

WACHOVIA CORP NEW
Form 424B5
October 31, 2006
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Filed Pursuant to Rule 424(b)(5)

Registration No. 333-123311

PROSPECTUS SUPPLEMENT

(To prospectus dated May 13, 2005)

\$4,673,860

Wachovia Corporation

Enhanced Growth Securities

Bearish Return

Linked Inversely to the S&P 500[®] Composite Stock Price Index

due November 5, 2007

Issuer:	Wachovia Corporation
Principal Amount:	Each security will have a principal amount of \$10. Each security will be offered at an initial public offering price of \$10. The securities are not principal protected.
Maturity Date:	November 5, 2007
Interest:	Wachovia will not pay you interest during the term of the securities.
Market Measure:	The return on the securities is linked to the performance of the S&P 500 [®] Index, which we refer to as the Index.
Payment at Maturity:	<p>The amount you receive at maturity, for each security you own, will be based upon the percentage change in the level of the Index from the initial Index level relative to the final Index level (calculated as described in this prospectus supplement).</p> <p>If the final Index level is <i>less</i> than the initial Index level, at maturity you will receive a payment per security equal to the issue price <i>plus</i> an enhanced downside payment based on triple the percentage decrease of the level of the Index, not to exceed an amount of \$13.70 per security.</p> <p>If the final Index level is <i>greater</i> than or equal to the initial Index level, at maturity you will receive a payment per security equal to the issue price <i>minus</i> an upside reduction amount based on the full percentage increase of the level of the Index, subject to a minimum payment of \$5.00 per security. If the final Index level is greater than the initial Index level, you will lose up to half of your principal.</p>
Listing:	The securities will not be listed or displayed on any securities exchange, the Nasdaq National Market or any electronic communications network.
Pricing Date:	October 30, 2006

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Expected Settlement Date: November 2, 2006
CUSIP Number: 929903474

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-14.

Investing in the securities involves risks. See [Risk Factors](#) beginning on page S-9.

	<u>Per Security</u>	<u>Total</u>
Public Offering Price	100.00%	\$ 4,673,860.00
Underwriting Discount and Commission	2.25%	\$ 105,161.85
Proceeds to Wachovia Corporation	97.75%	\$ 4,568,698.15

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

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

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

Wachovia Securities

The date of this prospectus supplement is October 30, 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 or solicitation is unlawful.

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SUMMARY INFORMATION

This summary includes questions and answers that highlight selected information from this prospectus supplement and the accompanying prospectus to help you understand the Enhanced Growth Securities, Bearish Return, Linked Inversely to the S&P 500[®] Composite Stock Price Index due November 5, 2007 (the securities). You should carefully read this prospectus supplement and the accompanying prospectus to fully understand the terms of the securities, the S&P 500[®] Index, which we refer to as the Index, and the tax and other considerations that are important to you in making a decision about whether to invest in the securities. You should carefully review the section Risk Factors in this prospectus supplement and the accompanying prospectus, which highlights certain risks associated with an investment in the securities, to determine whether an investment in the securities is appropriate for you.

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

What are the securities?

The securities offered by this prospectus supplement will be issued by Wachovia Corporation and will mature on November 5, 2007. The return on the securities will be linked to the performance of the Index. The securities will bear no interest and no other payments will be made until maturity.

As discussed in the accompanying prospectus, the securities are debt securities and are part of a series of debt securities entitled Medium-Term Notes, Series G that Wachovia Corporation may issue from time to time. The securities will rank equally with all other unsecured and unsubordinated debt of Wachovia Corporation. For more details, see Specific Terms of the Securities beginning on page S-14.

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

Are the securities principal protected?

The securities are not fully principal protected, however, the securities guarantee a payment of at least 50% of the principal amount of the securities at maturity. The securities will pay at maturity a cash payment equal to the maturity payment amount. If the final Index level is greater than the initial Index level, the maturity payment amount will be less than the initial public offering price and you will lose your principal, subject to the minimum payment at maturity of 50% of your principal.

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What will I receive upon maturity of the securities?

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

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

If the final Index level is *less* than the initial Index level, the maturity payment amount per security will equal the issue price of \$10 per security *plus* the Enhanced Downside Payment.

The Enhanced Downside Payment is equal to 3 times the Index percentage decrease times \$10. However, in no event may the Enhanced Downside Payment exceed an amount equal to \$3.70 per security, which will result in a maximum payment at maturity per security of \$13.70.

The Index percentage decrease is equal to the percentage decrease in the value of the Index from the initial Index level to the final Index level, and can be expressed by the following formula:

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

If the final Index level is *greater* than or equal to the initial Index level, the maturity payment amount per security will equal the issue price of \$10 per security *minus* the Upside Reduction Amount.

The Upside Reduction Amount is equal to the Index percentage increase times \$10. However, in no event may the Upside Reduction Amount exceed \$5.00 per security, which will result in a minimum payment at maturity per security of \$5.00.

The Index percentage increase is equal to the percentage increase in the value of the Index from the initial Index level to the final Index level, and can be expressed by the following formula:

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

If the final Index level is greater than the initial Index level, you will lose some of your principal in proportion to the increase in the Index from the initial Index level to the final Index level, subject to the minimum payment at maturity.

The initial Index level is 1377.93, the closing level of the Index on October 30, 2006.

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

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

The closing level on any trading day will equal the official closing level of the Index or any successor index (as defined under Specific Terms of the Securities Discontinuation of the Index; Adjustments to the Index below)

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published by the Index Sponsor at the regular weekday close of trading on that trading day. In certain circumstances, the closing level will be based on the alternate calculation of the Index described under Specific Terms of the Securities Discontinuation of the Index; Adjustments to the Index below.

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

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

You should understand that the opportunity to benefit from the possible decrease in the level of the Index through an investment in the securities is limited because the amount that you receive at maturity will never exceed the maximum payment at maturity. The maximum payment at maturity represents a maximum appreciation on the securities equal to 37% over the principal amount of the securities. However, if the final Index level is greater than the initial Index level, the amount you will receive at maturity will be proportionately less than the principal amount of the securities. *Accordingly, if the level of the Index increases in this manner, you will lose some of your principal, subject to a minimum payment at maturity of \$5.00.*

Hypothetical Examples

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

Initial Index level: 1377.93

Maximum payment at maturity: \$13.70

Example 1

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

Hypothetical final Index level: 1722.41

Upside Reduction Amount = Index percent increase x \$10

$$= \left(\frac{1722.41 - 1377.93}{1377.93} \right) \times \$10 = \$2.50$$

Maturity payment amount (per security) = \$10 - Upside Reduction Amount

$$= \$10 - \$2.50 = \$7.50$$

Since the hypothetical final Index level is greater than the initial Index level, you would lose some of your principal based on the percentage increase in the level of the Index. Your total cash payment at maturity would be \$7.50 per security, representing a 25% total loss of the principal amount of your securities.

Example 2

The hypothetical final Index level is 94% of the initial Index level:

Hypothetical final Index level: 1295.25

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Enhanced Downside Payment = 3 x Index percent decrease x \$10

$$= 3 \times \left(\frac{1295.25 - 1377.93}{1377.93} \right) \times \$10 = \$1.80$$

Maturity Payment amount (per security) = \$10 + Enhanced Downside Payment

$$= \$10 + 1.80 = \$11.80$$

Since the hypothetical final Index level is less than the initial Index level, you would receive three times the amount of the percentage change in the level of the Index, subject to the maximum payment at maturity. Your total cash payment at maturity would be \$11.80 per security, representing an 18% return above the principal amount of your securities.

Example 3

The hypothetical final Index level is 80% of the initial Index level:

Hypothetical final Index level: 1102.34

Enhanced Downside Payment = 3 x Index percent decrease x \$10

$$= 3 \times \left(\frac{1102.34 - 1377.93}{1377.93} \right) \times \$10 = \$6.00$$

Maturity Payment amount (per security) = \$10 + Enhanced Downside Payment

$$= \$10 + 6.00 = \$16.00$$

subject to the \$13.70 maximum payment at maturity.

Since the hypothetical final Index level is less than the initial Index level, you would receive three times the amount of the percentage change in the level of the Index, subject to the maximum payment at maturity. Although the calculation of the maturity payment amount without taking into account the maximum payment at maturity would generate a result of \$16.00 per security, your maturity payment amount would be limited to \$13.70 per security, representing a 37% maximum total return, because the payment on the securities at maturity may not exceed the maximum payment at maturity.

HYPOTHETICAL RETURNS

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

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

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

the hypothetical maturity payment amount per security;

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

the hypothetical pre-tax annualized rate of return to beneficial owners of the securities, as more fully described below. The figures below are for purposes of illustration only. The actual maturity payment amount will depend on the actual final Index level as determined by the calculation agent as described in this prospectus supplement.

Percentage change from the initial Index level to the hypothetical Index ending value	Hypothetical maturity payment amount per security	Hypothetical total rate of return on the securities
-42.45%	\$ 13.70	37.00%
-37.74	13.70	37.00
-33.02	13.70	37.00
-28.30	13.70	37.00
-23.59	13.70	37.00
-18.87	13.70	37.00
-14.15	13.70	37.00
-9.43	12.83	28.30
-4.72	11.42	14.15
0.00	10.00	0.00
4.72	9.53	-4.72
9.43	9.06	-9.43
14.15	8.58	-14.15
18.87	8.11	-18.87
23.59	7.64	-23.59
28.30	7.17	-28.30
33.02	6.70	-33.02
37.74	6.23	-37.74
42.45	5.75	-42.45
47.17	5.28	-47.17
51.89	5.00	-50.00

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The following graph sets forth the return at maturity for a range of final Index levels (as a percentage of the initial Index level).

Return Profile of Enhanced Growth Securities vs. Index

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

We have designed the securities for investors who seek inverse (or bearish) exposure to the Index who believe that the Index value will decrease over the term of the securities and who want to participate in three times the possible depreciation of the Index (measured by the percentage change in the level of the Index based on the final Index level relative to the initial Index level), subject to the maximum payment at maturity equal to 37% over the principal amount of the securities; who are willing to risk up to 50% their investment by receiving at least 50% of the principal amount of their investment at maturity; and who are willing to hold their securities until maturity.

The securities are not designed for, and may not be a suitable investment for, investors who are unable or unwilling to hold the securities to maturity, are unwilling to risk the principal amount of their investment if the Index increases over the term of the securities or who believe the Index value will increase over the term of the securities. This may not be a suitable investment for investors who prefer the lower risk of fixed income investments with comparable maturities issued by companies with comparable credit ratings.

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

The market value of the securities may fluctuate during the term of the securities. Several factors and their interrelationship will influence the market value of the securities, including the level of the Index, dividend yields of the

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component common stocks underlying the Index, the time remaining to maturity of the securities, interest rates and the volatility of the Index. Depending on the impact of these factors, you may receive less than \$10 per security from any sale of your securities before the maturity date of the securities and less than what you would have received had you held the securities until maturity. For more details, see Risk Factors Many factors affect the market value of the securities .

Who publishes the Index and what does the Index measure?

The Index is published by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. (the Index Sponsor or Standard & Poor's or S&P) and is intended to provide an indication of the pattern of common stock price movement. Beginning on March 18, 2005 Standard & Poor's shifted from a market capitalization-weighted formula to a half float-adjusted formula, and as of September 16, 2005, Standard & Poor's shifted to a full float-adjusted formula, which affects each company's weight in the Index. The goal of this change was to reflect only those shares that are available to investors, not all of a company's outstanding shares.

The Index is determined, calculated and maintained by Standard & Poor's without regard to the securities.

You should be aware that an investment in the securities does not entitle you to any ownership interest in the stocks of the companies included in the Index. For a detailed discussion of the Index, see The S&P 500[®] Index beginning on page S-19.

How has the Index performed historically?

You can find a table with the high, low and closing levels of the Index during each calendar quarter from calendar year 2003 to the present in the section entitled The S&P 500[®] Index Historical Closing Levels of the Index in this prospectus supplement. We obtained the historical information from Bloomberg Financial Markets without independent verification. You should not take the past performance of the Index as an indication of how the Index will perform in the future.

What about taxes?

By purchasing a security, you and Wachovia hereby agree, in the absence of an administrative or judicial ruling to the contrary, to characterize a security for all tax purposes as a pre-paid derivative contract linked to the level of the Index. Under this characterization of the securities, you generally should be required to recognize capital gain or loss upon the sale or maturity of your securities in an amount equal to the difference between the amount you receive at such time and the amount you paid for the securities. For a further discussion, see Supplemental Tax Considerations beginning on page S-22.

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

Will the securities be listed on a stock exchange?

The securities will not be listed or displayed on any securities exchange, the Nasdaq National Market or any electronic communications network. There can be no assurance that a liquid trading market will develop for the 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.

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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 your principal, subject to the minimum payment at maturity. We urge you to read the detailed explanation of risks in Risk Factors beginning on page S-9.

How to reach us

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

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RISK FACTORS

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

Your investment may result in a loss up to half of your principal

The payment at maturity on the securities will depend on the percentage change in the level of the Index based on the final Index level relative to the initial Index level. Because the level of the Index is subject to market fluctuations, the amount of cash you receive at maturity may be more or less than the principal amount of the securities. If the final Index level is greater than the initial Index level, the maturity payment amount will be less than the principal amount of each security. Accordingly, if the level of the Index increases in this manner, you will lose your principal, subject to the minimum payment at maturity.

You will not receive interest payments on the securities

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

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

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

Your return is limited and may not reflect the return of the full depreciation of the common stocks underlying the Index

You should understand that the opportunity to participate in the possible depreciation in the level of the Index through an investment in the securities is limited because the amount that you receive at maturity will never exceed the maximum payment at maturity. The maximum payment at maturity represents a maximum appreciation on the securities equal to 37% over the principal amount of the securities. Although any positive return on the securities is based on triple the amount of the percentage decrease in the Index, in no event will the amount you receive at maturity be greater than the maximum payment at maturity equal to \$13.70 per security. However, if the final Index level is greater than the initial Index level, you will lose your principal, subject to the minimum payment at maturity.

Owning the securities is not the same as taking a short position in the component stocks in the Index

Although inverse exposure to the performance of the Index may be economically similar to taking a short position in the component stocks in the Index, the return on your securities will not reflect the return you would realize if you actually sold short the component stocks included in the Index and maintained that short position for a similar period. A

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short sale is generally the sale of a stock you do not own. Investors who sell short believe the price of the stock will fall. If the price drops, you buy back the stock at the lower price and make a profit. If the price of the stock rises and you buy it back later at the higher price, you will incur a loss. Even if the value of the Index decreases from the initial Index value during the term of the securities, the market value of the securities may not increase by the same amount. It is also possible for the value of the Index to decrease while the market value of the securities declines.

There may not be an active trading market for the securities

The securities will not be listed or displayed on any securities exchange, the Nasdaq National Market or any electronic communications network. There can be no assurance that a liquid trading market will develop for the securities. The development of a trading market for the securities will depend on our financial performance and other factors such as the increase, if any, in the level of the Index. Even if a secondary market for the securities develops, it may not provide significant liquidity and transaction costs in any secondary market could be high. As a result, the difference between bid and asked prices for your security in any secondary market could be substantial. If you sell your securities before maturity, you may have to do so at a discount from the initial public offering price, and, as a result, you may suffer substantial losses.

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

Many factors affect the market value of the securities

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

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

interest rates in the U.S. markets;

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

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

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

the time remaining to maturity; and

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

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

Wachovia and its affiliates are not affiliated with the Index Sponsor in any way (except for licensing arrangements discussed below under "The S&P 500® Index") and have no ability to control or predict its actions, including any errors in or discontinuation of disclosure regarding its methods or policies relating to the calculation of the Index. If the Index Sponsor discontinues or suspends the calculation of the Index, it may become difficult to determine the market value of the securities or the maturity payment amount. The calculation agent may designate a successor index selected in its sole discretion. If the calculation agent determines in its sole discretion that no successor index comparable to the Index exists, the amount you receive at maturity will be determined by the calculation agent in its sole discretion. See "Specific Terms of the Securities" Market Disruption Event on page S-17 and "Specific Terms of the Securities" Discontinuation of the Index; Adjustments to the Index on page S-16. The Index Sponsor is not involved in the offer of the securities in any way and has no obligation to consider your interest as an owner of securities in taking any actions that might affect the value of your securities.

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

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

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

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

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

As described below under "Use of Proceeds and Hedging" on page S-26, we or one or more of our affiliates may hedge our obligations under the securities by purchasing common stocks underlying the Index, futures or options on the Index or common stocks underlying the Index, or exchange-traded funds or other derivative instruments with returns linked or related to changes in the trading prices of common stocks underlying the Index or the level of the Index, and we may adjust these hedges by, among other things, purchasing or selling common stocks underlying the Index, futures, options, or exchange-traded funds or other derivative instruments with returns linked to the Index or the common stocks underlying the Index at any time. Although they are not expected to, any of these hedging activities may adversely affect the trading prices of common stocks underlying the Index and/or the level of the Index and, therefore, the market value of the securities. It is possible that we or one or more of our affiliates could receive substantial returns from these hedging activities while the market value of the securities declines.

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

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

Additional potential conflicts of interest could arise

Our subsidiary, WBNA, is our agent for the purposes of calculating the final Index level and the maturity payment amount. Under certain circumstances, WBNA's role as our subsidiary and its responsibilities as calculation agent for the securities could give rise to conflicts of interest. These conflicts could occur, for instance, in connection with its determination as to whether the level of the Index can be calculated on a particular trading day, or in connection with judgments that it would be required to make in the event of a discontinuation of the Index. See the sections entitled "Specific Terms of the Securities - Discontinuation of the Index; Adjustments to the Index" on page S-16 and "Specific Terms of the Securities - Market Disruption Event" on page S-17. WBNA is required to carry out its duties as calculation agent in good faith and using its reasonable judgment.

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

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

The valuation date and, therefore, determination of the final Index level may be postponed if the calculation agent determines that a market disruption event has occurred or is continuing on the valuation date with respect to the Index. If a postponement occurs, the calculation agent will use the closing level of the Index on the next succeeding trading day on which no market disruption event occurs or is continuing as the final Index level. As a result, the maturity date for the securities would be postponed. You will not be entitled to compensation from us or the calculation agent for any loss suffered as a result of the occurrence of a market disruption event, any resulting delay in payment or any change in the level of the Index after the valuation date. See "Specific Terms of the Securities - Market Disruption Event" beginning on page S-17.

Tax consequences are uncertain

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

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Certain considerations for insurance companies and employee benefit plans

A fiduciary of a pension plan or other employee benefit plan that is subject to the prohibited transaction rules of the Employee Retirement Income Security Act of 1974, as amended, which we call "ERISA", or the Internal Revenue Code of 1986, as amended, and that is considering purchasing the securities with the assets of such a plan, should consult with its counsel regarding whether the purchase or holding of the securities could become a "prohibited transaction" under ERISA, the Internal Revenue Code or any substantially similar prohibition. These prohibitions are discussed in further detail under "Employee Retirement Income Security Act" on page S-24.

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SPECIFIC TERMS OF THE SECURITIES

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

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

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

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

No Interest

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

Denominations

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

Offering Price

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

Payment at Maturity

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

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

If the final Index level is *less* than the initial Index level, the maturity payment amount per security will equal the issue price of \$10 per security *plus* the Enhanced Downside Payment.

The **Enhanced Downside Payment** is equal to 3 times the Index percentage decrease times \$10. However, in no event may the Enhanced Downside Payment exceed an amount equal to \$3.70 per security, which will result in a maximum payment at maturity per security of \$13.70.

The **Index percentage decrease** is equal to the percentage decrease in the value of the Index from the initial Index level to the final Index level, and can be expressed by the following formula:

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

If the final Index level is *greater* than or equal to the initial Index level, the maturity payment amount per security will equal the issue price of \$10 per security *minus* the Upside Reduction Amount.

The Upside Reduction Amount is equal to the Index percentage increase times \$10. However, in no event may the Upside Reduction Amount exceed \$5.00 per security, which will result in a minimum payment at maturity per security of \$5.00.

The Index percentage increase is equal to the percentage increase in the value of the Index from the initial Index level to the final Index level, and can be expressed by the following formula:

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

If the final Index level is greater than the initial Index level, you will lose some of your principal in proportion to the increase in the Index from the initial Index level to the final Index level, subject to the minimum payment at maturity.

The initial Index level is 1377.93, the closing level of the Index on October 30, 2006.

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

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

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

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

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

You should understand that the opportunity to benefit from the possible decrease in the level of the Index through an investment in the securities is limited because the amount that you receive at maturity will never exceed the maximum payment at maturity. The maximum payment at maturity represents a maximum appreciation on the securities equal to 37% over the principal amount of the securities. However, if the final Index level is greater than the initial Index level, the amount you will receive at maturity will be proportionately less than the principal amount of the securities. ***Accordingly, if the level of the Index increases in this manner, you will lose some of your principal, subject to a minimum payment at maturity of \$5.00.***

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

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

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

Discontinuation of the Index; Adjustments to the Index

If the Index Sponsor discontinues publication of the Index and the Index Sponsor or another entity publishes a successor or substitute Index that the calculation agent determines, in its sole discretion, to be comparable to the Index (a successor index), then, upon the calculation agent's notification of any determination to the trustee and Wachovia, the calculation agent will substitute the successor index as calculated by the Index Sponsor or any other entity for the Index and calculate the final Index level as described above under Payment at Maturity. Upon any selection by the calculation agent of a successor index, Wachovia will cause notice to be given to holders of the securities.

If the Index Sponsor discontinues publication of the Index and:

the calculation agent does not select a successor index, or

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

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

the determination of the final Index level, or

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

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