

WACHOVIA CORP NEW  
Form 424B5  
February 28, 2006

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

PROSPECTUS SUPPLEMENT

(To prospectus dated May 13, 2005)

**\$7,500,000**

**Wachovia Corporation**

**14% Enhanced Yield Securities**

**Linked to the Common Stock of Advanced Micro Devices, Inc.**

**due March 12, 2007**

Issuer: Wachovia Corporation  
Principal Amount: Each security will have a principal amount of \$1,000. Each security will be offered at an initial public offering price of \$1,000.  
Maturity Date: March 12, 2007  
Interest: 14% per annum payable quarterly.  
Interest Payment Dates: March 12, June 12, September 12 and December 12, beginning on June 12, 2006  
Underlying Stock: Advanced Micro Devices, Inc. common stock. Advanced Micro Devices, Inc. has no obligations relating to, and does not sponsor or endorse, the securities.  
Payment at Maturity: On the maturity date, for each security you hold, you will receive a payment equal to the redemption amount. The redemption amount will be a cash payment equal to the principal amount of your securities, plus any accrued but unpaid interest, unless:  
(a) a knock-in event has occurred; and  
(b) the final stock price is less than the initial stock price.  
If the conditions described in (a) and (b) both occur, at maturity, for each security you hold, the redemption amount you will receive will be a number of shares of the Underlying Stock equal to the following:

$$\left( \frac{\$1,000}{\text{initial stock price}} \right) \times \text{share multiplier,}$$

plus any accrued but unpaid interest in cash.

If the calculation of the number of shares of the Underlying Stock per \$1,000 security on the valuation date results in fractional shares, such fractional shares will be paid in U.S. dollar amounts equal to the fractional number of shares multiplied by the closing price per share of the Underlying Stock on the valuation date.

*If a knock-in event has occurred and the final stock price is less than the initial stock price, you will lose some or all of the value of your principal and receive shares of the Underlying Stock instead of a cash payment. Under these conditions, the market value on the valuation date of the shares of the Underlying Stock that you will receive on the maturity date will be less than the aggregate principal amount of your securities and could be \$0 (but you will still receive any accrued but unpaid interest in cash).*

A knock-in event will occur if the market price of the Underlying Stock multiplied by the share multiplier at any time on any trading day, from the first trading day following the pricing date to and including the valuation date, is less than or equal to the knock-in price. The knock-in price will equal \$30.465, the price that is 25% below the initial stock price of \$40.62.

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Listing: The securities have been approved for listing on the American Stock Exchange under the symbol WDB.Y .  
Pricing Date: February 27, 2006  
Expected Settlement Date: March 2, 2006  
CUSIP Number: 929903AZ5  
For a detailed description of the terms of the securities, see Summary Information beginning on page S-1 and Specific Terms of the Securities beginning on page S-12.

**Investing in the securities involves risks. See Risk Factors beginning on page S-7.**

	<u>Per Security</u>	<u>Total</u>
Public Offering Price	100.00%	7,500,000.00
Underwriting Discount and Commission <sup>(1)</sup>	2.00%	149,937.50
Proceeds to Wachovia Corporation <sup>(1)</sup>	98.00%	7,350,062.50

<sup>(1)</sup> If the securities are sold on an agency basis only, the underwriting discount and commission will be 1.75% as described under Supplemental Plan of Distribution . In that case, proceeds to Wachovia will be 98.25%.

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

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

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

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## Wachovia Securities

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**The date of this prospectus supplement is February 27, 2006.**

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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 securities, you should not rely upon any information other than the information in this prospectus supplement and the accompanying prospectus. Neither the delivery of this prospectus supplement nor sale of the securities means that information contained in this prospectus supplement or the accompanying prospectus is correct after their respective dates. This prospectus supplement and the accompanying prospectus are not an offer to sell or solicitation of an offer to buy the securities in any circumstances under which the offer of solicitation is unlawful.**

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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 14% Enhanced Yield Securities Linked to the Common Stock of Advanced Micro Devices, Inc. due March 12, 2007, which we refer to as the securities. You should carefully read this prospectus supplement and the accompanying prospectus to fully understand the terms of the securities as well as the tax and other considerations that are important to you in making a decision about whether to invest in the securities. You should carefully review the section Risk Factors in this prospectus supplement and the accompanying prospectus, which highlights certain risks associated with an investment in the securities, to determine whether an investment in the securities is appropriate for you.

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

### What are the securities?

The securities offered by this prospectus supplement will be issued by Wachovia Corporation and will mature on March 12, 2007. The return on the securities is linked to the performance of the common stock of Advanced Micro Devices, Inc. (the Underlying Stock Issuer) and will depend on whether a knock-in event occurs during the term of the securities and whether the final stock price is less than the initial stock price, each as described below.

As discussed in the accompanying prospectus, the securities are debt securities and are part of a series of debt securities entitled Medium-Term Notes, Series G that Wachovia Corporation may issue from time to time. The securities will rank equally with all other unsecured and unsubordinated debt of Wachovia Corporation. For more details, see Specific Terms of the Securities beginning on page S-12.

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

### Are the securities principal protected?

No, the securities do not guarantee any return of principal at maturity. *If a knock-in event has occurred and the final stock price is less than the initial stock price, you will lose some or all of the value of your principal and receive shares of the Underlying Stock instead of a cash payment. Under these conditions, the market value of the shares of the Underlying Stock you receive at maturity will be less than the initial public offering price and you will lose some or all of your principal.*

**Will I receive interest on the securities?**

The securities will bear interest at a rate of 14% per annum payable on each of March 12, June 12, September 12 and December 12, beginning on June 12, 2006. The interest rate on the securities is higher than the

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current dividend yield of the Underlying Stock. The interest rate is also higher than the interest rate we would pay on a conventional fixed-rate, principal protected debt security.

**How is Wachovia able to offer a 14% interest rate on the securities?**

Wachovia is able to offer a 14% interest rate on the securities because the securities are riskier than conventional principal protected debt securities. As previously described, if a knock-in event has occurred and the final stock price is less than the initial stock price, at maturity you will receive shares of the Underlying Stock that are worth less than the principal amount of the securities. The interest rate on the securities reflects the value of our right to deliver stock to you at the maturity of the securities if a knock-in event has occurred and the final stock price is less than the initial stock price. In general, the more volatile the underlying stock is or is expected to be, the higher the interest rate and the more likely a knock-in event might occur.

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

The securities will mature on March 12, 2007. On the maturity date, for each security you hold, you will receive a payment equal to the redemption amount. The redemption amount will be a cash payment equal to the principal amount of your securities, plus any accrued but unpaid interest, unless:

- (a) a knock-in event has occurred; and
- (b) the final stock price is less than the initial stock price.

If the conditions described in (a) and (b) both occur, at maturity, for each security you hold, the redemption amount you will receive will be a number of shares of the Underlying Stock equal to the following:

$$\left( \frac{\$1,000}{\text{initial stock price}} \right) \times \text{share multiplier,}$$

plus any accrued but unpaid interest in cash.

If the calculation of the number of shares of the Underlying Stock per \$1,000 security on the valuation date results in fractional shares, such fractional shares will be paid in U.S. dollar amounts equal to the fractional number of shares multiplied by the closing price per share of the Underlying Stock on the valuation date.

*If a knock-in event has occurred and the final stock price is less than the initial stock price, you will lose some or all of the value of your principal and receive shares of the Underlying Stock instead of a cash payment. Under these conditions, the market value on the valuation date of the shares of the Underlying Stock that you will receive on the maturity date will be less than the aggregate principal amount of your securities and could be \$0 (but you will still receive any accrued but unpaid interest in cash).*

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The initial stock price is \$40.62, the closing price per share of the Underlying Stock on February 27, 2006.

The final stock price will be determined by the calculation agent and will equal the closing price per share of the Underlying Stock multiplied by the share multiplier on the valuation date.

The share multiplier is 1.0, subject to adjustment for certain corporate events relating to the Underlying Stock Issuer described in this prospectus supplement under Specific Terms of the Securities Antidilution Adjustments .

A knock-in event will occur if, as determined by the calculation agent, the market price of the Underlying Stock multiplied by the share multiplier has fallen to or below the knock-in price at any time during regular business hours of the relevant exchange on any business day from the first business day following the pricing date to and including the valuation date.

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The knock-in price will equal \$30.465, the price that is 25% below the initial stock price.

The market price is, on any business day and at any time during the regular business hours of the relevant exchange, the latest reported sale price of the Underlying Stock (or any other security for which a market price must be determined) on that relevant exchange at that time, as determined by the calculation agent.

The valuation date means the fifth trading day prior to the maturity date. However, if that day occurs on a day on which the calculation agent has determined that a market disruption event has occurred or is continuing, the valuation date will be postponed until the next succeeding trading day on which the calculation agent determines that a market disruption event does not occur and is not continuing. *If the valuation date is postponed, then the maturity date of the securities will be postponed by an equal number of trading days.*

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

A trading day means a day, as determined by the calculation agent, on which trading is generally conducted on the New York Stock Exchange, Inc. ( NYSE ), the American Stock Exchange, the Nasdaq National Market, the Chicago Board Mercantile Exchange and the Chicago Board of Options Exchange and in the over-the-counter market for equity securities in the United States.

The relevant exchange is the primary U.S. securities organized exchange or market of trading for the Underlying Stock. If a reorganization event has occurred, the relevant exchange will be the stock exchange or securities market on which the distribution property (as defined below under Antidilution Adjustments Adjustments for Reorganization Events on page S-19) that is a listed equity security is principally traded, as determined by the calculation agent.

We shall, or shall cause the calculation agent to, (i) provide written notice to the Trustee and to DTC, on or prior to 10:30 a.m. on the trading day immediately prior to the maturity date of the securities (but if such trading day is not a business day, prior to the close of business on the business day preceding the maturity date), of the amount of shares of the Underlying Stock to be delivered on the maturity date with respect to the principal amount of each security, as determined on the valuation date, and (ii) deliver such shares of the Underlying Stock (and cash in respect of interest and any fractional shares of the Underlying Stock) to the Trustee for delivery to DTC, as holder of the securities, on the maturity date. We expect such shares and cash will be distributed to investors on the maturity date in accordance with the standard rules and procedures of DTC and its direct and indirect participants.

***If a knock-in event has occurred and the final stock price is less than the initial stock price, you will lose some or all of the value of your principal and you will receive shares of the Underlying Stock instead of a cash payment.***

### **Hypothetical Examples**

Set forth below are four hypothetical examples of the calculation of the redemption amount (which do not consider any accrued but unpaid interest). Interest will be paid quarterly regardless of whether a knock-in event occurs.



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Initial stock price: \$40.62

Knock-in price: \$30.465

Share multiplier on the valuation date: 1.0

**Example 1** The hypothetical final stock price is equal to 50% of the initial stock price and a knock-in event *has* occurred:

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Hypothetical final stock price: \$20.31

$$\text{Redemption amount (per security)} = \left( \begin{array}{l} \$1,000 \\ \$40.62 \end{array} \right) \times 1.0 = 24 \text{ shares of Underlying Stock and } \$12.56 \text{ cash in lieu of fractional shares}$$

**Since the hypothetical final stock price is less than the initial stock price and a knock-in event *has* occurred, the redemption amount per security would be equal to 24 shares of Underlying Stock and a cash payment of \$12.56 in lieu of fractional shares with a market value on the valuation date equal to \$500, representing a 50% loss of the principal amount of your security.**

**Example 2** The hypothetical final stock price is equal to 85% of the initial stock price and a knock-in event *has* occurred:

Hypothetical final stock price: \$34.53

$$\text{Redemption amount (per security)} = \left( \begin{array}{l} \$1,000 \\ \$40.62 \end{array} \right) \times 1.0 = 24 \text{ shares of Underlying Stock and } \$21.35 \text{ cash in lieu of fractional shares}$$

**Since the hypothetical final stock price is less than the initial stock price and a knock-in event *has* occurred, the redemption amount per security would be equal to 24 shares of Underlying Stock and a cash payment of \$21.35 in lieu of fractional shares with a market value on the valuation date equal to \$850, representing a 15% loss of the principal amount of your security.**

**Example 3** The hypothetical final stock price is equal to 85% of the initial stock price but a knock-in event *has not* occurred:

Hypothetical final stock price: \$34.53

$$\text{Redemption amount (per security)} = \$1,000$$

**Since a knock-in event *has not* occurred, your principal would be protected even though the hypothetical final stock price is less than the initial stock price and your redemption amount would be in cash. Your total cash payment at maturity would be \$1,000 per security, representing the principal amount of your security.**

**Example 4** The hypothetical final stock price is equal to 150% of the initial stock price, whether a knock-in event *has*, or *has not*, occurred:

Hypothetical final stock price: \$60.93

Redemption amount (per security) = \$1,000

**Since the hypothetical final stock price is greater than the initial stock price, regardless of whether a knock-in event has occurred, the redemption amount per security would be equal to the principal amount of your security and your redemption amount would be in cash. Your total cash payment at maturity would be \$1,000 per security, representing the principal amount of your security. Your total return on your security will not reflect the increase in the market price of the Underlying Stock during the term of the securities.**

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

We have designed the securities for investors who are willing to make an investment that is contingently exposed to the full downside performance risk of the Underlying Stock and the potential loss of some or all of the value of their principal, who do not expect to participate in any appreciation in the price of the Underlying Stock and who are willing to receive shares of the Underlying Stock as the return on their investment if a knock-in event occurs during the terms of the securities and the final stock price is less than the initial stock price. In exchange for

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the potential downside exposure to the Underlying Stock described in the preceding sentence, investors in the securities will receive quarterly interest payments at a rate of 14% per year.

The securities are not designed for, and may not be a suitable investment for, investors who are unwilling to make an investment that is exposed (or contingently exposed) to the full downside performance risk of the Underlying Stock. The securities are also not designed for, and may not be a suitable investment for, investors who seek the full upside appreciation in the market price of the Underlying Stock. This may not be a suitable investment for investors who prefer the lower risk of fixed income investments with comparable maturities issued by companies with comparable credit ratings, or who are unable or unwilling to hold the securities to maturity.

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

The market value of the securities may fluctuate during the term of the securities. Several factors and their interrelationship will influence the market value of the securities, including the market price of the Underlying Stock, dividend yields on the Underlying Stock, the time remaining to maturity of the securities, interest and yield rates in the market and the volatility of the market price of the Underlying Stock. The securities are 100% principal protected only if held to maturity and if no knock-in event occurs during the term of the securities and the market price does not decline over the term of the securities (i.e. the final stock price is not less than the initial stock price). If you sell your securities prior to maturity, you may have to sell them at a discount and you will not have contingent principal protection. Depending on the impact of these factors, you may receive less than the principal amount in any sale of your securities before the maturity date of the securities and less than what you would have received had you held the securities until maturity. For more details, see Risk Factors Many factors affect the market value of the securities .

#### **Who is Advanced Micro Devices, Inc.?**

According to publicly available information, Advanced Micro Devices, Inc. is a semiconductor company with manufacturing facilities in the United States, Europe and Asia, and sales offices throughout the world. You should independently investigate the Underlying Stock Issuer and decide whether an investment in the securities linked to the Underlying Stock is appropriate for you.

Because the Underlying Stock is registered under the Securities Exchange Act of 1934, as amended (the Exchange Act ), the Underlying Stock Issuer is required to file periodically certain financial and other information specified by the Securities and Exchange Commission (the SEC ). Information provided to or filed with the SEC by the Underlying Stock Issuer can be located by reference to SEC file number 001-07882 and inspected at the SEC s public reference facilities or accessed over the Internet through the SEC s website. The address of the SEC s website is <http://www.sec.gov>. In addition, information regarding the Underlying Stock may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated information. We make no representation or warranty as to the accuracy or completeness of any such information. For further information, please see the section entitled The Underlying Stock The Underlying Stock Issuer in this prospectus supplement.

#### **What is the Underlying Stock Issuer s role in the securities?**

The Underlying Stock Issuer has no obligations relating to the securities or amounts to be paid to you, including no obligation to take the needs of Wachovia or of holders of the securities into consideration for any reason. The Underlying Stock Issuer will not receive any of the proceeds of the offering of the securities, is not responsible for, and has not participated in, the offering of the securities and is not responsible for, and will not participate in, the determination or calculation of the redemption amount. Wachovia is not affiliated with the Underlying Stock Issuer.

**How has the Underlying Stock performed historically?**

You can find a table with the high, low and closing prices per share of the Underlying Stock during each calendar quarter from calendar year 2002 to the present in the section entitled The Underlying Stock Historical

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Data in this prospectus supplement. We have provided this historical information to help you evaluate the behavior of the Underlying Stock in the recent past; however, past performance of the Underlying Stock is not indicative of how it will perform in the future.

#### **What about taxes?**

The United States federal income tax consequences of your investment in the securities are complex and uncertain. By purchasing a security, you and Wachovia hereby agree, in the absence of an administrative determination or a judicial ruling to the contrary, to characterize a security for all tax purposes as an investment unit consisting of a non-contingent debt instrument and payments for a put option. Under this characterization of the securities, you should be required to treat a portion of the payments on the security as an interest payment, and the remainder of the payments as amounts paid to you in respect of the put option. In the opinion of our counsel, Sullivan & Cromwell LLP, it is reasonable to treat the securities as described above, but it would also be reasonable to treat the securities as a single debt instrument subject to the special tax rules governing contingent debt instruments. **Because of this uncertainty, we urge you to consult your tax advisor as to the tax consequences of your investment in the securities.** For a further discussion, see Supplemental Tax Considerations beginning on page S-24.

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

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

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

Yes, an investment in the securities is subject to significant risks, including the risk of loss of some or all of your principal. We urge you to read the detailed explanation of risks in Risk Factors beginning on page S-7.

#### **How to reach us**

You may reach us by calling 1-888-215-4145 or 1-212-909-0038 and asking for the Investment Solutions Group.

## RISK FACTORS

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

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

We will not repay you a fixed amount of principal on the securities at maturity. With an investment in the securities, you bear the risk of losing some or all of the value of your principal if a knock-in event occurs during the term of the securities and the final stock price is less than the initial stock price. Under these circumstances, at maturity, for each security you hold, the redemption amount that you will receive will be a number of shares of the Underlying Stock equal to the product of the share multiplier and the quotient of: (i) the principal amount of the security and (ii) the initial stock price. *Accordingly, if a knock-in event has occurred during the term of the securities and the market price of the Underlying Stock has declined over the term of the securities (i.e., the final stock price is less than the initial stock price), you will lose some or all of the value of the principal amount of your securities and receive shares of the Underlying Stock instead of a cash payment. Your principal protection is contingent and, therefore, your principal will be protected only if a knock-in event never occurs during the term of the securities and you hold your securities until maturity.*

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

The yield that you will receive on your securities, which could be negative and in shares of the Underlying Stock instead of cash if a knock-in event occurs during the term of the securities and the final stock price is less than the initial stock price, may be less than the return you could earn on other investments. Your redemption amount in cash will not be greater than the aggregate principal amount of your securities. Even if your yield is positive, your yield may be less than the yield you would earn if you bought a standard senior non-callable debt security of Wachovia with the same maturity date. Your investment may not reflect the full opportunity cost to you when you take into account factors that affect the time value of money. Unlike standard senior non-callable debt securities, the securities do not guarantee the return of a principal amount at maturity.

### **Owning the securities is not the same as owning the Underlying Stock**

Your return will not reflect the return you would realize if you actually owned and held the Underlying Stock for a similar period because the redemption amount per security will never exceed the principal amount of your securities and will be determined without taking into consideration the value of any dividends that may be paid on the Underlying Stock. The securities represent senior unsecured obligations of ours and do not represent or convey any rights of ownership in the Underlying Stock, other than the right to receive a payment at maturity in shares of the Underlying Stock if a knock-in event has occurred and the final stock price is less than the initial stock price. In addition, you will not receive any dividend payments or other distributions on the Underlying Stock, and as a holder of the securities, you will not have voting rights or any other rights that holders of the Underlying Stock may have. If the return on the Underlying Stock over the term of the securities exceeds the principal amount of the securities and the interest payments you receive, your return on the securities at maturity will be less than the return on a direct investment in the Underlying Stock without taking into account taxes and other costs related to such a direct investment. If the market price of the Underlying Stock increases above the initial stock price during the term of the securities, the market value of the securities will not increase by the same amount. It is also possible for the market price of the Underlying Stock to increase while the market value of the securities declines.

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

The securities have been approved for listing on the American Stock Exchange under the symbol WDB.Y . You should be aware that the listing of the securities on the American Stock Exchange will not necessarily ensure that a liquid trading market will develop for the securities. The development of a trading market

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for the securities will depend on our financial performance and other factors such as the increase, if any, in the market price of the Underlying Stock. Even if a secondary market for the securities 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 security in any secondary market could be substantial. If you sell your securities before maturity, you may have to do so at a discount from the initial public offering price, and, as a result, you may suffer substantial losses.

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

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

The market value of the securities will be affected by factors that interrelate in complex ways. It is important for you to understand that the effect of one factor may offset the increase in the market value of the securities caused by another factor and that the effect of one factor may exacerbate the decrease in the market value of the securities caused by another factor. The following paragraphs describe the expected impact on the market value of the securities given a change in a specific factor, assuming all other conditions remain constant.

#### ***The market price of the Underlying Stock is expected to affect the market value of the securities***

We expect that the market value of the securities will depend substantially on the market price of the Underlying Stock at any time during the term of the securities relative to the initial stock price. If you choose to sell your securities when the market price of the Underlying Stock exceeds or is equal to the initial stock price, you may receive substantially less than the amount that would be payable at maturity based on this market price because of the expectation that the market price of the Underlying Stock will continue to fluctuate until the final stock price is determined and the risk that a knock-in event will occur.

#### ***Changes in the volatility of the Underlying Stock are expected to affect the market value of the securities***

Volatility is the term used to describe the size and frequency of price and/or market fluctuations. If the volatility of the Underlying Stock increases or decreases, the market value of the securities may be adversely affected.

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

We expect that changes in interest rates, even if they do not affect the market price of the Underlying Stock as described above, may affect the market value of the securities and may be adverse to holders of the securities.

*Changes in dividend yields of the Underlying Stock are expected to affect the market value of the securities*

In general, if dividend yield on the Underlying Stock increases, we expect that the market value of the securities will decrease and, conversely, if dividend yield on the Underlying Stock decreases, we expect that the market value of the securities will increase. The return on the securities will not reflect any dividends paid on the Underlying Stock.

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

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 securities. However, because the return on your securities is dependent upon factors in addition to our ability to pay our obligations under the securities, such as the

percentage change in the market price of the Underlying Stock 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 securities.

*The time remaining to maturity may affect the value of the securities*

The value of the securities may be affected by the time remaining to maturity. As a result of a time premium, the securities may have a value below that which would be expected based on the level of interest rates and the market price of the Underlying Stock at such time the longer the time remaining to maturity. A time premium results from expectations concerning the market price of the Underlying Stock during the period prior to maturity of the securities. As the time remaining to the maturity of the securities decreases, this time premium will likely decrease, adversely affecting the value of the securities.

*Changes in geopolitical, economic, financial and other conditions may affect the market price of the Underlying Stock*

In general, geopolitical conditions and economic, financial, political, regulatory or judicial events that affect the market price of the Underlying Stock may affect the final stock price and, therefore, the redemption amount.

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

**Wachovia and its affiliates have no affiliation with the Underlying Stock Issuer and are not responsible for its public disclosure of information**

Wachovia and its affiliates are not affiliated with the Underlying Stock Issuer in any way and have no ability to control or predict its actions, including any corporate actions of the type that would require the calculation agent to adjust the redemption amount, and have no ability to control the public disclosure of these corporate actions or any events or circumstances affecting them.

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

This prospectus supplement relates only to the securities and does not relate to the Underlying Stock. We have derived the information about the Underlying Stock Issuer in this prospectus supplement from publicly available documents, without independent verification. We have not participated in the preparation of any of the documents or made any due diligence investigation or any inquiry of the Underlying Stock Issuer in connection with the offering of the securities. Neither we nor any of our affiliates assumes any responsibility for the adequacy or accuracy of the information about the Underlying Stock Issuer contained in this prospectus supplement. Furthermore, we do not know whether the Underlying Stock Issuer has disclosed all events occurring before the date of this prospectus supplement including events that could affect the accuracy or completeness of the publicly available documents referred to above, the market price of the Underlying Stock and, therefore, the initial stock price and the final stock price of the Underlying Stock that the calculation agent will use to determine the redemption amount with respect to your securities. You, as an investor in the securities, should investigate the Underlying Stock Issuer on your own.

**You have limited antidilution protection**

WBNA, as calculation agent for your securities, will, in its sole discretion, adjust the share multiplier for certain events affecting the Underlying Stock, such as stock splits and stock dividends, and certain other corporate actions involving the Underlying Stock Issuer, such as mergers. However, the calculation agent is not required to

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make an adjustment for every corporate event that can affect the Underlying Stock. For example, the calculation agent is not required to make any adjustments to the share multiplier if the Underlying Stock Issuer or anyone else makes a partial tender or partial exchange offer for the Underlying Stock. Consequently, this could affect the calculation of the redemption amount and the market value of the securities. You should refer to **Specific Terms of the Securities Antidilution Adjustments** beginning on page S-16 for a description of the general circumstances in which the calculation agent will make adjustments to the share multiplier.

**Historical performance of the Underlying Stock should not be taken as an indication of its future performance during the term of the securities**

It is impossible to predict whether the market price of the Underlying Stock will rise or fall. The Underlying Stock has performed differently in the past and is expected to perform differently in the future. The market price of the Underlying Stock will be influenced by complex and interrelated political, economic, financial and other factors that can affect the Underlying Stock Issuer. You should refer to **The Underlying Stock** beginning on page S-21 for a description of the Underlying Stock Issuer and historical data on the Underlying Stock.

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

As described below under **Use of Proceeds and Hedging** on page S-28, we or one or more of our affiliates may hedge our obligations under the securities by purchasing the Underlying Stock, futures or options on the Underlying Stock or other derivative instruments with returns linked or related to changes in the market price of the Underlying Stock, and we may adjust these hedges by, among other things, purchasing or selling the Underlying Stock, futures, options or other derivative instruments with returns linked to the Underlying Stock at any time. Although they are not expected to, any of these hedging activities may adversely affect the market price of the Underlying Stock and, therefore, the market value of the securities. It is possible that we or one or more of our affiliates could receive substantial returns from these hedging activities while the market value of the securities declines.

**The inclusion of commissions and projected profits from hedging in the initial public offering price is likely to adversely affect secondary market prices**

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

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

The valuation date and, therefore, the determination of the final stock price may be postponed if the calculation agent determines that a market disruption event has occurred or is continuing on the valuation date. If a postponement occurs, the calculation agent will use the closing price per share of the Underlying Stock on the next succeeding business day on which no market disruption event occurs or is continuing. As a result, the maturity date for the securities would also be postponed. You will not be entitled to any 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 market price of the Underlying Stock resulting from the postponement of the valuation date. See **Specific Terms of the Securities Market Disruption Event**

beginning on page S-15.

**Potential conflicts of interest could arise**

Our subsidiary, WBNA, is our agent for the purposes of calculating whether a knock-in event has occurred, the final stock price, and the redemption amount. Under certain circumstances, WBNA's role as our subsidiary and its responsibilities as calculation agent for the securities could give rise to conflicts of interest. These conflicts could

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occur, for instance, in connection with its determination as to whether the final stock price can be calculated on a particular business day. See the section entitled **Specific Terms of the Securities Market Disruption Event** beginning on page S-15. 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 the Underlying Stock Issuer. This business may include extending loans to, or making equity investments in, the Underlying Stock Issuer or providing advisory services to the Underlying Stock Issuer, including merger and acquisition advisory services. In the course of business, Wachovia or its affiliates may acquire non-public information relating to the Underlying Stock Issuer and, in addition, one or more affiliates of Wachovia may publish research reports about the Underlying Stock Issuer. Wachovia does not make any representation to any purchasers of the securities regarding any matters whatsoever relating to the Underlying Stock Issuer. Any prospective purchaser of the securities should undertake an independent investigation of the Underlying Stock Issuer as in its judgment is appropriate to make an informed decision regarding an investment in the securities.

#### **Tax consequences are uncertain**

You should consider the tax consequences of investing in the securities, significant aspects of which are uncertain. See **Supplemental Tax Considerations** beginning on page S-24.

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

A fiduciary of a pension plan or other employee benefit plan that is subject to the prohibited transaction rules of the Employee Retirement Income Security Act of 1974, as amended, which we call **ERISA**, or the Internal Revenue Code of 1986, as amended, and that is considering purchasing the securities with the assets of such a plan, should consult with its counsel regarding whether the purchase or holding of the securities could become a **prohibited transaction** under ERISA, the Internal Revenue Code or any substantially similar prohibition. These prohibitions are discussed in further detail under **Employee Retirement Income Security Act** beginning on page S-27.

## SPECIFIC TERMS OF THE SECURITIES

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

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

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

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

### Interest

The securities will bear interest at a rate of 14% per annum payable on each of March 12, June 12, September 12 and December 12, beginning on June 12, 2006. The interest rate on the securities is higher than the current dividend yield of the Underlying Stock.

If the maturity date is postponed due to a postponement of the valuation date, we will pay interest on the maturity date as postponed rather than on March 12, 2007 (the scheduled maturity date), but no interest will accrue on the securities or on such payment during the period from or after March 12, 2007.

The regular record dates will be the close of business on February 25, May 28, August 28 and November 27, respectively, in each case the fifteenth calendar day, whether or not a business day, immediately preceding the related interest payment date. For the purpose of determining the holder at the close of business on a day that is not a business day, the close of business will mean 5:00 P.M. in New York City, on that day.

### Denominations

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



**Offering Price**

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

**Payment at Maturity**

The securities will mature on March 12, 2007. At maturity, for each security you hold, you will receive a payment equal to the redemption amount. The redemption amount will be a cash payment equal to the principal amount of your securities, plus any accrued but unpaid interest, unless:

- (a) a knock-in event has occurred; and
- (b) the final stock price is less than the initial stock price.

If the conditions described in (a) and (b) both occur, at maturity, for each security you hold, the redemption amount you will receive will be a number of shares of the Underlying Stock equal to the following:

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$\left( \frac{\$1,000}{\text{initial stock price}} \right) \times \text{share multiplier,}$

plus any accrued but unpaid interest in cash.

If the calculation of the number of shares of the Underlying Stock per \$1,000 security on the valuation date results in fractional shares, such fractional shares will be paid in U.S. dollar amounts equal to the fractional number of shares multiplied by the closing price per share of the Underlying Stock on the valuation date.

*If a knock-in event occurs and the final stock price is less than the initial stock price, you will lose some or all of the value of your principal and receive shares of the Underlying Stock instead of a cash payment. Under these conditions, the market value on the valuation date of the shares of the Underlying Stock that you will receive on the maturity date will be less than the aggregate principal amount of your securities and could be \$0 (but you will still receive any accrued but unpaid interest in cash).*

The initial stock price is \$40.62, the closing price per share of the Underlying Stock on February 27, 2006.

The final stock price will be determined by the calculation agent and will equal the closing price per share of the Underlying Stock multiplied by the share multiplier on the valuation date.

The share multiplier is 1.0, subject to adjustment for certain corporate events relating to the Underlying Stock Issuer described in this prospectus supplement under Specific Terms of the Securities Antidilution Adjustments .

A knock-in event will occur if, as determined by the calculation agent, the market price of the Underlying Stock multiplied by the share multiplier has fallen to or below the knock-in price at any time during regular business hours of the relevant exchange on any business day from the first business day following the pricing date to and including the valuation date.

The knock-in price will equal \$30.465, the price that is 25% below the initial stock price.

The market price is, on any business day and at any time during the regular business hours of the relevant exchange, the latest reported sale price of the Underlying Stock (or any other security for which a market price must be determined) on that relevant exchange at that time, as determined by the calculation agent.

The valuation date means the fifth trading day prior to the maturity date. However, if that day occurs on a day on which the calculation agent has determined that a market disruption event has occurred or is continuing, the valuation date will be postponed until the next succeeding trading day on which the calculation agent determines that a market disruption event does not occur and is not continuing. *If the valuation date is postponed, then the maturity date of the securities will be postponed by an equal number of trading days.*

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

A **trading day** means a day, as determined by the calculation agent, on which trading is generally conducted on the New York Stock Exchange, Inc. ( **NYSE** ), the American Stock Exchange, the Nasdaq National Market, the Chicago Board Mercantile Exchange and the Chicago Board of Options Exchange and in the over-the-counter market for equity securities in the United States.

The **relevant exchange** is the primary U.S. securities organized exchange or market of trading for the Underlying Stock. If a reorganization event has occurred, the relevant exchange will be the stock exchange or securities market on which the distribution property (as defined below under **Antidilution Adjustments**)

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Adjustments for Reorganization Events on page S-19) that is a listed equity security is principally traded, as determined by the calculation agent.

We shall, or shall cause the calculation agent to, (i) provide written notice to the Trustee and to DTC, on or prior to 10:30 a.m. on the trading day immediately prior to the maturity date of the securities (but if such trading day is not a business day, prior to the close of business on the business day preceding the maturity date), of the amount of shares of the Underlying Stock to be delivered on the maturity date with respect to the principal amount of each security, as determined on the valuation date, and (ii) deliver such shares of the Underlying Stock (and cash in respect of interest and any fractional shares of the Underlying Stock) to the Trustee for delivery to DTC, as holder of the securities, on the maturity date. We expect such shares and cash will be distributed to investors on the maturity date in accordance with the standard rules and procedures of DTC and its direct and indirect participants.

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

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

*If Wachovia determines that it is prohibited from delivering shares of the Underlying Stock, or that it would otherwise be unduly burdensome to deliver shares of the Underlying Stock, on the maturity date, it will pay the redemption amount per security in cash in an amount equal to the closing price of the Underlying Stock on the valuation date multiplied by the number of shares of the Underlying Stock that correspond to a security, plus any accrued and unpaid interest. Any such determination will be made in the sole discretion of Wachovia.*

### **Closing Price**

The closing price for one share of the Underlying Stock (or one unit of any other security for which a closing price must be determined) on any business day means:

if the Underlying Stock (or any such other security) is listed or admitted to trading on a national securities exchange, the last reported sale price, regular way, of the principal trading session on such day on the principal United States securities exchange registered under the Exchange Act, on which the Underlying Stock (or any such other security) is listed or admitted to trading,

if the Underlying Stock (or any such other security) is a security of the Nasdaq National Market (and provided that the Nasdaq National Market is not then a national securities exchange), the Nasdaq official closing price published by The Nasdaq Stock Market, Inc. on such day, or

if the Underlying Stock (or any such other security) is neither listed or admitted to trading on any national securities exchange nor a security of the Nasdaq National Market but is included in the OTC Bulletin Board Service (the OTC Bulletin Board ) operated by the National Association of Securities Dealers, Inc. (the NASD ), the last reported sale price of the principal trading session on the OTC Bulletin Board on such day.

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If the Underlying Stock (or any such other security) is listed or admitted to trading on any national securities exchange or is a security of the Nasdaq National Market but the last reported sale price or Nasdaq official closing price, as applicable, is not available pursuant to the preceding sentence, then the closing price for one share of the Underlying Stock (or one unit of any such other security) on any business day will mean the last reported sale price of the principal trading session on the over-the-counter market as reported on the Nasdaq National Market or the OTC Bulletin Board on such day.

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If the last reported sale price or Nasdaq official closing price, as applicable, for the Underlying Stock (or any such other security) is not available pursuant to either of the two preceding sentences, then the closing price for any business day will be the mean, as determined by the calculation agent, of the bid prices for the Underlying Stock (or any such other security) obtained from as many recognized dealers in such security, but not exceeding three, as will make such bid prices available to the calculation agent. Bids of Wachovia Capital Markets, LLC or any of its affiliates may be included in the calculation of such mean, but only to the extent that any such bid is the highest of the bids obtained. The term "security of the Nasdaq National Market" will include a security included in any successor to such system, and the term OTC Bulletin Board Service will include any successor service thereto.

#### **Market Disruption Event**

A market disruption event means the occurrence or existence of any of the following events:

a suspension, absence or material limitation of trading in the Underlying Stock on its primary market for more than two hours of trading or during the one-half hour before the close of trading in that market, as determined by the calculation agent in its sole discretion;

a suspension, absence or material limitation of trading in option or futures contracts relating to the Underlying Stock, if available, in the primary market for those contracts for more than two hours of trading or during the one-half hour before the close of trading in that market, as determined by the calculation agent in its sole discretion;