture and each provides that debt securities issued under such indenture may be issued from time to time in one or more series. None of the indentures limits the amount of other debt that may be issued by the issuer or contains financial or similar restrictive covenants relating to the issuer. The issuer expects to incur additional indebtedness.

Wachovia is a legal entity separate and distinct from its subsidiaries. Therefore, the rights of Wachovia to participate in any distribution of assets of any subsidiary upon its liquidation or reorganization or otherwise would be subject to the prior claims of creditors of that subsidiary, except to the extent that Wachovia itself may be recognized as a creditor of that subsidiary. The ability of holders of debt securities to benefit indirectly from any such distribution may therefore be limited. Claims on Wachovia's subsidiary banks by other creditors include indebtedness 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.

Except as otherwise specified in this prospectus, none of the debt securities are:

redeemable prior to maturity;

subject to repayment at the option of the holders prior to maturity; or

entitled to the benefit of any sinking fund.

Wachovia or its affiliates may at any time repurchase the debt securities at any price, in the open market or otherwise. Debt securities purchased by Wachovia may be held, resold or surrendered to the applicable trustee for cancellation.

Except as otherwise specified in this prospectus, interest on the debt securities is computed on the basis of a 360-day year of twelve 30-day months.

#### **Subordination of the Subordinated Debt Securities Generally**

The obligations of the issuer to pay the principal of and interest on any subordinated debt securities covered by this prospectus are subordinate and junior in right of payment to all Senior Indebtedness of Wachovia, as defined in each subordinated indenture. A description of the subordination provisions of each particular series of subordinated debt securities, and of the definition of Senior Indebtedness with respect to that series, is included below under Description of Assumed Subordinated Debt Securities .

Under the circumstances described below, holders of all Senior Indebtedness, as defined in each applicable indenture, will first be entitled to receive payment in full of all amounts due or to become due before the holders of subordinated debt securities will be entitled to receive any payment. These circumstances include:

any payment or distribution of assets to creditors upon liquidation, dissolution, winding up, reorganization, assignment for the benefit of creditors, marshalling of assets or any bankruptcy, insolvency or similar proceedings of an issuer, and

acceleration of the maturity of any subordinated debt securities.

As a result of this subordination in favor of the holders of Senior Indebtedness, creditors of an issuer who are not holders of Senior Indebtedness or holders of the subordinated debt securities may recover less, proportionally, than the holders of Senior Indebtedness and may recover more, proportionally, than the holders of the subordinated debt securities. Creditors of an issuer other than holders of Senior Indebtedness, as defined in each subordinated indenture, are not entitled to the benefits of the subordination provisions of that subordinated indenture. As a result of the differing definitions of Senior Indebtedness in the various subordinated indentures, obligations of an issuer may be considered Senior Indebtedness with respect to some subordinated debt securities and not with respect to others. Therefore, some creditors of an issuer may recover more or less, proportionally, than other creditors.



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None of the subordinated indentures limits the amount of additional Senior Indebtedness that may be issued or other obligations that may be incurred by the issuer. Wachovia currently has an effective shelf registration statement under which it may issue debt securities that are senior to the subordinated debt securities. Wachovia expects to issue additional indebtedness and incur other obligations, some of which may constitute Senior Indebtedness under the subordinated indentures.

### **Book-Entry Debt Securities**

Except as otherwise specified in this prospectus with respect to any series of notes, each series of the notes will be represented by one or more fully registered global securities which will be deposited with, or on behalf of, The Depository Trust Company (the "DTC") and registered in the name of Cede & Co., DTC's nominee. Beneficial interests in the registered global securities will be represented through book-entry

accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Investors in the Legacy Wachovia 7.45% Global Senior Notes due July 15, 2005 may elect to hold interests in the registered global securities held by DTC through Clearstream Banking AG ( Clearstream ) or Euroclear Bank S.A./N.V., as operator of the Euroclear System (the Euroclear operator ), if they are participants in such systems, or indirectly through organizations which are participants in such systems. Clearstream and the Euroclear operator will hold interests on behalf of their participants through customers securities accounts in Clearstream s and the Euroclear operator s names on the books of their respective depositories, which in turn will hold such interests in customers securities accounts in the depositories names on the books of DTC. Citibank, N.A. will act as depository for Clearstream and The Chase Manhattan Bank will act as depository for the Euroclear operator (in such capacities, the U.S. depositories ). The discussion under Clearstream and Euroclear Clearance and Settlement Procedures applies only to the Legacy Wachovia 7.45% Global Senior Notes due July 15, 2005.

No person that acquires a beneficial interest in the notes will be entitled to receive a certificate representing that person s interest in the notes except as described in this prospectus. Unless and until definitive securities are issued under the limited circumstances described below, all references to actions by holders of securities issued in global form shall refer to actions taken by DTC upon instructions from its participants, and all references to payments and notices to holders shall refer to payments and notices to DTC or Cede & Co., as the registered holder of the notes.

DTC has informed Wachovia that DTC is a limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code, and a clearing agency registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that DTC participants deposit with DTC. DTC also facilitates the settlement among DTC participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in DTC participants accounts, thereby eliminating the need for physical movement of securities certificates. Participants include securities brokers and dealers, banks, trust companies, and clearing corporations and may include other organizations. DTC is owned by a number of its direct participants and by the New York Stock Exchange, Inc., the American Stock Exchange, LLC and the National Association of Securities Dealers, Inc. Indirect access to the DTC system is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly. The rules applicable to DTC and DTC participants are on file with the Commission.

Persons that are not participants or indirect participants but desire to purchase, sell or otherwise transfer ownership of, or other interests in, notes may do so only through participants and indirect participants. Ownership of book-entry debt securities by participants is evidenced only by records maintained by DTC or its nominee. Ownership of book-entry debt securities by persons that hold interests through participants will be evidenced only by records maintained by such participant. Transfers of such ownership interests will be effected only through records maintained by DTC or its nominee or the participants, as applicable. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in definitive form. These laws may limit the ability to transfer book-entry debt securities.

Under the rules, regulations and procedures creating and affecting DTC and its operations as currently in effect, DTC will be required to make book-entry transfers of notes among participants and to receive and transmit payments to participants. DTC rules require participants and indirect participants with which beneficial note owners have accounts to make book-entry transfers and receive and transmit payments on behalf of their respective account holders.

Under a book-entry format, holders may experience some delay in their receipt of payments, as such payments will be forwarded by the Wachovia designated agent to Cede & Co., as nominee for DTC. DTC will forward such payments to its participants, who will then forward them to indirect participants or holders.

Payments by participants to owners of book-entry debt securities held through such participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in street name . These payments will be the responsibility of the participants.

Because DTC can act only on behalf of

participants, who in turn act only on behalf of participants or indirect participants and

certain banks, trust companies and other persons approved by it,

the ability of a beneficial owner of securities issued in global form to pledge such securities to persons or entities that do not participate in the DTC system may be limited due to the unavailability of physical certificates for these securities.

Holders of notes held in book-entry form will not be recognized by the relevant trustee or depository as registered holders of the notes entitled to the benefits of the applicable indenture. Beneficial owners that are not participants will be permitted to exercise their rights only indirectly through and according to the procedures of participants and, if applicable, indirect participants.

A global security will be exchangeable for the relevant definitive notes registered in the names of persons other than DTC or its nominee only if

DTC notifies Wachovia that it is unwilling or unable to continue as depository for that global security or if DTC ceases to be a clearing agency registered under the Exchange Act when DTC is required to be so registered;

Wachovia executes and delivers to the relevant trustee an order complying with the requirements of the relevant indenture that this global security shall be so exchangeable; or

there has occurred and is continuing an event of default or an event that, with the giving of notice or lapse of time, or both, would constitute an event of default with respect to the note.

Any global security that is exchangeable under the preceding sentence will be exchangeable for notes registered in such names as DTC directs.

Upon the occurrence of any event described in the above paragraph, DTC is generally required to notify all participants of the availability of definitive notes. Upon DTC surrendering the global security representing the securities and delivery of instructions for re-registration, the relevant trustee will reissue the notes as definitive notes, and then will recognize the holders of such definitive notes as registered holders of notes entitled to the benefits of the relevant indenture.

Except as described above, the global security may not be transferred except as a whole by DTC to a nominee of DTC or by a nominee of DTC to DTC or another nominee of DTC or to a successor depository Wachovia appoints. Except as described above, DTC may not sell, assign, transfer or otherwise convey any beneficial interest in a global security evidencing all or part of any notes unless the beneficial interest is in an amount equal to an authorized denomination for these notes.

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Initial settlement for the notes will be made in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC's rules and will be settled in immediately available funds using DTC's Same-Day Funds Settlement System.

None of Wachovia, the relevant trustee, or any agent of any of them, will have any responsibility or liability for any aspect of DTC's or any participant's records relating to, or for payments made on account of, beneficial interests in a global security, or for maintaining, supervising or reviewing any records relating to such beneficial interests.

Clearstream and the Euroclear operator have informed Wachovia that Clearstream and the Euroclear operator each hold securities for their customers and facilitate the clearance and settlement of securities

transactions by electronic book-entry transfer between their respective account holders. Clearstream and the Euroclear operator provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream and the Euroclear operator also deal with domestic securities markets in several countries through established depository and custodial relationships. Clearstream and the Euroclear operator have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Clearstream and the Euroclear operator customers are world-wide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Clearstream and the Euroclear operator is available to other institutions which clear through or maintain a custodial relationship with an account holder of either system.

### **Clearstream and Euroclear Clearance and Settlement**

Title to book-entry interests in the notes will pass by book-entry registration of the transfer within the records of Clearstream, Euroclear or DTC, as the case may be, in accordance with their respective procedures. Book-entry interests in the notes may be transferred within Clearstream and within Euroclear and between Clearstream and Euroclear in accordance with procedures established for these purposes by Clearstream and Euroclear. Book-entry interests in the notes may be transferred within DTC in accordance with procedures established for this purpose by DTC. Transfers of book-entry interests in the notes among Clearstream and Euroclear and DTC may be effected in accordance with procedures established for this purpose by Clearstream, Euroclear and DTC.

Secondary market trading between Clearstream customers and/or Euroclear participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear and will be settled using the procedures applicable to conventional Eurobonds in immediately available funds.

Cross-market transfers between persons holding directly or indirectly through DTC on the one hand, and directly or indirectly through Clearstream customers or Euroclear participants, on the other, will be effected through DTC in accordance with DTC's rules on behalf of the relevant European international clearing system by its U.S. depository; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to its U.S. depository to take action to effect final settlement on its behalf by delivering interests in the securities to or receiving interests in the notes from DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream customers and Euroclear participants may not deliver instructions directly to their respective U.S. depositories.

Because of time-zone differences, credits of interests in the notes received in Clearstream or Euroclear as a result of a transaction with a DTC participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions involving interests in such notes settled during such processing will be reported to the relevant Clearstream customers or Euroclear participants on such business day. Cash received in Clearstream or Euroclear as a result of sales of interests in the notes by or through a Clearstream customer or a Euroclear participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of interests in the notes among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be changed or discontinued at any time.



**UNITED STATES TAXATION**

This section describes the material United States federal income tax consequences of owning the debt securities covered by this prospectus. It is the opinion of Sullivan & Cromwell LLP, counsel to Wachovia. This section applies to you only if you hold your notes as capital assets for tax purposes. This section does not apply to you if you are a member of a class of holders subject to special rules, such as:

a dealer in securities or currencies,

a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings,

a bank,

a life insurance company,

a tax-exempt organization,

a person that owns notes that are a hedge of or that are hedged against interest rate risks,

a person that owns notes as part of a straddle or conversion transaction for tax purposes, or

a person whose functional currency for tax purposes is not the U.S. dollar.

This section is based on the Internal Revenue Code of 1986, as amended (the Code), its legislative history, existing and proposed regulations under the Code, published rulings and court decisions, all as currently in effect. These laws are subject to change, possibly on a retroactive basis.

If a partnership holds the notes, the United States federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. A partner in a partnership holding the notes should consult its tax advisor with regard to the United States federal income tax treatment of an investment in the notes.

*Please consult your own tax advisor concerning the consequences of owning these notes in your particular circumstances under the Code and the laws of any other taxing jurisdiction.*

**United States Holders**

This subsection describes the tax consequences to a United States holder. You are a United States holder if you are a beneficial owner of a note and you are:

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a citizen or resident of the United States,

a domestic corporation,

an estate whose income is subject to United States federal income tax regardless of its source, or

a trust if a United States court can exercise primary supervision over the trust's administration and one or more United States persons are authorized to control all substantial decisions of the trust.

If you are not a United States holder, this subsection does not apply to you and you should refer to [Certain United States Federal Income Tax Consequences to United States Alien Holders](#) below.

***Payments of Interest***

You will be taxed on any interest on your note as ordinary income at the time you receive the interest or when it accrues, depending on your method of accounting for tax purposes. In addition, if you acquire your note at a price other than the initial offering price, the rules relating to market discount or amortizable bond premium may also apply to your note.



### ***Market Discount***

You will be treated as if you purchased your note at a market discount, and your note will be a market discount note if the difference between the note's stated redemption price at maturity and the price you paid for your note is equal to or greater than 1/4 of 1 percent of your note's stated redemption price at maturity multiplied by the number of complete years to the note's maturity.

If your note's stated redemption price at maturity exceeds the price you paid for the note by less than 1/4 of 1 percent multiplied by the number of complete years to the note's maturity, the excess constitutes *de minimis* market discount, and the rules discussed below are not applicable to you.

You must treat any gain you recognize on the maturity or disposition of your market discount note as ordinary income to the extent of the accrued market discount on your note. Alternatively, you may elect to include market discount in income currently over the life of your note. If you make this election, it will apply to all debt instruments with market discount that you acquire on or after the first day of the first taxable year to which the election applies. You may not revoke this election without the consent of the Internal Revenue Service. If you own a market discount note and do not make this election, you will generally be required to defer deductions for interest on borrowings allocable to your note in an amount not exceeding the accrued market discount on your note until the maturity or disposition of your note.

You will accrue market discount on your market discount note on a straight-line basis unless you elect to accrue market discount using a constant-yield method. If you make this election, it will apply only to the note with respect to which it is made and you may not revoke it.

### ***Notes Purchased at a Premium***

If you purchase your note for an amount in excess of its principal amount, you may elect to treat the excess as amortizable bond premium. If you make this election, you will reduce the amount required to be included in your income each year with respect to interest on your note by the amount of amortizable bond premium allocable to that year, based on your note's yield to maturity. If you make an election to amortize bond premium, the election will apply to all debt instruments, other than debt instruments the interest on which is excludable from gross income, that you hold at the beginning of the first taxable year to which the election applies or that you thereafter acquire, and you may not revoke it without the consent of the Internal Revenue Service.

### ***Purchase, Sale and Retirement of the Notes***

Your tax basis in your note will generally be the U.S. dollar cost, as defined below, of your note, adjusted by:

adding any market discount and *de minimis* market discount previously included in income with respect to your note, and then

subtracting any amortizable bond premium applied to reduce interest on your note.

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You will generally recognize gain or loss on the sale or retirement of your note equal to the difference between the amount you realize on the sale or retirement and your tax basis in your note.

You will recognize capital gain or loss when you sell or retire your note, except to the extent:

described above under **Market Discount** ,

attributable to accrued but unpaid interest.

Capital gain of a noncorporate United States holder is generally taxed at more favorable rates where the property is held more than one year.

***Backup Withholding and Information Reporting***

In general, if you are a noncorporate United States holder, we are required to report to the Internal Revenue Service all payments of principal, any premium and interest on your note. In addition, we and other payors are required to report to the Internal Revenue Service any payment of proceeds of the sale of your note before maturity within the United States. Additionally, backup withholding will apply to any payments if you fail to provide an accurate taxpayer identification number, or you are notified by the Internal Revenue Service that you have failed to report all interest and dividends required to be shown on your federal income tax returns.

**Certain United States Federal Income Tax Consequences to United States Alien Holders**

The following summarizes certain United States federal income tax consequences of the ownership of notes described in this prospectus to United States alien holders. You are a United States alien holder if you are the beneficial owner of a note and are, for United States federal income tax purposes:

a nonresident alien individual,

a foreign corporation, or

an estate or trust that in either case is not subject to United States federal income tax on a net income basis on income or gain from a note.

Except where noted, this summary deals only with notes held as capital assets and does not deal with special situations (including if you are a controlled foreign corporation , passive foreign investment company or foreign personal holding company ).

The discussion below is based upon the provisions of the Code, and regulations, rulings and judicial decisions as of the date of this prospectus. Those authorities may be changed, perhaps retroactively, so as to result in United States federal income tax consequences different from those discussed below.

If you are considering the purchase of the notes described in this prospectus, you should consult your own tax advisors concerning the tax consequences to you in light of your particular situation.

***U.S. Federal Withholding Tax***

Under United States federal income tax law, and subject to the discussion of backup withholding below, if you are a non-United States holder of a note:

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we, and other U.S. payors generally, will not be required to deduct United States withholding tax from payments of principal, premium, if any, and interest, to you if, in the case of payments of interest:

1. you do not actually or constructively own 10% or more of the total combined voting power of all classes of stock of Wachovia entitled to vote,
2. you are not a controlled foreign corporation that is related to Wachovia through stock ownership, and
3. the U.S. payor does not have actual knowledge or reason to know that you are a United States person and:
  - a. you have furnished to the U.S. payor an Internal Revenue Service Form W-8BEN or an acceptable substitute form upon which you certify, under penalties of perjury, that you are (or, in the case of a United States alien holder that is a partnership or an estate or trust, such forms certifying that each partner in the partnership or beneficiary of the estate or trust is) a non-United States person,

- b. in the case of payments made outside the United States to you at an offshore account (generally, an account maintained by you at a bank or other financial institution at any location outside the United States), you have furnished to the U.S. payor documentation that establishes your identity and your status as the beneficial owner of the payment for United States federal income tax purposes and as a non-United States person,
- c. the U.S. payor has received a withholding certificate (furnished on an appropriate Internal Revenue Service Form W-8 or an acceptable substitute form) from a person claiming to be:
  - i. a withholding foreign partnership (generally a foreign partnership that has entered into an agreement with the Internal Revenue Service to assume primary withholding responsibility with respect to distributions and guaranteed payments it makes to its partners),
  - ii. a qualified intermediary (generally a non-United States financial institution or clearing organization or a non-United States branch or office of a United States financial institution or clearing organization that is a party to a withholding agreement with the Internal Revenue Service), or
  - iii. a U.S. branch of a non-United States bank or of a non-United States insurance company, and the withholding foreign partnership, qualified intermediary or U.S. branch has received documentation upon which it may rely to treat the payment as made to a non-United States person that is, for United States federal income tax purposes, the beneficial owner of the payment on the notes in accordance with U.S. Treasury regulations (or, in the case of a qualified intermediary, in accordance with its agreement with the Internal Revenue Service),
- d. the U.S. payor receives a statement from a securities clearing organization, bank or other financial institution that holds customers' securities in the ordinary course of its trade or business,
  - i. certifying to the U.S. payor under penalties of perjury that an Internal Revenue Service Form W-8BEN or an acceptable substitute form has been received from you by it or by a similar financial institution between it and you, and
  - ii. to which is attached a copy of the Internal Revenue Service Form W-8BEN or acceptable substitute form, or
- e. the U.S. payor otherwise possesses documentation upon which it may rely to treat the payment as made to a non-United States person that is, for United States federal income tax purposes, the beneficial owner of the payment on the notes in accordance with U.S. Treasury regulations;

no deduction for any United States federal withholding tax will be made from any gain that you realize on the sale or exchange of your note.

***U.S. Federal Estate Tax***

A note held by an individual who at death is not a citizen or resident of the United States will not be includible in the individual's gross estate for United States federal estate tax purposes if:

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the decedent did not actually or constructively own 10% or more of the total combined voting power of all classes of stock of Wachovia entitled to vote at the time of death and

the income on the note would not have been effectively connected with a United States trade or business of the decedent at the same time.

***U.S. Federal Income Tax***

If you are engaged in a trade or business in the United States and interest on the notes described in this prospectus is effectively connected with the conduct of that trade or business (although exempt from the 30% withholding tax), you will be subject to U.S. federal income tax on that interest on a net income basis in the same manner as if you were a U.S. person as defined under the Code. In addition, if you are a foreign corporation, you may be subject to a branch profits tax equal to 30% (or lower applicable treaty rate) of your earnings and profits for the taxable year, subject to adjustments, that are effectively connected with the conduct by you of a trade or business in the United States. For this purpose, interest on notes as described in this prospectus will be included in earnings and profits.

Any gain realized by you on the disposition of the notes as described in this prospectus generally will not be subject to U.S. federal income or withholding tax unless:

that gain or income is effectively connected with the conduct of a trade or business in the United States by you; or

you are an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met.

***Information Reporting and Backup Withholding***

In general, if you are a non-United States person, payments of principal, premium or interest made by us and other payors to you will not be subject to backup withholding and information reporting, provided that the certification requirements described above under U.S. Federal Withholding Tax are satisfied or you otherwise establish an exemption. However, we and other payors are required to report payments of interest on your notes on Internal Revenue Service Form 1042-S even if the payments are not otherwise subject to information reporting requirements. In addition, payment of the proceeds from the sale of notes effected at a United States office of a broker will not be subject to backup withholding and information reporting provided that:

the broker does not have actual knowledge or reason to know that you are a United States person and you have furnished to the broker:

an appropriate Internal Revenue Service Form W-8 or an acceptable substitute form upon which you certify, under penalties of perjury, that you are not a United States person, or

other documentation upon which it may rely to treat the payment as made to a non-United States person in accordance with U.S. Treasury regulations, or

you otherwise establish an exemption.

If you fail to establish an exemption and the broker does not possess adequate documentation of your status as a non-United States person, the payments may be subject to information reporting and backup withholding. However, backup withholding will not apply with respect to payments made to an offshore account maintained by you unless the broker has actual knowledge that you are a United States person.

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In general, payment of the proceeds from the sale of notes effected at a foreign office of a broker will not be subject to information reporting or backup withholding. However, a sale effected at a foreign office of a broker will be subject to information reporting and backup withholding if:

the proceeds are transferred to an account maintained by you in the United States,

the payment of proceeds or the confirmation of the sale is mailed to you at a United States address, or

the sale has some other specified connection with the United States as provided in U.S. Treasury regulations,



unless the broker does not have actual knowledge or reason to know that you are a United States person and the documentation requirements described above (relating to a sale of notes effected at a United States office of a broker) are met or you otherwise establish an exemption.

In addition, payment of the proceeds from the sale of notes effected at a foreign office of a broker will be subject to information reporting if the broker is:

a United States person,

a controlled foreign corporation for United States tax purposes,

a foreign person 50% or more of whose gross income is effectively connected with the conduct of a United States trade or business for a specified three-year period, or

a foreign partnership, if at any time during its tax year,

one or more of its partners are U.S. persons, as defined in U.S. Treasury regulations, who in the aggregate hold more than 50% of the income or capital interest in the partnership, or

such foreign partnership is engaged in the conduct of a United States trade or business,

unless the broker does not have actual knowledge or reason to know that you are a United States person and the documentation requirements described above (relating to a sale of notes effected at a United States office of a broker) are met or you otherwise establish an exemption. Backup withholding will apply if the sale is subject to information reporting and the broker has actual knowledge that you are a United States person.

#### DESCRIPTION OF ASSUMED SENIOR DEBT SECURITIES

The following descriptions of the terms of the particular series of senior debt securities are only summaries. These descriptions are not complete and are qualified in their entirety by reference to the applicable indentures and the applicable series of senior debt securities.

<u>Securities</u>	<u>Issue Date</u>	<u>Interest Payment Dates</u>	<u>Regular Record Dates</u>
7.45% Global Senior Notes of Legacy Wachovia due July 15, 2005	July 13, 2000	January 15 and June 15	January 1 and June 1
6.625% Senior Notes of Legacy Wachovia due November 15, 2006	November 15, 1996	November 15 and May 15	November 1 and May 1

#### Legacy Wachovia Senior Notes

*Legacy Wachovia 7.45% Global Senior Notes*

The Legacy Wachovia 7.45% Global Senior Notes due July 15, 2005 were issued on July 13, 2000 and will mature on July 15, 2005. The Legacy Wachovia 7.45% Global Senior Notes are limited to \$550 million aggregate principal amount.

The Legacy Wachovia 7.45% Global Senior Notes bear interest at a rate of 7.45% per year, payable semiannually on January 15 and June 15 of each year to the registered holders at the close of business on the preceding January 1 or June 1.

*Legacy Wachovia 6.625% Senior Notes*

The Legacy Wachovia 6.625% Senior Notes due November 15, 2006, were issued on November 15, 1996 and will mature on November 15, 2006. The Legacy Wachovia 6.625% Senior Notes are limited to \$200 million aggregate principal amount.

The Legacy Wachovia 6.625% Senior Notes bear interest at the rate of 6.625% per year payable semiannually on November 15 and May 15 of each year to the registered holder at the close of business on the preceding May 1 or November 1.

The 6.625% Senior Notes are not redeemable before maturity. The 7.45% Global Senior Notes are not redeemable before maturity, except under the circumstances described in *Redemption for Tax Reasons* below.

#### **Certain Provisions Applicable to the Legacy Wachovia 7.45% Global Senior Notes**

The following discussions under the headings *Redemption for Tax Reasons* and *Payment of Additional Amounts* are applicable only to the 7.45% Global Senior Notes (the Legacy Wachovia redeemable senior notes).

##### ***Redemption for Tax Reasons***

If (1) as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States (or any political subdivision or taxing authority thereof or therein), or any change in, or amendments to, the official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment is announced or becomes effective with respect to the 7.45% Global Senior Notes, on or after July 6, 2000, Wachovia becomes or will become obligated to pay additional amounts as described under the heading *Payment of Additional Amounts* below, or (2) any act is taken by a taxing authority of the United States with respect to the 7.45% Global Senior Notes, on or after July 6, 2000, whether or not such act is taken with respect to Wachovia or any affiliate, that results in a substantial probability that Wachovia will or may be required to pay such additional amounts, then Wachovia may, at its option, redeem the Legacy Wachovia redeemable senior notes, in whole but not in part, on not less than 30 nor more than 60 days' prior notice, at a redemption price equal to 100% of the principal amount of the Legacy Wachovia redeemable senior notes, together with interest accrued but unpaid thereon to the date fixed for redemption; provided that Wachovia determines, in its reasonable business judgment, that the obligation to pay such additional amounts cannot be avoided by the use of reasonable measures available to it, not including substitution of the obligor under the Legacy Wachovia redeemable senior notes. No redemption pursuant to (2) above may be made unless Wachovia has 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 probability that it will or may be required to pay the additional amounts described under the heading *Payment of Additional Amounts* below and Wachovia has delivered to the trustee a certificate, signed by a duly authorized officer, stating that based on such opinion Wachovia is entitled to redeem the Legacy Wachovia redeemable senior notes pursuant to their terms.

##### ***Payment of Additional Amounts***

Wachovia or any successor corporation will, subject to the exceptions and limitations set forth below, pay as additional interest on the Legacy Wachovia redeemable senior notes debt securities such additional amounts as are necessary in order that the net payment by Wachovia or any successor corporation or a paying agent of the principal of and interest on the Legacy Wachovia redeemable senior notes to a holder who is not (a) a citizen or resident of the United States, (b) a corporation or partnership created or organized in or under the laws of the United States or any political subdivision thereof, (c) an estate the income of which is subject to United States federal income taxation regardless of its source, or (d) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust or if the trust elects under United States Treasury Regulations to be treated as a U.S. person, after deduction for any present or future tax, assessment or governmental charge of the United States or a political subdivision or taxing authority thereof or therein or any jurisdiction from or through which payment on the Legacy Wachovia redeemable



senior notes is made by Wachovia or any successor corporation or its paying agent in its capacity as such or any political subdivision or governmental authority thereof or therein having the power to tax, or any other jurisdiction in which Wachovia or any successor corporation is organized, or any political subdivision or governmental authority thereof or therein having the power to tax, will not be less than the amount provided in the Legacy Wachovia redeemable senior notes then due and payable; provided, however, that the foregoing obligation to pay additional amounts will not apply:

(1) to a tax, assessment or governmental charge that is imposed or withheld solely by reason of the holder, or a fiduciary, settlor, beneficiary, member or shareholder of the holder if the holder is an estate, trust, partnership or corporation, or a person holding a power over an estate or trust administered by a fiduciary holder, being considered as:

being or having been present or engaged in trade or business in the United States or having had a permanent establishment in the United States;

having a current or former relationship with the United States as a citizen or resident thereof;

being or having been a foreign or domestic personal holding company, a passive foreign investment company or a controlled foreign corporation with respect to the United States or a corporation that has accumulated earnings to avoid United States federal income tax; or

being or having been a 10-percent shareholder of Wachovia as defined in Section 871(h)(3) of the Code, or any successor provision;

(2) to any holder that is not the sole beneficial owner of the Legacy Wachovia redeemable senior notes, or a portion thereof, or that is a fiduciary or partnership, but only to the extent that a beneficiary or settlor with respect to the fiduciary or a beneficial owner or member of the partnership would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment;

(3) to a tax, assessment or governmental charge that is imposed or withheld solely by reason of the failure of the holder or any other person to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of such Legacy Wachovia redeemable Senior Notes, if compliance is required by statute, by regulation of the United States Treasury Department or by an applicable income tax treaty to which the United States is a party as a precondition to the exemption from, or reduction of, such tax, assessment or other governmental charge;

(4) to a tax, assessment or governmental charge that is imposed otherwise than by withholding by Wachovia or a paying agent from the payment;

(5) to a tax, assessment or governmental charge that is imposed or withheld solely by reason of change in law, regulation, or administrative or judicial interpretation that becomes effective more than 30 days after the payment becomes due or is duly provided for, whichever occurs later;

(6) to an estate, inheritance, gift, excise, transfer, wealth or personal property tax or a similar, tax or a similar tax, assessment or governmental charge;

(7) to any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal of or interest on any Wachovia Legacy redeemable senior note, if such payment can be made without such withholding by any other paying agent; or

(8) in the case of any combination of items (1), (2), (3), (4), (5), (6) or (7) above.

Notwithstanding the above, Wachovia or any successor corporation will pay any present or future stamp, court or documentary taxes or any excise taxes or property taxes, charges or similar levies which arise from the execution, delivery or registration of the Legacy Wachovia redeemable senior notes or any other document or instrument relating thereto, excluding any such taxes, charges or similar levies imposed by any

jurisdiction other than any jurisdiction from or through which payment on the Legacy Wachovia redeemable senior notes is made by Wachovia or any successor corporation or its paying agent in its capacity as such, or any political subdivision or governmental authority thereof or therein having the power to tax or any other jurisdiction in which Wachovia or any successor corporation is organized, or any political subdivision or governmental authority thereof or therein having the power to tax.

The Legacy Wachovia redeemable senior notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable thereto. Except as specifically provided under this heading **Payment of Additional Amounts**, Wachovia will not be required to make any payment with respect to any tax, assessment or governmental charge imposed by any government or a political subdivision or taxing authority thereof or therein.

### ***Legacy Wachovia Senior Indenture***

The Legacy Wachovia senior notes were issued under a senior indenture dated as of August 15, 1996 (the **Wachovia senior indenture**) between Legacy Wachovia and The Chase Manhattan Bank, as senior trustee. Wachovia, Legacy Wachovia and The Chase Manhattan Bank entered into a First Supplemental Indenture, dated as of August 31, 2001, evidencing the succession of Wachovia to Legacy Wachovia and the assumption by Wachovia of all obligations and covenants under the Legacy Wachovia senior indenture and the Legacy Wachovia senior notes.

The following is a description of the terms of the Legacy Wachovia senior indenture.

***Satisfaction and Discharge.*** Upon the direction of Wachovia, the Legacy Wachovia senior indenture will no longer be of any effect, except as to certain surviving rights, such as (1) registration of transfer, substitution and exchange of the securities issued under the Legacy Wachovia senior indenture (2) rights of holders of securities issued under the Legacy Wachovia senior indenture to receive payments of principal of, premium, if any, and interest on the such securities, and other rights, duties and obligations of the holders as beneficiaries with respect to the amounts, if any, deposited with the trustee, and (3) the rights, obligations and immunities of the trustee when:

either (a) all debt securities issued under the Legacy Wachovia senior indenture are delivered to the trustee for cancellation, or money is deposited in trust or segregated and held in trust by Wachovia, as provided in the Legacy Wachovia senior indenture, or (b) all debt securities issued under the Legacy Wachovia senior indenture that have not been delivered to the trustee for cancellation become due and payable, will become due and payable at their maturity within one year, or if redeemable at the option of Wachovia, will be called for redemption within one year, and in each case under (b), Wachovia has deposited with the trustee as trust funds in trust for such purpose, money or obligations of, or obligations guaranteed by, the United States of America, in an amount sufficient to pay and discharge the entire indebtedness on the debt securities;

Wachovia pays all other sums payable by it under the Legacy Wachovia senior indenture; and

Wachovia delivers to the trustee an officers' certificate and opinion of counsel, each stating that all conditions relating to satisfaction and discharge have been complied with.

The trustee will execute proper instruments acknowledging satisfaction and discharge of the Legacy Wachovia senior indenture. (Section 401).

***Restrictive Covenants.*** The Legacy Wachovia senior indenture contains a covenant that Wachovia will not, directly or indirectly,

sell or permit to be issued any shares of capital stock of a Principal Subsidiary Bank (other than directors' qualifying shares) or any shares of capital stock of a Principal Subsidiary or any securities convertible into or rights to subscribe to such capital stock, unless, after giving effect to



that transaction and the shares issuable upon conversion or exercise of rights into that capital stock, Wachovia will own, directly or indirectly, at least 80% of the outstanding shares of capital stock of each class of that Principal Subsidiary or Principal Subsidiary Bank, or

pay any dividend or make any other distribution in capital stock of a Principal Subsidiary Bank or of any Principal Subsidiary, unless the Principal Subsidiary Bank or Principal Subsidiary to which the transaction relates, after obtaining any necessary regulatory approvals, unconditionally guarantees payment of the principal of and any premium and interest on the securities issued under the Legacy Wachovia senior indenture. (Section 1005).

The term *Principal Subsidiary* or *Principal Subsidiary Bank* means any subsidiary or subsidiary bank, the consolidated assets of which constitute 10% or more of the assets of Wachovia and, in the case of a Principal Subsidiary, owns shares of a Principal Subsidiary Bank. (Section 101). At the date of this prospectus, Wachovia Bank, N.A. and SouthTrust Bank are subsidiary banks which are Principal Subsidiary Banks. There is no restriction in the Wachovia senior indenture on the ability of a Principal Subsidiary Bank to sell assets.

The Legacy Wachovia senior indenture also prohibits Wachovia from creating, assuming, incurring or suffering to exist any mortgage, pledge, encumbrance or lien or charge of any kind on the capital stock of a Principal Subsidiary Bank (other than directors' qualifying shares) or the capital stock of a Principal Subsidiary, except that the senior indenture permits:

liens for taxes that are not due, are payable without penalty or are being contested in good faith by appropriate proceedings, and

liens resulting from any judgment that has not remained undischarged or unstayed for more than 60 days. (Section 1006).

**Events of Default.** The Legacy Wachovia senior indenture defines an *Event of Default* with respect to any series of Legacy Wachovia senior notes as any one of the following events (whatever the reason and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental entity):

failure, for 30 days, to pay any interest on any security of that series when due and payable;

failure to pay principal of or any premium on any security of that series when due;

failure to deposit any sinking fund payment, when due, in respect of any security of that series;

failure, for 60 days after written notice, to perform any other covenants or warranties of Wachovia (other than a covenant included in the Legacy Wachovia senior indenture solely for the benefit of a series of securities under it other than that series);

the entry of a decree or order for relief in respect of Wachovia by a court having jurisdiction in the premises in an involuntary case under Federal or state bankruptcy laws and the continuance of that decree or order unstayed and in effect for 60 consecutive days;

the commencement by Wachovia of a voluntary case under Federal or state bankruptcy laws or the consent by Wachovia to the entry of a decree or order for relief in an involuntary case under such laws;

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failure to pay when due or acceleration of securities or any other indebtedness for borrowed money, in an aggregate principal amount more than \$50,000,000, of Wachovia, a Principal Subsidiary or a Principal Subsidiary Bank under the terms of the instrument or instruments under which the indebtedness is issued or secured, unless the acceleration is annulled, or the indebtedness is discharged, or there is deposited in trust enough money to discharge the indebtedness, within 10 days after written notice; and

any other Event of Default provided with respect to securities of that series. (Section 501).

**Acceleration.** If an Event of Default with respect to the Legacy Wachovia senior notes of any series issued under the Legacy Wachovia senior indenture at the time outstanding occurs and continues, either the trustee or the holders of at least 25% in aggregate principal amount of outstanding notes of that series may declare the principal amount of all securities of that series due and payable immediately. At any time after a declaration of acceleration with respect to Legacy Wachovia senior notes of any series issued under the Legacy Wachovia senior indenture has been made, but before a judgment or decree based on acceleration has been obtained, the holders of a majority in aggregate principal amount of the outstanding notes of that series may, under certain circumstances, rescind and annul that acceleration. (Section 502).

**General.** If there is a default in the payment of principal, premium, if any, or interest, if any, or the performance of any covenant or agreement in the Legacy Wachovia senior notes or the Legacy Wachovia senior indenture, the trustee, subject to certain limitations and conditions, may institute judicial proceedings to enforce payment of that principal, premium, if any, or interest, if any, or to obtain the performance of that covenant or agreement or any other proper remedy. (Section 503). Under certain circumstances, the trustee may withhold notice of a default to the holders of the Legacy Wachovia senior notes if the trustee in good faith determines that the withholding of that notice is in the best interest of the holders of notes, and the trustee will withhold the notice for certain defaults for a period of 30 days. (Section 602).

The Legacy Wachovia senior indenture provides that, subject to the duty of the trustee during default to act with the required standard of care, the trustee does not have to exercise any of its rights or powers under the Legacy Wachovia senior indenture at the request or direction of any of the holders, unless those holders have offered to the trustee reasonable security or indemnity. (Section 603). Subject to the above sentence and to certain other conditions, the holders of a majority in aggregate principal amount of the outstanding Legacy Wachovia senior notes of any series issued under the Legacy Wachovia senior indenture will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee, with respect to the notes of that series. (Section 512).

We are required to furnish to the trustee annually a statement as to the performance by us of certain of our obligations under the senior indenture and as to any default in such performance. (Section 1007).

**Modification and Waiver.** Wachovia and the trustee may modify and amend the senior indenture with the consent of the holders of at least 66<sup>2</sup>/<sub>3</sub>% in aggregate principal amount of the outstanding securities of each series issued under the senior indenture and affected by the modification or amendment, but no such modification or amendment may, without the consent of the holders of each outstanding security of the series affected by the modification or amendment,

change the maturity date of the principal of, or any installment of principal of or interest on, any security of that series;

reduce the principal amount of or premium, if any, or interest on, any security of any series;

impair the right to institute suit for the enforcement of any payment on any security of such series on or after its maturity date (or, in the case of redemption, on or after the redemption date);

reduce the percentage in principal amount of outstanding securities of any series, the consent of whose holders is required for modification or amendment of the senior indenture or for waiver of compliance with certain provisions of the senior indenture or for waiver of certain defaults. (Section 902).

The holders of at least a 66<sup>2</sup>/<sub>3</sub>% in aggregate principal amount of the outstanding securities of any series may, on behalf of all holders of that series, waive compliance by Wachovia with certain restrictive provisions of the senior indenture. (Section 1008). The holders of a majority in aggregate principal amount of the outstanding securities of any series may, on behalf of all holders of that series, waive any past default under the senior indenture, except a default in the payment of principal, premium, if any, or interest and regarding certain covenants. (Section 513).



**Consolidation, Merger and Sale of Assets.** Under the senior indenture, Wachovia may not consolidate with or merge into any other corporation or sell, convey, exchange, transfer or lease its properties and assets substantially as an entirety to any person, unless

any successor or purchaser is a corporation organized under the laws of any domestic jurisdiction;

any such successor or purchaser expressly assumes Wachovia's obligations on the securities and under the senior indenture;

immediately after the transaction, no Event of Default, and no event that, after notice or lapse of time or both, would become an Event of Default, occurs and continues; and

certain other conditions are met. (Section 801).

**Control by Holders.** The holders of a majority in principal amount of the outstanding securities of any series issued under the senior indenture have the right to direct the time, method and place of conducting any proceeding or power conferred on the trustee with respect to the securities of that series, as long as any direction is not in conflict with any rule of law or the senior indenture. The trustee may take any other action it deems proper which is not inconsistent with the direction. (Section 512).

No holder of any Legacy Wachovia senior notes of any series issued under the Legacy Wachovia senior indenture may institute any proceeding with respect to that indenture, or for the appointment of a receiver or trustee or for any remedy relating to that appointment, unless

those holders have given to the trustee written notice of a continuing Event of Default;

the Holders of at least 25% in aggregate principal amount of the outstanding securities of that series have made written request, and offered reasonable indemnity, to the trustee to institute such a proceeding as trustee;

the trustee has not received from the holders of a majority in aggregate principal amount of the outstanding securities of that series a direction inconsistent with the written request; and

the trustee has failed to institute the proceeding within 60 days. (Section 507).

The above limitations do not apply to a suit instituted by a holder of a Legacy Wachovia senior note for enforcement of payment of the principal of and premium, if any, or interest on the Legacy Wachovia senior note on or after the respective due dates described in the note. (Section 508).

**Reports by Wachovia.** Within 120 days after the end of each fiscal year, Wachovia must deliver to the trustees a certificate as to Wachovia's compliance with all conditions and covenants under the Legacy Wachovia senior indenture. Within ten business days of Wachovia's becoming aware of any default or event of default, Wachovia must deliver to the trustees written notice of the occurrence of the default or event of default, unless it has been cured within the ten-day period. (Section 1005).

**The Trustee.** The Chase Manhattan Bank serves as the senior trustee under the Legacy Wachovia senior indenture. The Chase Manhattan Bank maintains a deposit account and conducts other banking transactions with Wachovia and its subsidiaries in the ordinary course of business.

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The Legacy Wachovia senior indenture provides for indemnification of Chase Manhattan Bank by Wachovia under certain circumstances.

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**DESCRIPTION OF ASSUMED SUBORDINATED DEBT SECURITIES**

The following descriptions of the terms of the particular series of subordinated debt securities are only summaries. These descriptions are not complete and are qualified in their entirety by reference to the applicable indentures and the applicable series of subordinated debt securities. Unless provided otherwise in this prospectus, the assumed subordinated debt securities are not redeemable prior to maturity.

<b>Securities</b>	<b>Issue Date</b>	<b>Interest Payment Dates</b>	<b>Regular Record Dates</b>
6 <sup>5</sup> / <sub>8</sub> % Subordinated Notes of CoreStates Capital Corp. due March 15, 2005	March 18, 1993	March 15 and September 15	March 1 and September 1
6.75% Subordinated Medium-Term Notes of CoreStates Capital Corp. due November 15, 2006	November 14, 1996	May 15 and November 15	May 1 and November 1
6.80% Subordinated Notes of Legacy Wachovia due June 1, 2005	June 8, 1995	June 1 and December 1	May 15 and November 15
6 <sup>1</sup> / <sub>4</sub> % Subordinated Notes of Legacy Wachovia due August 4, 2008	August 4, 1998	August 4 and February 4	Preceding Business Day
5 <sup>5</sup> / <sub>8</sub> % Subordinated Notes of Legacy Wachovia due December 15, 2008	December 21, 1998	June 15 and December 15	Preceding Business Day
6 <sup>3</sup> / <sub>8</sub> % Subordinated Notes of Legacy Wachovia due February 1, 2009	January 19, 1994	February 1 and August 1	January 15 and July 15
6.150% Subordinated Notes of Legacy Wachovia due March 15, 2009	March 15, 1999	September 15 and March 15	Preceding Business Day
6.605% Subordinated Notes of Legacy Wachovia due October 1, 2025	October 5, 1995	May 1 and October 1	April 15 and September 15
5.80% Subordinated Notes of SouthTrust due June 15, 2014	May 24, 2004	June 15 and December 15	June 1 and December 1

**CoreStates Subordinated Notes**

Wachovia acquired CoreStates Financial Corp. on April 28, 1998 through a merger of CoreStates into Wachovia. On May 15, 1998, CoreStates Capital Corp., a wholly-owned subsidiary, merged into Wachovia.

The CoreStates subordinated notes were issued under a Subordinated Indenture, dated December 1, 1990, between CoreStates, CoreStates Capital, and Bank One, Columbus, N.A., as Subordinated Notes Trustee. The CoreStates 6.75% Subordinated Medium-Term Notes were issued under the CoreStates subordinated indenture, as supplemented on March 1, 1993, and again on August 1, 1994, among CoreStates, CoreStates Capital, the CoreStates Subordinated Notes Trustee and Citibank, N.A., as Subordinated MTN Trustee. CoreStates Capital, CoreStates Financial Corporation, First Union Corporation, Bank One, N.A., as the original trustee, and Citibank, N.A., as the new trustee, entered into a Third Supplemental Indenture, dated as of

April 28, 1998, evidencing the succession of First Union Corporation to CoreStates and the assumption by First Union Corporation of all obligations and covenants under the CoreStates subordinated indenture.

The remainder of the CoreStates subordinated debt securities have been issued in registered form only, without coupons. These CoreStates registered debt securities are issued in denominations of \$1,000 or any integral multiples. No service charge will be made for any transfer or exchange of the CoreStates registered debt securities but Wachovia may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange. The principal of, and any premium and interest on, the CoreStates registered debt securities will be payable, and transfer of the CoreStates registered debt securities will be registrable, at an office to be maintained by Wachovia in the City of Philadelphia and in The City of New York. However, payments of interest may be made at the option of Wachovia by check mailed to the address appearing in the security register of the person in whose name the CoreStates registered debt security is registered at the close of business on the record date for payment. (Sections 305 and 307).

#### ***CoreStates 6<sup>5</sup>/<sub>8</sub>% Subordinated Notes***

The CoreStates 6<sup>5</sup>/<sub>8</sub>% Subordinated Notes due March 15, 2005 were issued on March 18, 1993 and will mature on March 15, 2005. The CoreStates 6<sup>5</sup>/<sub>8</sub>% Subordinated Notes bear interest at the rate of 6<sup>5</sup>/<sub>8</sub>% per year, payable semiannually on March 15 and September 15 of each year to the registered holders at the close of business on the preceding March 1 or September 1. The CoreStates 6<sup>5</sup>/<sub>8</sub>% Subordinated Notes are limited to \$175 million aggregate principal amount.

#### ***CoreStates 6.75% Subordinated Medium-Term Notes***

The CoreStates 6.75% Subordinated Medium-Term Notes due November 15, 2006, were issued under the CoreStates subordinated indenture under a medium-term note program established by CoreStates and CoreStates Capital.

The CoreStates 6.75% Subordinated Medium-Term Notes were issued on November 14, 1996 and will mature November 15, 2006. The CoreStates 6.75% Subordinated Medium-Term Notes bear interest at the rate of 6.75% per year, payable semiannually on May 15 and November 15 each year to the registered holders at the close of business on the preceding May 1 or November 1. The CoreStates 6.75% Subordinated Medium-Term Notes are limited to \$200 million aggregate principal amount.

#### ***CoreStates Subordinated Indenture***

The following is a description of the terms of the CoreStates subordinated indenture.

***Satisfaction and Discharge.*** Upon the direction of Wachovia, the CoreStates subordinated indenture will no longer be of any effect, except as to the surviving rights described below, when:



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either (a) all debt securities issued under that indenture are delivered to the trustee for cancellation, or money is deposited in trust or segregated and held in trust by Wachovia, as provided in the applicable indenture, or (b) all debt securities issued under that indenture that have not been delivered to the trustee for cancellation become due and payable, will become due and payable at their maturity within one year, or if redeemable at the option of Wachovia, will be called for redemption within one year, and in each case under (b), Wachovia has deposits with the trustee as trust funds in trust for such purpose, money or obligations of, or obligations guaranteed by, the United States of America, in an amount sufficient to pay and discharge the entire indebtedness on the debt securities;

Wachovia pays all other sums payable by it under the CoreStates subordinated indenture; and

Wachovia delivers to the trustee an officers certificate and an opinion of counsel, each stating that all conditions relating to satisfaction and discharge have been complied with.

The trustee will execute proper instruments acknowledging satisfaction and discharge of the CoreStates subordinated indenture. (Section 501).

Wachovia will be deemed to have paid and discharged the entire indebtedness on all CoreStates subordinated debt securities of any series issued under the CoreStates subordinated indenture when:

Wachovia deposits with the trustee, as trust funds in trust for that purpose, money or obligations of, or obligations guaranteed by, the United States of America in an amount sufficient to pay and discharge the entire indebtedness on all CoreStates subordinated debt securities of that series;

Wachovia pays all other sums payable with respect to all CoreStates subordinated debt securities of that series;

Wachovia delivers to the trustee a certificate signed by a nationally recognized firm of independent public accountants certifying as to the sufficiency of the amounts deposited and an officers certificate and an opinion of counsel, each stating that all conditions relating to satisfaction and discharge have been complied with; and

Wachovia delivers to the trustee (a) an opinion of independent counsel that the holders of the CoreStates subordinated debt securities of that series will have no federal income tax consequences as a result of the deposit and termination, and (b) if the CoreStates subordinated debt securities of that series are listed on the New York Stock Exchange, an opinion of counsel that the CoreStates subordinated debt securities of that series will not be delisted as a result of the exercise of this option.

The trustee will execute proper instruments acknowledging satisfaction and discharge of the indebtedness. (Section 503).

When these conditions are satisfied, the terms and conditions of the applicable series of CoreStates subordinated debt securities will no longer be binding upon, or applicable to, Wachovia, except for some provisions, such as registration of transfer and exchange, the right of holders of the CoreStates subordinated debt securities to receive payments from the trust fund described above, and the rights, powers, duties and immunities of the trustee. (Section 503).

**Subordination.** During the continuance beyond any applicable grace period of any default with respect to Senior Indebtedness (as defined below), no payment of principal of and interest on the CoreStates subordinated debt securities may be made until payment in full of all principal of, and premium and interest on, all Senior Indebtedness. In addition, upon any distribution of assets of Wachovia upon dissolution, winding up, liquidation or reorganization, the payment of the principal of and interest on the CoreStates subordinated debt securities is to be subordinated in right of payment to the prior payment in full of principal, premium and interest on all Senior Indebtedness. (Article Sixteen).

For purposes of the preceding paragraph, the term Senior Indebtedness means with respect to the CoreStates ~~5/8%~~ Subordinated Notes and the CoreStates 6.75% Subordinated Medium-Term Notes, indebtedness of Wachovia for money borrowed, including indebtedness secured by certain mortgages or other liens, evidenced by notes or other written obligations, indebtedness of Wachovia evidenced by notes, debentures, bonds or other securities sold by Wachovia for money, indebtedness of others of a similar type assumed or guaranteed by Wachovia through an

agreement to purchase, contingent or otherwise, and

renewals, extensions or refundings of any of those, unless the instrument creating or evidencing the indebtedness or the assumption or guarantee of the indebtedness expressly provides that indebtedness is not superior in right of payment to the CoreStates subordinated debt securities. (Section 1601).

As of September 30, 2004, Wachovia had \$375 million aggregate principal amount of indebtedness outstanding that qualified as Senior Indebtedness under the CoreStates subordinated indenture. Wachovia expects from time to time to issue additional indebtedness and to incur other obligations that may constitute Senior Indebtedness under the CoreStates subordinated indenture.

**Events of Default.** An Event of Default is defined under the CoreStates subordinated indenture with respect to CoreStates subordinated debt securities of any series as events of bankruptcy, insolvency or reorganization of Wachovia or any Major Constituent Bank. (Section 601).

The CoreStates subordinated indenture does not provide for any right of acceleration of the payment of the principal of a series of CoreStates subordinated debt securities upon a default in the payment of principal or interest or a default in the performance of any covenant or agreement. In the event of a default in the payment of interest or principal, the holder of a CoreStates subordinated debt security, or the trustee on behalf of the holders of all of the series affected, may, subject to some limitations and conditions, seek to enforce payment of the interest or principal. (Sections 602 and 603).

**Modification and Waiver.** Modifications and amendments to the CoreStates subordinated indenture may be made by Wachovia and the trustee with the consent of the holders of at least 66<sup>2</sup>/<sub>3</sub> percent in principal amount of the CoreStates subordinated debt securities of each series affected. However, no modification or amendment may, without the consent of the holder of each CoreStates subordinated debt security affected:

change the stated maturity date of the principal of, or any installment of principal of or interest on, any CoreStates subordinated debt security;

reduce the principal amount of, or any premium or interest on, or any additional amounts in respect of, any CoreStates subordinated debt security;

change the place or currency of payment of principal of, or any premium or interest on, any CoreStates subordinated debt security;

impair the right to institute suit for the enforcement of any payment on or with respect to any CoreStates subordinated debt security;

reduce the percentage of CoreStates subordinated debt securities, the consent of the holders of which is required to modify or amend the CoreStates subordinated indenture;

reduce the percentage of CoreStates subordinated debt securities, the consent of the holders of which is required for waiver of compliance or of defaults;

modify or amend the CoreStates subordinated indenture to alter in any respect the provisions regarding the subordination of the CoreStates subordinated debt securities; or

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with a few exceptions, modify any provision of the indenture relating to modification and amendment of the indenture or waiver of compliance and defaults thereunder. (Section 1002).

The holders of a majority in principal amount of the CoreStates subordinated debt securities of any series may, on behalf of all holders of that series, waive compliance by Wachovia with some of the restrictive provisions of the CoreStates subordinated indenture. (Section 1110). The holders of a majority in principal amount of the CoreStates subordinated debt securities of any series may, on behalf of all the holders of that series, waive any past default under the CoreStates subordinated indenture, except a default in the payment of

the principal of, or any premium or interest on, any CoreStates subordinated debt security of that series or in respect of a provision which cannot be modified or amended without the consent of the holder of each CoreStates subordinated debt security of that series affected. (Section 613).

Modification and amendment of the CoreStates subordinated indenture may be made by Wachovia and the trustee without the consent of any holder of CoreStates subordinated debt securities for any of the following purposes:

- to provide for the succession of another corporation to Wachovia;
- to add to the covenants of Wachovia for the benefit of the holders of all or any series of CoreStates subordinated debt securities;
- to add events of default;
- to add or change any provisions of the indenture to facilitate the issuance of bearer securities;
- to add to, delete from or revise the conditions, limitations and restrictions on the authorized amount, terms or purposes of issue, authentication and delivery of CoreStates subordinated debt securities issued under that indenture;
- to establish the form or terms of CoreStates subordinated debt securities of any series and any related coupons;
- to provide for the acceptance of appointment by a successor trustee for the CoreStates subordinated indenture;
- to cure any ambiguity, defect or inconsistency in the CoreStates subordinated indenture, as long as the action does not adversely affect the interests of holders of CoreStates subordinated debt securities of any series or any related coupons in any material respect;
- to modify, eliminate or add to the provisions of the CoreStates subordinated indenture to the extent necessary to qualify under the Trust Indenture Act of 1939, as amended; or
- to effect the assumption by Wachovia of the obligations under the CoreStates subordinated indenture. (Section 1001).

Consents of holders for modifications and amendments to the CoreStates subordinated indenture must be solicited by Wachovia, and waivers by holders of compliance with provisions under the indenture must be obtained in accordance with the terms of the indenture. (Section 104). Any modifications, amendments or waivers will be binding upon all future holders of the applicable CoreStates subordinated debt securities. If consents are properly obtained and all requirements for any changes, amendments or waivers are otherwise satisfied, there are no provisions in the CoreStates subordinated indenture which allow remedies to holders who do not consent to changes or amendments to, or waivers of past defaults.

**Control by Holders.** Subject to its duty during a default to act with the required standard of care, the trustee will be under no obligation to exercise any of its rights or powers under the CoreStates subordinated indenture at the request or direction of any of the holders of any series of CoreStates subordinated debt securities unless such holders offer the trustee reasonable indemnity. (Section 701). Subject to these indemnification provisions, the holders of a majority in principal amount of the CoreStates subordinated debt securities of any series have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee, with respect to the CoreStates subordinated debt securities of that series, as long as any direction is not in conflict with

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any rule of law or with the indenture, and the direction is not prejudicial to the rights of other holders of that series. The trustee may take any other action deemed proper by it which is not inconsistent with such directions. (Section 612).

No holder of any CoreStates subordinated debt securities of any series has the right to institute any proceeding with respect to the CoreStates subordinated indenture for any remedy unless:

the holder gives to the trustee written notice of a continuing event of default;

the holders of not less than 25 percent in principal amount of any series of the CoreStates subordinated debt securities make a written request, and offer reasonable indemnity, to the trustee to institute a proceeding as trustee;

the trustee does not receive from the holders of a majority in principal amount of the CoreStates subordinated debt securities of that series a direction inconsistent with the request; and

the trustee fails to institute any proceeding within 60 days after its receipt of the notice, request and offer of indemnity. (Section 507).

However, the holder of a CoreStates subordinated debt security has an absolute and unconditional right to receive payment of the principal of, and any premium and interest on, any CoreStates subordinated debt security on or after the due dates expressed in such CoreStates subordinated debt security and to institute suit for the enforcement of any such payment. (Section 508).

**Reports by Wachovia.** Wachovia is required to furnish annually to the trustee a statement as to performance or fulfillment of its obligations under the CoreStates subordinated indenture and as to any default in such performance or fulfillment. (Sections 1105 and 1106).

**Consolidation, Merger and Sale of Assets.** Wachovia may consolidate with, merge into, or transfer substantially all of its properties to, any other corporation as long as the successor corporation assumes all obligations of Wachovia under the CoreStates subordinated debt securities and a few other conditions are met. (Sections 901, 902, 903 and 904).

**The Trustees.** Bank One, Columbus, N.A. serves as subordinated notes trustee under the CoreStates subordinated indenture dated September 1, 1990. Bank One, Columbus, N.A. maintains a deposit account and conducts other banking transactions with Wachovia and its subsidiaries in the ordinary course of business. The September 1, 1990 subordinated indenture provides for indemnification of Bank One, Columbus, N.A. by Wachovia under certain circumstances. Citibank, N.A. serves as subordinated MTN trustee under the CoreStates subordinated indenture, as supplemented on August 1, 1994. Citibank, N.A., maintains a deposit account and conducts other banking transactions with Wachovia and its subsidiaries in the ordinary course of business. The CoreStates subordinated indenture, as supplemented on August 1, 1994, provides for indemnification of Citibank, N.A. under certain circumstances.

#### **Legacy Wachovia Subordinated Notes**

##### ***Legacy Wachovia 6.80% Subordinated Notes***

The Legacy Wachovia 6.80% Subordinated Notes were issued on June 8, 1995 and will mature on June 1, 2005. The Legacy Wachovia 6.80% Subordinated Notes are limited to \$250 million aggregate principal amount.



The Legacy Wachovia 6.80% Subordinated Notes bear interest at the rate of 6.80% per year, payable semiannually on June 1 and December 1 of each year to the registered holders at the close of business on the preceding May 15 or November 15.

*Legacy Wachovia 6 1/4% Subordinated Notes*

The Legacy Wachovia 6 1/4% Subordinated Notes were issued on August 4, 1998 and will mature on August 4, 2008. The Legacy Wachovia 6 1/4% Subordinated Notes are limited to \$350 million aggregate principal amount.

The Legacy Wachovia 6<sup>1/4</sup>% Subordinated Notes bear interest at the rate of 6.25% per year payable semiannually on August 4 and February 4 of each year to the registered holders at the close of business on the preceding business day.

***Legacy Wachovia 5<sup>5/8</sup>% Subordinated Notes***

The Legacy Wachovia 5<sup>5/8</sup>% Subordinated Notes were issued on December 21, 1998 and will mature on December 15, 2008. The Legacy Wachovia 5<sup>5/8</sup>% Subordinated Notes are limited to \$400 million aggregate principal amount.

The Legacy Wachovia 5<sup>5/8</sup>% Subordinated Notes bear interest at the rate of 5<sup>3/8</sup>% per year, payable semiannually on June 15 and December 15 of each year to the registered holders at the close of business on the preceding business day.

***Legacy Wachovia 6<sup>3/8</sup>% Subordinated Notes due 2009***

The Legacy Wachovia 6<sup>3/8</sup>% Subordinated Notes were issued on January 19, 1994 and will mature on February 1, 2009. The Legacy Wachovia 6<sup>3/8</sup>% Subordinated Notes due 2009 are limited to \$250 million aggregate principal amount.

The Legacy Wachovia 6<sup>3/8</sup>% Subordinated Notes due 2009 bear interest at the rate of 6<sup>3/8</sup>% per year, payable semiannually on February 1 and August 1 of each year to the registered holders at the close of business on the preceding January 15 or July 15.

***Legacy Wachovia 6.150% Subordinated Notes***

The Legacy Wachovia 6.150% Subordinated Notes were issued on March 15, 1999 and will mature on March 15, 2009. The Legacy Wachovia 6.150% Subordinated Notes are limited to \$400 million aggregate principal amount.

The Legacy Wachovia 6.150% Subordinated Notes bear interest at the rate of 6.150% per year, payable semiannually on September 15 and March 15 of each year to the registered holders at the close of business on the preceding business day.

***Legacy Wachovia 6.605% Subordinated Notes***

The Legacy Wachovia 6.605% Subordinated Notes were issued on October 5, 1995 and will mature on October 1, 2025. The Legacy Wachovia 6.605% Subordinated Notes are limited to \$250 million aggregate principal amount.

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The Legacy Wachovia 6.605% Subordinated Notes bear interest at the rate of 6.605% per year, payable semiannually on May 1 and October 1 of each year to the registered holders at the close of business on the preceding April 15 or September 15.

***Redemption at Option of Holder.*** The 6.605% Subordinated Notes may be redeemed in whole or in part (in integral multiples of \$1,000) at the option of the registered holders thereof on October 1, 2005 (or, if October 1, 2005 is not a business day, the next succeeding business day) at 100% of the principal amount to be redeemed, together with accrued interest to October 1, 2005. Under certain circumstances as specified in the relevant indenture, the 6.605% Subordinated Notes may be issued in definitive registered form. See *Book-Entry System*. If a registered holder of a 6.605% subordinated note in definitive registered form elects to exercise the redemption option with respect to such subordinated note or a portion thereof, such subordinated note must be received, together with the form entitled *Option to Elect Redemption* on the reverse side of the 6.605% subordinated note duly completed, by the trustee in Philadelphia, Pennsylvania, no earlier than August 1, 2005, and no later than 5:00 p.m., New York City time, on September 1, 2005 (or, if September 1, 2005 is not a business day, the next succeeding business day).

The exercise of the redemption option by the registered holder of a 6.605% subordinated note will be irrevocable following receipt by the trustee of the Option to Elect Redemption form. Interest shall cease to accrue on October 1, 2005, on any 6.605% subordinated note or portion thereof as to which the redemption option has been exercised.

If a 6.605% subordinated note is represented by a book-entry security, the depositary's nominee will be the holder thereof entitled to exercise a right of redemption. In order to ensure that the depositary's nominee will exercise in a timely manner a right to repayment with respect to a particular subordinated note, the beneficial owner of an interest in such subordinated note must instruct the broker or the direct or indirect participant through which it holds an interest in such subordinated note to notify the depositary of its desire to exercise a right to repayment. Different firms have different cut-off times for accepting instructions from their customers and, accordingly, each such beneficial owner should consult the broker or the direct or indirect participant through which it holds an interest in a book-entry security in order to ascertain the cut-off time by which such instruction must be given in order for timely notice to be delivered to the depositary.

All questions as to the validity, form, eligibility (including time of receipt) and acceptance of any 6.605% subordinated note for redemption will be determined by Wachovia, whose determination will be final and binding. The deposit of the redemption price shall be made by Wachovia and received by the trustee no later than 10:00 a.m., New York City time, on October 1, 2005 (or, if October 1, 2005 is not a business day, the next succeeding business day). The redemption price shall be paid to those registered holders of 6.605% Subordinated Notes who have properly exercised the right of optional redemption by check to the address as set forth on the security register. In the case of 6.605% Subordinated Notes represented by a book-entry security, the redemption price shall be paid to the depositary or successor or the depositary's nominee or successor nominee for distribution pursuant to the applicable book-entry procedures.

#### *Legacy Wachovia Subordinated Indentures*

The Legacy Wachovia 6<sup>1</sup>/<sub>4</sub>% Subordinated Notes, Legacy Wachovia 5<sup>5</sup>/<sub>8</sub>% Subordinated Notes and Legacy Wachovia 6.150% Subordinated Notes were issued under an indenture, dated as of July 15, 1998, between Legacy Wachovia and Chase Manhattan Bank, as trustee (the July 15, 1998 indenture). Wachovia, Legacy Wachovia and The Chase Manhattan Bank entered into a First Supplemental Indenture, dated as of August 31, 2001, evidencing the succession of Wachovia to Legacy Wachovia and the assumption by Wachovia of all obligations and covenants under the July 15, 1998 indenture.

The Legacy Wachovia 6.80% Subordinated Notes due 2005, Legacy Wachovia 6<sup>3</sup>/<sub>8</sub>% Subordinated Notes due 2009 and Legacy Wachovia 6.605% Subordinated Notes due 2025 were issued under an Indenture dated as of March 1, 1993, between Legacy Wachovia and CoreStates Bank, National Association, as trustee (the March 1, 1993 indenture). Wachovia, Legacy Wachovia and The Chase Manhattan Bank, as successor to Mellon Bank, N.A., as successor to CoreStates Bank N.A., as trustee, entered into a First Supplemental Indenture, dated as of August 31, 2001, evidencing the succession of Wachovia to Legacy Wachovia and the assumption by Wachovia of all obligations and covenants under the March 1, 1993 indenture.

We refer to each of the July 15, 1998 indenture and the March 1, 1993 indenture as a Legacy Wachovia subordinated indenture. The following is a description of the terms of each of the Legacy Wachovia subordinated indentures:

**Satisfaction and Discharge.** Upon the direction of Wachovia, a Legacy Wachovia subordinated indenture will no longer be of any effect, except as to certain surviving rights, such as (i) the remaining rights of registration of transfer, substitution and exchange of the Legacy Wachovia subordinated notes issued under the Legacy Wachovia subordinated indenture, (ii) rights of holders of Legacy Wachovia subordinated notes issued under the indenture to receive payments of principal of, and premium, if any, and interest on such notes, and other rights, duties and obligations of such holders as beneficiaries with respect to the amounts, if any, deposited with the trustee, and (iii) the rights, obligations and immunities of the trustee, when:

either (a) all debt securities issued under the Legacy Wachovia subordinated indenture are delivered to the trustee for cancellation, or money is deposited in trust or segregated and held in

trust by Wachovia, as provided in the Legacy Wachovia subordinated indenture, or (b) all debt securities issued under that indenture that have not been delivered to the trustee for cancellation become due and payable, will become due and payable at their maturity within one year, or if redeemable at the option of Wachovia, will be called for redemption within one year, and in each case under (b), Wachovia has deposits with the trustee as trust funds in trust for such purpose, money or obligations of, or obligations guaranteed by, the United States of America, in an amount sufficient to pay and discharge the entire indebtedness on the debt securities;

Wachovia pays all other sums payable by it under the Legacy Wachovia subordinated indenture; and

Wachovia delivers to the trustee an officers' certificate and opinion of counsel, each stating that all conditions relating to satisfaction and discharge have been complied with.

The trustee will execute proper instruments acknowledging satisfaction and discharge of the Legacy Wachovia subordinated indenture. (Section 401).

**Subordination.** The obligations of Wachovia to make any payment of the principal of and premium, if any, and interest on the Legacy Wachovia subordinated notes will be subordinate and junior in right of payment to all Senior Indebtedness of Wachovia and, in certain circumstances relating to the dissolution, winding-up, liquidation or reorganization of Wachovia, to all Additional Senior Obligations. (Article Thirteen).

The Legacy Wachovia subordinated indenture defines Senior Indebtedness as

any obligation of, or any obligation guaranteed by, Wachovia for repayment of borrowed money, and any deferred obligations for payment of the purchase price of property or assets acquired other than in the ordinary course of business regardless of when created, assumed or incurred, other than

the Legacy Wachovia subordinated notes;

any obligation which (a) ranks equally with the Legacy Wachovia subordinated notes in right of payment upon the happening of certain events (such as insolvency, liquidation, receivership, or similar proceedings) relating to Legacy Wachovia as a whole, and (b) is specifically designated as ranking on a parity with the Legacy Wachovia subordinated notes by express provision in the instrument creating or evidencing such obligation; and

any deferrals, renewals or extensions of any such Senior Indebtedness.

The Legacy Wachovia subordinated indenture defines Additional Senior Obligations as all indebtedness of Wachovia, whether now outstanding or later created, assumed or incurred, for claims in respect of derivative products such as interest and foreign exchange rate contracts, commodity contracts and similar arrangements, but Additional Senior Obligations do not include:

any claim in respect of Senior Indebtedness, or

any obligation

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which (a) ranks junior to the Legacy Wachovia subordinated notes in right of payment upon the happening of certain events (such as insolvency, liquidation, receivership, or similar proceedings) relating to Wachovia as a whole, and (b) is specifically designated as ranking junior to the subordinated notes by express provision in the instrument creating or evidencing that obligation; and

which (a) ranks equally with and not prior to the Legacy Wachovia subordinated notes in right of payment upon the happening of certain events (such as insolvency, liquidation, receivership, or similar proceedings) relating to Wachovia as a whole, and (b) is specifically designated as ranking on a parity with the Legacy Wachovia subordinated notes by express provision in the instrument creating or evidencing such obligation.

For purposes of this definition, *claim* has the meaning assigned to it in Section 101(4) of the United States Bankruptcy Code of 1978. The Legacy Wachovia subordinated indenture does not limit or prohibit the incurrence of Senior Indebtedness or Additional Senior Obligations.

As of September 30, 2004, Wachovia had \$1.9 billion aggregate principal amount of indebtedness outstanding that qualified as Senior Indebtedness under the Legacy Wachovia subordinated indenture. Wachovia expects from time to time to issue additional indebtedness and to incur other obligations that may constitute Senior Indebtedness under the Legacy Wachovia subordinated indenture.

The Legacy Wachovia subordinated notes will be subordinate in right of payment to all Senior Indebtedness, as provided in the Legacy Wachovia subordinated indenture. No payment of the principal of and premium, if any, or interest in respect of the subordinated securities may be made if there shall have occurred and be continuing a default in payment with respect to Senior Indebtedness or an event of default with respect to any Senior Indebtedness that results in the acceleration of its maturity.

Upon any payment or distribution of assets to creditors upon any insolvency, receivership, conservatorship, reorganization, readjustment of debt, marshalling of assets and liabilities or similar proceedings or any liquidation or winding-up of or relating to Wachovia as a whole, whether voluntary or involuntary,

the holders of all Senior Indebtedness will first be entitled to receive payment in full before the holders of the Legacy Wachovia subordinated notes will be entitled to receive any payment of the principal of and premium, if any, or interest on the Legacy Wachovia subordinated notes, and

if after the procedure described in the bullet point above,

any cash, property or securities remain available for payment or distribution in respect of the subordinated securities ( *Excess Proceeds* ), and

creditors in respect of Additional Senior Obligations have not received payment in full of amounts due or to become due or payment of those amounts has not been duly provided for,

then those *Excess Proceeds* will first be applied to pay in full all the Additional Senior Obligations before any payment may be made on the Legacy Wachovia subordinated notes.

If the holders of Legacy Wachovia subordinated notes receive payment and are aware at the time of receiving payment that all Senior Indebtedness and Additional Senior Obligations have not been paid in full, then that payment will be held in trust for the benefit of the holders of Senior Indebtedness and/or Additional Senior Obligations, as the case may be. (Section 1301). By reason of this subordination, in the event of insolvency, holders of the Legacy Wachovia subordinated notes may recover less, proportionately, than holders of Senior Indebtedness and holders of Additional Senior Obligations.

***Events of Default.*** The Legacy Wachovia subordinated indenture with respect to any series of Legacy Wachovia subordinated notes defines an *Event of Default* as any one of the following events (whatever the reason and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental entity or, with respect to the subordinated notes, whether it is occasioned by the subordination provisions of the Legacy Wachovia subordinated indenture):



failure, for 30 days, to pay any interest on any security of that series when due and payable, whether or not the subordination provisions of the Legacy Wachovia subordinated indenture prohibit that payment;

failure to pay principal of or any premium on any security of that series when due;

failure to deposit any sinking fund payment, when due, in respect of any security of that series whether or not the subordination provisions of the Legacy Wachovia subordinated indenture prohibit that payment;

failure, for 60 days after written notice, to perform any other covenants or warranties of Wachovia in the Legacy Wachovia subordinated indenture solely for the benefit of a series of securities under it other than that series;

the entry of a decree or order for relief in respect of Wachovia by a court having jurisdiction in the premises in an involuntary case under Federal or state bankruptcy laws and the continuance of that decree or order unstayed and in effect for 60 consecutive days;

the commencement by Wachovia of a voluntary case under Federal or state bankruptcy laws or the consent by Wachovia to the entry of a decree or order for relief in an involuntary case under such laws;

any other Event of Default provided with respect to securities of that series. (Section 501).

**Limited Rights of Acceleration.** The payment of the principal of the Legacy Wachovia subordinated notes may be accelerated only if there is an Event of Default as described in the fifth or sixth bullet points above (a Bankruptcy Event of Default ) and there is no right of acceleration of the payment of principal of the subordinated securities of that series upon a default in the payment of principal, premium, if any, or interest, if any, or in the performance of any covenant or agreement in the Legacy Wachovia subordinated notes or the Legacy Wachovia subordinated indenture.

If a Bankruptcy Event of Default with respect to Legacy Wachovia subordinated notes of any series at the time outstanding occurs and continues, either the trustee or the holders of at least 25% in aggregated principal amount of the outstanding Legacy Wachovia subordinated notes of that series may declare the principal amount of all Legacy Wachovia subordinated notes of that series due and payable immediately. At any time after a declaration of acceleration with respect to Legacy Wachovia subordinated notes of any series, but before a judgment or decree based on that acceleration has been obtained, the holders of a majority in aggregate principal amount of the outstanding Legacy Wachovia subordinated notes of that series may, under certain circumstances, rescind and annul that acceleration. (Section 502).

**General.** If there is a default in the payment of principal, premium, if any, or interest, if any, or the performance of any covenant or agreement in the Legacy Wachovia subordinated notes or the Legacy Wachovia subordinated indenture, the trustee, subject to certain limitations and conditions, may institute judicial proceedings to enforce payment of that principal, premium, if any, or interest, if any, or to obtain the performance of that covenant or agreement or any other proper remedy. (Section 503). Under certain circumstances, the trustee may withhold notice of a default to the holders of the Legacy Wachovia subordinated notes if the trustee in good faith determines that the withholding of that notice is in the best interest of the holders, and the trustee will withhold the notice for certain defaults for a period of 30 days. (Section 602).

The Legacy Wachovia subordinated indenture provides that, subject to the duty of the trustee during default to act with the required standard of care, the trustee does not have to exercise any of its rights or powers under the subordinated indenture at the request or direction of any of the holders, unless those holders have offered to the trustee reasonable security or indemnity. (Section 603). Subject to the above sentence and to certain other conditions, the holders of a majority in aggregate principal amount of the outstanding Legacy Wachovia subordinated notes of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee, with respect to the securities of that series. (Section 512).

A holder of any Legacy Wachovia subordinated notes of any series may institute any proceeding with respect to the Legacy Wachovia subordinated indenture, or for the appointment of a receiver or trustee or for any remedy relating to that appointment,

the holders must have given to the trustee written notice of a continuing Event of Default,

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the holders of at least 25% in aggregated principal amount of the outstanding Legacy Wachovia subordinated notes of that series have made written request, and offered reasonable indemnity, to the trustee to institute such a proceeding as trustee,

the holders of a majority in aggregate principal amount of the outstanding Legacy Wachovia subordinated notes of that series have not given a direction inconsistent with the written request, and

the trustee has failed to institute the proceeding within 60 days. (Section 507).

The above limitations do not apply to a suit instituted by a holder of a Legacy Wachovia subordinated note for enforcement of payment of the principal of and premium, if any, or interest on the Legacy Wachovia subordinated note on or after the respective due dates described in the Legacy Wachovia subordinated note. (Section 508).

We are required to furnish to each trustee annually a statement as to the performance by us of certain of our obligations under the Legacy Wachovia subordinated indenture and as to any default in such performance. (Section 1005).

**Modification and Waiver.** Wachovia and the trustee may modify and amend the Legacy Wachovia subordinated indenture with the consent of the holders of at least 66 <sup>2</sup>/<sub>3</sub>% in aggregate principal amount of the outstanding Legacy Wachovia subordinated notes of each series issued under the Legacy Wachovia subordinated indenture and affected by the modification or amendment, but no such modification or amendment provided, however, that no such modification or amendment may, without the consent of the holders of each outstanding subordinated note of the series affected by the modification or amendment

change the maturity date of the principal of, or any installment of principal of or interest on, any Legacy Wachovia subordinated note of that series;

reduce the principal amount of or premium, if any, or interest on, any Legacy Wachovia subordinated note of any series;

change the place or currency of payment of principal of or the premium, if any, or interest on any Legacy Wachovia subordinated note of that series;

impair the right to institute suit for the enforcement of any payment on any Legacy Wachovia subordinated note of such series on or after its maturity date (or, in the case of redemption, on or after the redemption date);

modify the subordination provisions in a manner adverse to the holders of the Legacy Wachovia subordinated notes of that series;  
or

reduce the percentage in principal amount of outstanding Legacy Wachovia subordinated notes of any series, the consent of whose holders is required for modification or amendment of the Legacy Wachovia subordinated indenture or for waiver of compliance with certain provisions of the Legacy Wachovia subordinated indenture or for waiver of certain defaults. (Section 902).

The holders of at least a 66 <sup>2</sup>/<sub>3</sub>% in aggregate principal amount of the outstanding Legacy Wachovia subordinated notes of any series may, on behalf of all holders of that series, waive compliance by Wachovia with certain restrictive provisions of the applicable subordinated indenture. (Section 1006). The holders of a majority in aggregate principal amount of the outstanding Legacy Wachovia subordinated notes of any series may, on behalf of all holders of that series, waive any past default under the applicable subordinated indenture, except a default in the payment of principal, premium, if any, or interest and regarding certain covenants. (Section 513).

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***Consolidation, Merger and Sale of Assets.*** Under the Legacy Wachovia subordinated indenture, Wachovia may not consolidate with or merge into any other corporation or sell, convey, exchange, transfer or lease its properties and assets substantially as an entirety to any person, unless

any successor or purchaser is a corporation organized under the laws of any domestic jurisdiction;

any such successor or purchaser expressly assumes Wachovia's obligations on the securities and under the subordinated indenture;

immediately after the transaction, no Event of Default, and no event that, after notice or lapse of time or both, would become an Event of Default, occurs and continues; and

certain other conditions are met. (Section 801).

**Reports by Wachovia.** Within 120 days after the end of each fiscal year, Wachovia must deliver to the trustee a certificate as to Wachovia's compliance with all conditions and covenants under the Legacy Wachovia subordinated indenture. Within ten business days of Wachovia's becoming aware of any default or event of default, Wachovia must deliver to the trustees written notice of the occurrence of the default or event of default, unless it has been cured within the ten-day period. (Section 1005).

**The Trustees.** The Chase Manhattan Bank serves as trustee under the July 15, 1998 indenture. The July 15, 1998 indenture provides for indemnification of Chase Manhattan Bank by Wachovia under certain circumstances. CoreStates Bank, National Association is the trustee under the March 1, 1993 indenture. CoreStates Bank, National Association maintains a deposit account and conducts other banking transactions with the Corporation and its subsidiaries in the ordinary course of business. The March 1, 1993 indenture provides for indemnification of CoreStates Bank, National Association by Wachovia under certain circumstances.

#### **SouthTrust Subordinated Notes**

Wachovia acquired SouthTrust Corporation on November 1, 2004, by merging SouthTrust into Wachovia.

#### **SouthTrust 5.80% Subordinated Notes**

The SouthTrust 5.80% Subordinated Notes were issued on May 24, 2004 and will mature on June 15, 2014. SouthTrust 5.80% Subordinated Notes are limited to \$400 million aggregate principal amount.

The SouthTrust 5.80% Subordinated Notes bear interest at the rate of 5.80% per year, payable semiannually on June 15 and December 15 of each year to the registered holders at the close of business on the preceding June 1 or December 1.

#### **SouthTrust Subordinated Indenture**

The SouthTrust 5.80% Subordinated Notes were issued under an indenture, dated as of May 1, 1992, between SouthTrust and JP Morgan Chase Bank, successor to The Chase Manhattan Bank, as trustee. Wachovia, SouthTrust and JP Morgan Chase Bank entered into a First Supplemental Indenture, dated as of October 31, 2004, evidencing the succession of Wachovia to SouthTrust and the assumption by Wachovia of all obligations and covenants under the SouthTrust indenture.

**Satisfaction and Discharge.** Upon the direction of Wachovia, the SouthTrust subordinated indenture will no longer be of any effect, except as to certain surviving rights, such as (i) the remaining rights of registration of transfer, substitution and exchange of the SouthTrust subordinated

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notes issued under the SouthTrust subordinated indenture, (ii) rights of holders of SouthTrust subordinated notes issued under the indenture to receive payments of principal of, and premium, if any, and interest on such notes, and other rights, duties and obligations of such holders as beneficiaries with respect to the amounts, if any, deposited with the trustee, and (iii) the rights, obligations and immunities of the trustee, when:

either (a) all debt securities issued under the SouthTrust subordinated indenture are delivered to the trustee for cancellation, or money is deposited in trust or segregated and held in trust by Wachovia, as provided in the SouthTrust subordinated indenture, or (b) all debt securities issued under that indenture that have not been delivered to the trustee for cancellation become due and

payable, will become due and payable at their maturity within one year, or if redeemable at the option of Wachovia, will be called for redemption within one year, and in each case under (b), Wachovia has deposits with the trustee as trust funds in trust for such purpose, money or obligations of, or obligations guaranteed by, the United States of America, in an amount sufficient to pay and discharge the entire indebtedness on the debt securities;

Wachovia pays all other sums payable by it under the SouthTrust subordinated indenture; and

Wachovia delivers to the trustee an officers' certificate and opinion of counsel, each stating that all conditions relating to satisfaction and discharge have been complied with.

The trustee will execute proper instruments acknowledging satisfaction and discharge of the SouthTrust subordinated indenture. (Section 401).

**Subordination.** Under the SouthTrust subordinated indenture, SouthTrust subordinated debt securities are subordinate and junior in right of payment to all Wachovia senior indebtedness, whether existing at the date of the subordinated debt indenture or subsequently incurred. If Wachovia defaults in the payment of any principal of or interest on any senior indebtedness when the same becomes due and payable, whether at maturity or at a date fixed for prepayment or by declaration or otherwise, then, unless and until such default shall have been cured or waived or shall have ceased to exist, Wachovia will not make any direct or indirect payment for principal of or interest on the SouthTrust subordinated debt securities, or in respect of any redemption, retirement, purchase or other acquisition of any of the SouthTrust subordinated debt securities.

For purposes of the SouthTrust subordinated indenture, senior indebtedness means:

any obligations to creditors whether now outstanding or subsequently incurred, as to which, in the creating instrument, it is provided that the obligation is senior indebtedness; and

SouthTrust's 8% Subordinated Notes due September 15, 2014.

If any of the following events occur, all such senior indebtedness, including any interest which accrues after such an event, will be paid in full before any payment or distribution is made for interest or principal on the SouthTrust subordinated debt securities:

any insolvency, bankruptcy, receivership, liquidation, reorganization, readjustment, composition or any similar proceeding relating to us, our creditors, or our property;

any proceeding involving our liquidation, dissolution or other winding up of our business, whether voluntary or involuntary and whether or not involving insolvency or bankruptcy proceedings;

any assignment by us for the benefit of our creditors; or

any other marshaling of our assets.

If Wachovia repays any debt security before the required date or in connection with one of the above events, any principal, premium or interest will be paid to holders of senior indebtedness before any holders of SouthTrust subordinated debt securities are paid. In addition, if such



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amounts were previously paid to the holders of SouthTrust subordinated debt securities or the SouthTrust subordinated trustee, the holders of senior indebtedness shall have first rights to such amounts previously paid.

Until all senior indebtedness is paid in full, the holders of SouthTrust subordinated indebtedness will be subrogated to the rights of the holders of senior indebtedness to receive payments or distributions of our assets.

**Events of Default.** The SouthTrust subordinated indenture defines an event of default as a bankruptcy, insolvency or reorganization. If an event of default occurs and is continuing, either the SouthTrust subordinated debt trustee or the holders of at least 25% in aggregate principal amount of the outstanding SouthTrust subordinated debt securities of that series may declare the principal amount of all the subordinated securities of that series to be due and payable immediately in the currency in which the subordinated securities are denominated. This acceleration provision would be subject to the broad equity powers of a federal bankruptcy court and to the determination by that court of the nature of the rights of the holders of the subordinated securities. The holders of a majority in principal amount of the subordinated securities then outstanding or of the series affected may annul the declaration of an event of default and waive past defaults.

In the event of a default in the payment of principal or accrued interest or the performance of any covenant or agreement in the SouthTrust subordinated debt securities or SouthTrust subordinated indenture, the SouthTrust trustee may, subject to certain limitations and conditions, seek to enforce payment of such principal or accrued interest or the performance of the covenant or agreement.

**Restrictive Covenants.** The SouthTrust subordinated indenture prohibits the sale, assignment, transfer or other disposition of any shares of, or securities convertible into, or options, warrants or rights to subscribe for or purchase shares of, voting stock of SouthTrust Bank and further prohibit SouthTrust Bank from issuing any shares of, or securities convertible into, or options, warrants or rights to subscribe for or purchase shares of, that voting stock, if, after giving effect to the transaction and to the issuance of the maximum number of shares of voting stock issuable upon all such convertible securities, options, warrants or rights, SouthTrust Bank would cease to be a subsidiary controlled by Wachovia. The subordinated indenture further prohibits the merger or consolidation of SouthTrust Bank with or into any other corporation, or the other disposition of all or substantially all of its properties and assets to any person, unless, after giving effect to the transaction, its successor in the merger or consolidation, or the person that acquires all or substantially all of its assets or properties will become a controlled subsidiary. However, Wachovia may sell, assign, transfer or otherwise dispose of any shares of, or securities convertible into, or options, warrants or rights to subscribe for or purchase shares of, voting stock of SouthTrust Bank:

in compliance with an order of a court or regulatory authority of competent jurisdiction; or

where the proceeds, if any, from such sale, assignment or disposition are, within a reasonable period of time, invested in a subsidiary controlled by us engaged in the banking business or any other business in which bank holding companies may legally engage, in connection with an understanding or agreement in principle reached at the time of the sale, assignment or disposition.

**Modification and Waiver.** Wachovia and the SouthTrust subordinated trustee may modify the SouthTrust subordinated indenture with the consent of the holders of a majority in principal amount of the outstanding debt securities of each series affected by such modification or amendment voting separately. However, unless each affected holder agrees, we cannot amend or modify the indentures to:

change the stated maturity of the principal of, or any installment of principal or interest on, any debt security,

reduce the principal amount of, or any premium or interest on, any debt security,

reduce the amount of principal of a discount security payable upon acceleration of its maturity,

change the currency in which principal of, or any premium or interest on, any debt security is denominated or payable,

adversely affect the right of repayment or repurchase, if any, at the option of the holder,

reduce the amount of or postpone the date fixed for any payment under any sinking fund or similar provisions,

impair the right to sue for the enforcement of any payment on or with respect to any debt security,

reduce the percentage in principal amount of outstanding debt securities of any series, the consent of whose holders is required for modification or amendment of the relevant indenture or for waiver of compliance with certain provisions of the indenture or for waiver of certain defaults,

limit our obligation to maintain a paying agency outside the United States for bearer securities,

limit our obligation to redeem an affected security, or

modify the provisions of an indenture relating to the modification of the indenture, or the circumstances under which the holders may waive our past defaults and certain of our covenants.

The holders of a majority in principal amount of the outstanding SouthTrust debt securities of each series may waive compliance with certain covenants of the relevant indenture and any event of default resulting in acceleration of such debt securities in specified circumstances. The holders of a majority in aggregate principal amount of the outstanding SouthTrust debt securities of each series may waive any past default under the relevant indenture with respect to debt securities of that series, except a default, (1) in the payment of principal, premium, if any, or interest or in the payment of any sinking fund installment or similar obligation, or (2) under a covenant or provision that cannot be modified or amended without the consent of the holders of each outstanding debt security affected by the default.

In addition, Wachovia may, with the consent of our board of directors and the SouthTrust subordinated trustee, change the terms of the SouthTrust subordinated indenture through an indenture supplement without the consent of any holders only for the following purposes:

to evidence our purchase by or merger with another corporation and the assumption by any such successor of our covenants under the relevant indenture;

to add to our covenants for the benefit of the holders or to surrender any right or power herein conferred upon us;

to add any additional events of default;

to add to or change any of the provisions of the indenture to facilitate the issuance of debt securities in bearer form;

to change or eliminate any of the indenture's provisions, provided that there are no debt securities outstanding which are entitled to the benefit of the provision;

to secure the debt securities;

to supplement any of the provisions of the indenture to the extent necessary to permit or facilitate the defeasance and discharge of any series of debt securities provided that any such action shall not adversely affect the interests of the holders of debt securities of the series or any other series of debt securities;

to establish the form or terms of the debt securities and coupons, if any, as permitted by the indenture;

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to evidence and provide for the acceptance of appointment by a successor trustee or facilitate the administration of the trusts under the indenture by more than one trustee;

to make any modifications, amendments or supplements to any indenture provisions which are required by amendment of the Trust Indenture Act of 1939 or any changes to pertinent regulations; and

to cure any ambiguity, any defect or any inconsistent provision, provided such action shall not adversely affect the holders interests in any material respect.

**Control by Holders.** The SouthTrust subordinated indenture provides that, subject to the duty of the SouthTrust subordinated trustee during default to act with the required standard of care, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request or direction of any of the holders of SouthTrust subordinated debt securities, unless such holders shall have offered to the trustee reasonable security or indemnity against costs, expenses and liabilities which might be incurred by the trustee. Subject to the provisions for the indemnification of the trustee, the holders of a majority in aggregate principal amount of the outstanding debt securities of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee, with respect to the debt securities of that series.

**Reports by Wachovia.** We are required to furnish the SouthTrust subordinated trustee annually with a statement as to our performance of certain obligations under the SouthTrust subordinated indenture and as to any default in performance and to file with the trustee written notice of the occurrence of any default or event of default within ten business days of the date we first become aware of such default or event of default.

**Consolidation, Merger and Sale of Assets.** Wachovia shall not consolidate with or merge into any other corporation or convey, transfer or lease our properties and assets substantially to any person, and we shall not permit a consolidation or merger with another person or allow another person to convey, transfer or lease its properties and assets substantially to us, unless:

the other corporation expressly assumes by supplemental indenture executed and delivered to the trustee the payment of the principal, interest and any premium on all the SouthTrust subordinated debt securities and the performance of every covenant of the SouthTrust subordinated indenture;

no event of default, and no event which after notice of lapse of time, or both, would become an event of default, shall happen or be continuing upon the occurrence of such transaction;

the corporation formed by the consolidation or into which we shall have been merged or the person to which such sale, lease or other disposition shall have been made is a banking institution or a bank holding company subject to Federal or State authority; and

we deliver to the respective trustees an officers' certificate and an opinion of counsel stating that the consolidation, merger, conveyance, transfer or lease required in connection with the transaction, and the supplemental indenture, if any, complies with the indentures and all conditions precedent have been complied with.

**The Trustee.** JP Morgan Chase Bank serves as trustee under the SouthTrust subordinated indenture. The SouthTrust subordinated indenture provides for indemnification of JP Morgan Chase Bank by Wachovia under certain circumstances.

**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 at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. 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. Our SEC filings are also available at our website, [www.wachovia.com](http://www.wachovia.com).

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 (other than any portions of those documents that are furnished or otherwise not deemed to be filed) 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 until our offering is completed (other than any portions of those documents that are furnished or otherwise not deemed to be filed):

Wachovia Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2003;

Wachovia Corporation's Quarterly Reports on Form 10-Q for the periods ended March 31, 2004, June 30, 2004, and September 30, 2004;

Wachovia Corporation's Current Reports on Form 8-K dated January 15, 2004, April 19, 2004, June 21, 2004, July 15, 2004, September 30, 2004, October 15, 2004, October 18, 2004, October 22, 2004, November 1, 2004, November 3, 2004, January 5, 2005, January 14, 2005 and January 19, 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:

Wachovia Corporation

Investor Relations

301 South College Street

Charlotte, North Carolina 28288-0206

Telephone: (704) 374-6782

**EXPERTS**

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The consolidated financial statements of Wachovia Corporation and subsidiaries as of December 31, 2003 and 2002, and for the three-year period ended December 31, 2003, included in the Wachovia Corporation 2003 Annual Report and incorporated by reference in Wachovia Corporation's Annual Report on Form 10-K for the year ended December 31, 2003, and incorporated by reference herein, have been incorporated by reference herein in reliance upon the report of KPMG LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.



The audit report covering the December 31, 2003 consolidated financial statements refers to the fact that, effective July 1, 2001, Wachovia Corporation adopted the provisions of Statement of Financial Accounting Standards ( SFAS ) No. 141, *Business Combinations* and certain provisions of SFAS No. 142, *Goodwill and Other Intangible Assets* as required for goodwill and intangible assets resulting from business combinations consummated after June 30, 2001. The remaining provisions of SFAS No. 142 were adopted on January 1, 2002. The audit report also refers to the fact that, effective January 1, 2002, Wachovia Corporation adopted the fair value provisions of SFAS No. 123, *Accounting for Stock-Based Compensation*, effective for grants made in 2002, and to the fact that in 2003 Wachovia Corporation adopted the provisions of SFAS No. 150, *Accounting for Certain Financial Instruments with Characteristics of Liabilities and Equity*, and Financial Accounting Standards Board Interpretation No. 46, *Consolidation of Variable Interest Entities*.

#### **PLAN OF DISTRIBUTION**

This prospectus will be used by Wachovia Capital Markets, LLC and Wachovia Securities, LLC, each an indirect, wholly-owned subsidiary of Wachovia, in connection with offers and sales related to market-making and other transactions in the debt securities. Each of Wachovia Capital Markets, LLC and Wachovia Securities, LLC may act as principal or agent in such transactions. Sales will be made at prices relating to prevailing market prices at the time of sale or otherwise. Neither Wachovia Capital Markets, LLC or Wachovia Securities, LLC will receive any compensation from Wachovia for engaging in those transactions.

#### **VALIDITY OF SECURITIES**

The validity of the debt securities of SouthTrust and the assumption of those debt securities by Wachovia has been passed upon for Wachovia by Ross E. Jeffries, Jr., Esq., Senior Vice President and Assistant General Counsel of Wachovia. Mr. Jeffries owns shares of Wachovia's common stock and holds options to purchase additional shares of such common stock.