

WACHOVIA CORP NEW  
Form 424B5  
January 28, 2005  
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Filed Pursuant to Rule 424(b)(5)  
Registration No. 333-72374

**PROSPECTUS SUPPLEMENT**

(To prospectus dated May 31, 2002)

**\$17,388,000**

**Wachovia Corporation**

**ASTROS<sup>SM</sup>**

**(ASseT Return Obligation Securities)**

**Linked to a Global Basket of Indices**

**due February 2, 2010**

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Issuer: Wachovia Corporation

Principal Amount: Each note will have a principal amount of \$1,000. Each note will be offered at an original public offering price of \$1,000.

Maturity Date: February 2, 2010.

Interest: Wachovia will not pay you interest during the term of the notes.

Market Measure: The return on the notes is linked to the performance of an equally weighted basket of indices (the **Basket**) consisting of the S&P 500<sup>®</sup> Composite Stock Price Index, the Dow Jones EURO STOXX<sup>SM</sup> 50 (Price) Index and the Nikkei 225<sup>®</sup> Index (each, a **Component Index** and collectively, the **Component Indices**).

Maturity Payment Amount: At maturity, for each note you own, you will receive a cash payment equal to the sum of the principal amount of the note and the **Basket** performance amount. The **Basket** performance amount per note will equal the greater of:

- (i) \$0, and
- (ii)  $\$1,000 \times \left( \frac{\text{adjusted Basket ending level} - \text{Basket starting level}}{\text{Basket starting level}} \right)$

If the adjusted **Basket** ending level is less than or equal to the **Basket** starting level, the **Basket** performance amount will be \$0, and the maturity payment amount will be \$1,000.

Listing: The notes have been approved for listing on the American Stock Exchange under the symbol **WDB.E**.

Pricing Date: January 26, 2005

## Edgar Filing: WACHOVIA CORP NEW - Form 424B5

Expected Settlement Date: February 2, 2005  
CUSIP number: 92976WAG1

For a detailed description of the terms of the notes, see [Summary Information](#) beginning on page S-1 and [Specific Terms of the Notes](#) beginning on page S-11.

**Investing in the notes involves risks. See [Risk Factors](#) beginning on page S-6.**

	<u>Per Note</u>	<u>Total</u>
Public Offering Price	100%	\$ 17,388,000
Underwriting Discount and Commission	2.5%	\$ 434,700
Proceeds to Wachovia Corporation	97.5%	\$ 16,953,300

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

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

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

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## Wachovia Securities

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The date of this prospectus supplement is January 26, 2005.

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



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**SUMMARY INFORMATION**

This summary includes questions and answers that highlight selected information from this prospectus supplement and the accompanying prospectus to help you understand the ASTROS<sup>SM</sup> (ASseT Return Obligation Securities) Linked to a Global Basket of Indices due February 2, 2010 (the notes). You should carefully read this prospectus supplement and the accompanying prospectus to fully understand the terms of the notes, the Component Indices comprising the Basket and the tax and other considerations that are important to you in making a decision about whether to invest in the notes. You should carefully review the section Risk Factors in this prospectus supplement and the accompanying prospectus, which highlights certain risks associated with an investment in the notes, to determine whether an investment in the notes is appropriate for you.

*Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement to Wachovia, we, us and our or similar references mean Wachovia Corporation and its subsidiaries. Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement to Wachovia Securities mean Wachovia Securities, LLC and all references to WBNA mean Wachovia Bank, National Association. All references to this prospectus supplement mean the pricing supplement contemplated in the accompanying prospectus.*

**What are the notes?**

The notes offered by this prospectus supplement will be issued by Wachovia and will mature on February 2, 2010. The maturity payment amount will be linked to the performance of the Basket, which in turn is based on the performance of the Component Indices. The notes will bear no interest and no other payments will be made until maturity.

Each Component Index will represent 33 1/3% of the Basket. The Component Indices are set forth below:

S&P 500<sup>®</sup> Composite Stock Price Index (Bloomberg symbol SPX )

Dow Jones EURO STOXX<sup>SM</sup> 50 (Price) Index (Bloomberg symbol SX5E )

Nikkei 225<sup>®</sup> Index (Bloomberg symbol NKY )

As discussed in the accompanying prospectus, the notes are debt securities and are part of a series of debt securities entitled Medium-Term Notes, Series E that Wachovia may issue from time to time. The notes will rank equally with all other unsecured and unsubordinated debt of Wachovia. For more details, see Specific Terms of the Notes beginning on page S-11.

Each note will have a principal amount of \$1,000. Each note will be offered at an original public offering price equal to \$1,000. You may transfer only whole notes. Wachovia will issue the notes in the form of a global certificate, which will be held by The Depository Trust Company, also known as DTC, or its nominee. Direct and indirect participants in DTC will record your ownership of the notes.

**What will I receive upon maturity of the notes?**

At maturity, for each note you own, you will receive a cash payment equal to the sum of the principal amount of the note and the Basket performance amount. The Basket performance amount per note will equal the greater of (i) \$0, and (ii) the principal amount of the note, multiplied by the percentage change in the level of the Basket, as reduced by the adjustment factor. *If the adjusted Basket ending level is less than or equal to the Basket starting level, the Basket performance amount will be \$0, and the maturity payment amount will be \$1,000.*

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**Determination of the Basket performance amount**

The Basket performance amount per note will be determined by the calculation agent and will equal the greater of:

$$(i) \ \$0, \text{ and}$$

$$(ii) \ \$1,000 \quad \times \quad \left( \frac{\text{adjusted Basket ending level} - \text{Basket starting level}}{\text{Basket starting level}} \right)$$

The Basket starting level is 1,000.00.

The Basket ending level will be determined by the calculation agent and will equal the closing level of the Basket on the valuation date. The closing level of the Basket will be calculated based on the weighted levels of the Component Indices (as shown in the table below) and will equal the sum of the products of (i) the index multiplier of each Component Index and (ii) the closing level of the respective Component Index on the valuation date. If the valuation date occurs on a day that is a disrupted day or is not a scheduled trading day, then the Basket ending level will be the closing level of the Basket on the next succeeding scheduled trading day that is not a disrupted day. *If the determination of the Basket ending level is postponed, then the maturity date of the notes will be postponed by an equal number of scheduled trading days.*

Component Index	Bloomberg Symbol	Index Multiplier	Closing Level on Pricing Date	Initial Weight
S&P 500® Composite Stock Price Index	SPX	0.28391	1,174.07	33 1/3%
Nikkei 225® Index	NKY	0.02930	11,376.57	33 1/3%
Dow Jones EURO STOXX <sup>SM</sup> 50 (Price) Index	SX5E	0.11275	2,956.43	33 1/3%
<i>Total</i>				<i>100%</i>

The adjusted Basket ending level will be determined by the calculation agent and will equal the product of (i) the adjustment factor as of the valuation date and (ii) the Basket ending level.

The index multiplier with respect to each Component Index equals the quotient of (i) the initial weight of the Component Index multiplied by the Basket starting level divided by (ii) the closing level of the respective Component Index on January 26, 2005. The index multiplier of each Component Index is indicated in the table above.

The adjustment factor will begin at 100% and will be reduced by a rate of 1% per annum, compounded daily on an actual/365 day year. On any calendar day, the adjustment factor is equal to:

$$\left( 100\% - \left( \frac{1\%}{365} \right) \times N \right)$$

where  $N$  is the number of calendar days from but excluding January 26, 2005 to and including the day of calculation. The adjustment factor as of the valuation date will be 95.12%. Even if the determination of the Basket ending level is postponed, the adjustment factor as of the valuation date will not be affected.



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The valuation date means the fifth scheduled trading day prior to the maturity date.

*If the adjusted Basket ending level is less than or equal to the Basket starting level, the Basket performance amount will be \$0, and the maturity payment amount will be \$1,000.*

**Hypothetical Examples**

Set forth below are three hypothetical examples of the calculation of the maturity payment amount.

Basket starting level: 1,000.00

Adjustment factor on the valuation date: 95.12%

**Example 1**

The hypothetical Basket ending level is 50% of the Basket starting level:

Hypothetical Basket ending level: 500.00

Hypothetical adjusted Basket ending level: 475.60

Basket performance amount (per note) is the greater of:

- (i) \$0, and
- (ii)  $\$1,000 \times \frac{475.60 - 1,000.00}{1,000.00} = -\$524.40$

Maturity payment amount (per note) = \$1,000 + \$0 = \$1,000

*Since the hypothetical adjusted Basket ending level is less than the Basket starting level, the Basket performance amount would equal \$0 and the maturity payment amount would equal the principal amount of your note.*

**Example 2**

The hypothetical Basket ending level is 105% of the Basket starting level:

Hypothetical Basket ending level: 1,050.00

Hypothetical adjusted Basket ending level: 998.76

Basket performance amount (per note) is the greater of:

(i) \$0, and

$$(ii) \quad \$1,000 \times \frac{998.76 - 1,000.00}{1,000.00} = -\$1.24$$

$$\text{Maturity payment amount (per note)} = \$1,000 + \$0 = \$1,000$$

*Since the hypothetical adjusted Basket ending level is less than the Basket starting level, the Basket performance amount would equal \$0 and the maturity payment amount would equal the principal amount of your note.*

**Table of Contents****Example 3**

The hypothetical Basket ending level is 150% of the Basket starting level:

Hypothetical Basket ending level: 1,500.00

Hypothetical adjusted Basket ending level: 1,426.80

Basket performance amount (per note) is the greater of:

(i) \$0; and

$$(ii) \$1,000 \times \left( \frac{1,426.80 - 1,000.00}{1,000.00} \right) = \$426.80$$

Maturity payment amount (per note) = \$1,000 + \$426.80 = \$1,426.80

*Since the hypothetical adjusted Basket ending level is greater than the Basket starting level, the Basket performance amount would equal \$426.80, and the maturity payment amount would be greater than the principal amount of your note.*

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

We have designed the notes for investors who are willing to hold the notes to maturity, who seek to protect their investment by receiving at least 100% of the principal amount of their investment at maturity, and who also want to participate in the possible increase in the level of the Basket measured over the term of the notes, subject to the adjustment factor.

The notes are not designed for, and may not be a suitable investment for, investors who are unable or unwilling to hold the notes to maturity, who require an investment that yields a regular return, who seek an investment with a return linked to the full upside performance of the Basket and who are willing to make an investment that is exposed to the full downside performance risk of the Basket.

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

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

**Who publishes the Component Indices and what do the Component Indices measure?**

The S&P 500<sup>®</sup> Composite Stock Price Index (the S&P 500 Index ) is published by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ( Standard & Poor's or S&P ), and is intended to provide an indication of the pattern of common stock price movement. The calculation of the level of the S&P 500<sup>®</sup> Index is based on the relative value of the aggregate market value of the common stocks of 500 companies as of a particular time compared to the aggregate average market value of the common stocks of 500 similar companies during the base period of the years 1941 through 1943.

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The Dow Jones EURO STOXX<sup>SM</sup> 50 (Price) Index (the EURO STOXX<sup>SM</sup> 50 Index ) is a capitalization-weighted index of 50 European blue-chip stocks. The EURO STOXX<sup>SM</sup> 50 Index was created by STOXX Limited, a joint venture between Deutsche Börse Group, Dow Jones & Company and SWX Group. Publication of the EURO STOXX<sup>SM</sup> 50 Index began on February 26, 1998, based on an initial EURO STOXX<sup>SM</sup> 50 Index value of 1,000 on December 31, 1991.

The Nikkei 225<sup>®</sup> Index is a stock index calculated, published and disseminated by the Nihon Keizai Shimbun, Inc. ( NKS ) that measures the composite price performance of selected Japanese stocks. The Nikkei 225 Index currently is based on 225 underlying stocks trading on the Tokyo Stock Exchange (the TSE ) representing a broad cross-section of Japanese industries. Stocks listed in the First Section of the TSE are among the most actively traded stocks on the TSE. All 225 underlying stocks are stocks listed in the First Section of the TSE. NKS rules require that the 75 most liquid issues (one-third of the component count of the Index) be included in the Index.

The S&P 500<sup>®</sup> Index, the EURO STOXX<sup>SM</sup> 50 Index and the Nikkei 225<sup>®</sup> Index are determined, calculated and maintained by S&P, STOXX Limited and NKS, respectively (each, a Component Index Sponsor and collectively, the Component Index Sponsors ), without regard to the notes.

You should be aware that an investment in the notes does not entitle you to any ownership interest in the stocks of the companies included in the Component Indices. For a detailed discussion of the Component Indices, see The Basket beginning on page S-16.

### **What about taxes?**

If you are a U.S. individual or taxable entity, you generally will be required to pay taxes on ordinary income from the notes over their term based on comparable yield for the notes, even though you will not receive any payments from us until maturity. This comparable yield is determined solely to calculate the amount on which you will be taxed prior to maturity and is neither a prediction nor a guarantee of what the actual yield will be. In addition, any gain you may recognize on the sale or maturity of the notes will be taxed as ordinary interest income. If you purchase the notes at a time other than the original issue date, the tax consequences to you may be different.

For further discussion, see Supplemental Tax Considerations beginning on page S-29.

### **Will the notes be listed on a stock exchange?**

The notes have been approved for listing on the American Stock Exchange under the symbol WDB.E . You should be aware that the listing of the notes on the American Stock Exchange will not necessarily ensure that a liquid trading market will develop for the notes. Accordingly, if you sell your notes prior to the maturity date, you may have to sell them at a substantial loss. You should review the section entitled Risk Factors There may not be an active trading market for the notes in this prospectus supplement.

### **Are there any risks associated with my investment?**

Yes, an investment in the notes is subject to significant risks. We urge you to read the detailed explanation of risks in Risk Factors beginning on page S-6.

**How to reach us**

You may get information about the notes and on how to contact your local Wachovia Securities branch office by calling 1-888-215-4145 or 1-212-909-0038 and asking for Structured Equity Products.

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**RISK FACTORS**

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

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

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

**You will not receive interest payments on the notes**

You will not receive any periodic interest payments on the notes and at maturity you may not receive any return in excess of the principal amount of your notes.

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

The yield that you will receive on your notes, which could be \$0, may be less than the return you could earn on other investments. Your yield may be less than the yield you would earn if you bought a standard senior non-callable debt security of Wachovia with the same maturity date. Your investment may not reflect the full opportunity cost to you when you take into account factors that affect the time value of money.

**Owning the notes is not the same as owning the common stocks underlying the Component Indices comprising the Basket**

The return on your notes will not reflect the return you would realize if you actually owned and held the common stocks underlying the Component Indices for a similar period because the maturity payment amount will be determined without taking into consideration the value of any dividends that may be paid on the common stocks underlying the Component Indices. In addition, you will not receive any dividend payments or other distributions on the common stocks underlying the Component Indices, and as a holder of the notes, you will not have voting rights or any other rights that holders of the common stocks underlying the Component Indices may have. Even if the level of the Basket increases above the Basket starting level during the term of the notes, the market value of the notes may not increase by the same amount. It is also possible for the level of the Basket to increase while the market value of the notes declines.

**The adjustment factor will reduce your participation in any percentage increase in the level of the Basket**

The Basket ending level will be reduced by the adjustment factor as of the valuation date, which will be 95.12%. If the level of the Basket appreciates, the return on your notes will be less than the return on an investment in the Basket for the same term that was not subject to the adjustment factor, and you will, therefore, not participate in the full upside performance of the Basket.

**There may not be an active trading market for the notes**

You should be willing to hold your notes to maturity. The notes have been approved for listing on the American Stock Exchange under the symbol WDB.E . You should be aware that the listing of the notes on the American Stock Exchange will not necessarily ensure that a liquid trading market will develop for the



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notes. The development of a trading market for the notes will depend on our financial performance and other factors such as the increase, if any, in the level of the Basket. Even if a secondary market for the notes develops, it may not provide significant liquidity and we expect that transaction costs in any secondary market would be high. As a result, the difference between bid and asked prices for your note in any secondary market could be substantial. If you sell your notes before maturity, you may have to do so at a discount from the original public offering price, and, as a result, you may suffer substantial losses.

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

### **Many factors affect the market value of the notes**

The market value of the notes will be affected by factors that interrelate in complex ways. It is important for you to understand that the effect of one factor may offset the increase in the market value of the notes caused by another factor and that the effect of one factor may exacerbate the decrease in the market value of the notes caused by another factor. For example, a change in the volatility of any Component Index may offset some or all of any increase in the market value of the notes attributable to another factor, such as an increase in the level of any Component Index. In addition, a change in interest rates may offset other factors that would otherwise change the levels of the Component Indices and, therefore, may change the market value of the notes. The following paragraphs describe the expected impact on the market value of the notes given a change in a specific factor, assuming all other conditions remain constant.

#### ***The level of the Basket is expected to affect the market value of the notes***

We expect that the market value of the notes will depend substantially on the amount, if any, by which the Basket ending level exceeds or does not exceed the Basket starting level. If you choose to sell your notes when the level of the Basket, based on then current levels of the Component Indices, exceeds the Basket starting level, you may receive substantially less than the amount that would be payable at maturity based on this level because of the expectation that the level of the Basket will continue to fluctuate until the Basket ending level is determined.

#### ***Changes in the volatility of the Component Indices are expected to affect the market value of the notes***

Volatility is the term used to describe the size and frequency of price and/or market fluctuations. If the volatility of any Component Index increases or decreases, the market value of the notes may be adversely affected.

#### ***Changes in the levels of interest rates are expected to affect the market value of the notes***

We expect that changes in interest rates, even if they do not affect the levels of the Component Indices as described above, may affect the market value of the notes and, depending upon other factors (such as the then current levels of the Component Indices, the magnitude of the changes in

interest rates and the time remaining to the maturity of the notes), such changes may be adverse to holders of the notes.

*Changes in dividend yields of the stocks included in the Component Indices are expected to affect the market value of the notes*

In general, if dividend yields on the stocks included in the Component Indices increase, we expect that the market value of the notes will decrease and, conversely, if dividend yields on these stocks decrease, we

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expect that the market value of the notes will increase. The return on the notes will not reflect any dividends paid on the stocks included in the Component Indices.

### ***Changes in our credit ratings may affect the market value of the notes***

Our credit ratings are an assessment of our ability to pay our obligations. Consequently, real or anticipated changes in our credit ratings may affect the market value of the notes. However, because the return on your notes is dependent upon factors in addition to our ability to pay our obligations under the notes, such as the percentage change in the levels of the Component Indices shortly prior to maturity relative to the pricing date, an improvement in our credit ratings will not reduce the other investment risks related to the notes.

In general, assuming all relevant factors are held constant, we expect that the effect on the market value of the notes of a given change in some of the factors listed above will be less if it occurs later in the term of the notes than if it occurs earlier in the term of the notes.

### ***Changes that affect the Component Indices will affect the market value of the notes and the amount you will receive at maturity***

Each Component Index Sponsor is responsible for calculating and maintaining its Component Index. Any changes, such as additions, deletions or substitutions, to the Component Indices and the manner in which these changes affect the Component Indices or the issuers of the common stocks underlying the Component Indices, could affect the level of the Basket and, therefore, could affect the maturity payment amount, and the market value of the notes prior to maturity.

### **Wachovia and its affiliates have no affiliation with the Component Index Sponsors and are not responsible for their public disclosure of information**

Wachovia and its affiliates are not affiliated with any of the Component Index Sponsors in any way (except for licensing arrangements discussed below under "The Basket") and have no ability to control or predict any of their actions, including any errors in or discontinuation of disclosure regarding any of their methods or policies relating to the calculation of the levels of the Component Indices. If any Component Index Sponsor discontinues or suspends the calculation of its Component Index, it may become difficult to determine the market value of the notes or the maturity payment amount. The calculation agent may designate a successor component index selected in its sole discretion. If the calculation agent determines in its sole discretion that no successor component index comparable to the affected Component Index exists, the amount you receive at maturity will be determined by the calculation agent in its sole discretion. See "Specific Terms of the Notes - Market Disruption Event" on page S-14 and "Specific Terms of the Notes - Discontinuation of the Component Indices; Adjustments to the Component Indices" on page S-13. The Component Index Sponsors are not involved in the offer of the notes in any way and have no obligation to consider your interest as an owner of notes in taking any actions that might affect the value of your notes.

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

**Historical levels of the Component Indices should not be taken as an indication of the future levels of the Component Indices during the term of the notes**

The trading prices of the stocks underlying the Component Indices will determine the levels of the Component Indices at any given time. The stocks underlying the Component Indices have performed

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differently in the past and are expected to perform differently in the future. As a result, it is impossible to predict whether the levels of the Component Indices will rise or fall. Trading prices of the stocks underlying the Component Indices will be influenced by complex and interrelated political, economic, financial and other factors that can affect the issuers of the stocks underlying the Component Indices.

### **An investment in the notes is subject to risks associated with global securities markets**

The stocks comprising the S&P 500<sup>®</sup> Index are issued by U.S. companies and are denominated in U.S. dollars. The stocks comprising the EURO STOXX<sup>SM</sup> 50 Index are issued by European companies and are denominated in euros. The stocks comprising the Nikkei 225<sup>®</sup> Index are issued by companies publicly traded in Japan and are denominated in Japanese yen. Because of the global nature of these issuers as a group and the currencies in which the stocks underlying the Component Indices are denominated, you should be aware that investments in securities linked to the value of these equity securities involve particular risks. For example, the European and Japanese securities markets may be more volatile than U.S. securities markets and market developments may affect these markets differently from U.S. or other securities markets. Direct or indirect government intervention to stabilize the securities markets outside the United States, as well as cross-shareholdings in certain companies, may affect trading prices and trading volumes in those markets. Also, the public availability of information concerning the issuers of stocks underlying the Component Indices will vary depending on their home jurisdiction and the reporting requirements imposed by their respective regulators. In addition, the issuers of the stocks underlying the Component Indices may be subject to different accounting, auditing and financial reporting standards and requirements.

Securities prices generally are subject to political, economic, financial and social factors that apply to the markets in which they trade and, to a lesser extent, foreign markets. Securities prices outside the U.S. are subject to political, economic, financial and social factors that apply in foreign countries. These factors, which could negatively affect foreign securities markets, include the possibility of changes in a foreign government's economic and fiscal policies, the possible imposition of, or changes in, currency exchange laws or other laws or restrictions applicable to foreign companies or investments in foreign equity securities and the possibility of fluctuations in the rate of exchange between currencies. Moreover, foreign economies may differ favorably or unfavorably from the U.S. economy in important respects such as growth of gross national product, rate of inflation, capital reinvestment, resources and self-sufficiency.

### **The maturity payment amount for the notes will not be adjusted for changes in the Japanese yen/U.S. dollar or the euro/U.S. dollar exchange rates**

Although the stocks underlying the Nikkei 225<sup>®</sup> Index and the EURO STOXX<sup>SM</sup> 50 Index are traded in Japanese yen and euros, respectively, and the notes, which are linked to the Component Indices, are denominated in U.S. dollars, the maturity payment amount will not be adjusted for changes in the Japanese yen/U.S. dollar exchange rate or the euro/U.S. dollar exchange rate. Changes in exchange rates, however, may reflect changes in the Japanese or European economy, as applicable, that in turn may affect the maturity payment amount for the notes. The maturity payment amount will be based solely on the principal amount of the notes plus the Basket performance amount.

### **The Basket is not a recognized market index and may not accurately reflect global market performance**

The Basket is not a recognized market index. The Basket was created solely for purposes of the offering of the notes and will be calculated solely during the term of the notes. The Basket does not reflect the performance of all major securities markets, and may not reflect actual global market performance.

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

As described below under "Use of Proceeds and Hedging" on page S-32, we or one or more of our affiliates may hedge our obligations under the notes by purchasing stocks underlying the Component Indices,

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futures or options on the Component Indices or stocks underlying the Component Indices, or exchange-traded funds or other derivative instruments with returns linked or related to changes in the trading prices of stocks underlying the Component Indices or the levels of the Component Indices, and we may adjust these hedges by, among other things, purchasing or selling stocks underlying the Component Indices, futures, options, or exchange-traded funds or other derivative instruments with returns linked to the Component Indices or the stocks underlying the Component Indices at any time. Although they are not expected to, any of these hedging activities may adversely affect the trading prices of stocks underlying the Component Indices and/or the levels of the Component Indices and, therefore, the market value of the notes. It is possible that we or one or more of our affiliates could receive substantial returns from these hedging activities while the market value of the notes declines.

### **The calculation agent may postpone the determination of the Basket ending level and the maturity date if a market disruption event occurs on the valuation date**

The determination of the Basket ending level may be postponed if the calculation agent determines that a market disruption event has occurred or is continuing on the valuation date with respect to one or more of the Component Indices. If a postponement occurs, the calculation agent will use the closing level of the Basket on the next succeeding scheduled trading day on which no market disruption event occurs or is continuing as the Basket ending level and for calculation of the adjusted Basket ending level. As a result, the maturity date for the notes would be postponed. You will not be entitled to compensation from us or the calculation agent for any loss suffered as a result of the occurrence of a market disruption event, any resulting delay in payment or any change in the level of the Basket after the valuation date. See **Specific Terms of the Notes** **Market Disruption Event** beginning on page S-14.

### **Potential conflicts of interest could arise**

Our subsidiary, WBNA, is our agent for the purposes of calculating the Basket ending level, the adjusted Basket ending level and the maturity payment amount. Under certain circumstances, WBNA's role as our subsidiary and its responsibilities as calculation agent for the notes could give rise to conflicts of interest. These conflicts could occur, for instance, in connection with its determination as to whether the level of the Basket can be calculated on a particular scheduled trading day, or in connection with judgments that it would be required to make in the event of a discontinuance of any Component Index. See the sections entitled **Specific Terms of the Notes** **Discontinuation of the Component Indices**; **Adjustments to the Component Indices** on page S-13 and **Specific Terms of the Notes** **Market Disruption Event** on page S-14. WBNA is required to carry out its duties as calculation agent in good faith and using its reasonable judgment.

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

### **U.S. taxpayers will be required to pay taxes on the notes each year**

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If you are a U.S. person, you generally will be required to pay taxes on ordinary income from the notes over their term based upon the comparable yield for the notes, even though you will not receive any

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payments from us until maturity. The comparable yield is determined solely to calculate the amounts you will be taxed on prior to maturity and is neither a prediction nor a guarantee of what the actual yield will be. In addition, any gain you may recognize upon the sale or maturity of the notes will be taxed as ordinary income. Conversely, if the maturity payment amount is less than the projected payment at maturity based on the estimated yield for the notes, you would experience an ordinary tax loss to the extent you previously accrued interest income. If you purchase the notes at a time other than the original issue date, the tax consequences may be different. You should consult your tax advisor about your own tax situation.

For further information, see [Supplemental Tax Considerations](#) on page S-29.

### **Certain considerations for insurance companies and employee benefit plans**

A fiduciary of a pension plan or other employee benefit plan that is subject to the prohibited transaction rules of the Employee Retirement Income Security Act of 1974, as amended, which we call [ERISA](#), or the Internal Revenue Code of 1986, as amended, and that is considering purchasing the notes with the assets of such a plan, should consult with its counsel regarding whether the purchase or holding of the notes could become a prohibited transaction under ERISA, the Internal Revenue Code or any substantially similar prohibition. These prohibitions are discussed in further detail under [Employee Retirement Income Security Act](#) on page S-31.

## **SPECIFIC TERMS OF THE NOTES**

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

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

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

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

### **No Interest**

While at maturity a beneficial owner of a note will receive a cash payment equal to the maturity payment amount, there will be no other payment of interest, periodic or otherwise.

#### **Denominations**

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

#### **Maturity Payment Amount**

At maturity, for each note you own, you will receive a cash payment equal to the sum of the principal amount of the note and the Basket performance amount. The Basket performance amount per note will equal the greater of (i) \$0, and (ii) the principal amount of the note, multiplied by the percentage change in the level of the Basket, as reduced by the adjustment factor. *If the adjusted Basket ending level is less than or equal to the Basket starting level, the Basket performance amount will be \$0, and the maturity payment amount will be \$1,000.*

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*Determination of the Basket performance amount*

The Basket performance amount per note will be determined by the calculation agent and will equal the greater of:

- (i) \$0, and
- (ii) \$1,000 x  $\left( \frac{\text{adjusted Basket ending level} - \text{Basket starting level}}{\text{Basket starting level}} \right)$

The Basket starting level is 1,000.00.

The Basket ending level will be determined by the calculation agent and will equal the closing level of the Basket on the valuation date. The closing level of the Basket will be calculated based on the weighted levels of the Component Indices (as shown in the table below) and will equal the sum of the products of (i) the index multiplier of each Component Index and (ii) the closing level of the respective Component Index on the valuation date. If the valuation date occurs on a day that is a disrupted day or is not a scheduled trading day, then the Basket ending level will be the closing level of the Basket on the next succeeding scheduled trading day that is not a disrupted day. *If the determination of the Basket ending level is postponed, then the maturity date of the notes will be postponed by an equal number of scheduled trading days.*

<b>Component Index</b>	<b>Bloomberg Symbol</b>
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