



US\$45,000,000,000
Wachovia Bank, National Association
(a National Banking Association Organized Pursuant to the Laws of the United States)
(formerly known as First Union National Bank)

Global Bank Note Program
for the Issue of Senior and Subordinated Notes
Due 7 Days or More from Date of Issue

In accordance with this Global Bank Note Program (the "Program"), Wachovia Bank, National Association (the "Bank") may from time to time issue and sell up to a maximum of US\$45,000,000,000 aggregate principal amount (or the equivalent thereof in other currencies, calculated as described herein) at any one time outstanding of its senior global bank notes (the "Senior Notes") and subordinated global bank notes ("Subordinated Notes" and, together with the Senior Notes, the "Notes") with maturities of 7 days or more from their respective dates of issue, subject to the following limitations: (i) not more than US\$45,000,000,000 (or the equivalent thereof in other currencies, calculated as described herein) aggregate principal amount of Notes with maturities of more than 270 days from their respective dates of issue may be issued; and (ii) Notes having maturities ranging from 7 days to 270 days from their respective dates of issue may be issued from time to time and may be outstanding at any one time in an aggregate maximum principal amount equal to US\$45,000,000,000 (or the equivalent thereof in other currencies, calculated as described herein) minus the aggregate principal amount of Notes having maturities of more than 270 days which have been issued under the Program (whether or not then outstanding). The Notes may be subject to redemption at the option of the Bank or repayment at the option of the holder thereof, in each case, in whole or in part, prior to maturity, as set forth herein. In addition, Notes may be redeemed, in whole but not in part, in the event of certain changes involving taxation. See "Description of Notes". The Bank may at any time increase the maximum aggregate principal amount of the Notes that may be issued or outstanding at any one time pursuant to the Program.

Application has been made to list certain of the Notes which may be issued pursuant to the Program during the twelve-month period following the date of this Offering Circular on the Luxembourg Stock Exchange. Notes may also be listed on such other or additional securities exchanges on which the Bank and the initial purchaser(s) may agree in relation to each issuance. The Bank may also issue unlisted Notes. *(Continued on next page)*

The Notes do not evidence deposits and are not insured by the United States Federal Deposit Insurance Corporation (the "FDIC") or any other insurer. The Notes will be offered hereunder only (i) to investors that are "accredited investors" within the meaning of Rule 501 under the United States Securities Act of 1933, as amended (the "Securities Act"), and each such owner of a beneficial interest in a Note will be required to hold such beneficial interest in a minimum principal amount of US\$250,000 (or the equivalent thereof in other currencies, calculated as described herein), and subject to any other statutory or regulatory minimums as described herein or in any Pricing Supplement and (ii) to non-U.S. persons in offshore transactions in accordance with Regulation S under the Securities Act, and after issuance will be subject to certain transfer restrictions. See "Notice to Investors", "Description of Notes — General" and "Plan of Distribution — Sales Restrictions".

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE BANK AND THE TERMS OF THE OFFERING OF THE NOTES, INCLUDING THE MERITS AND RISKS INVOLVED. THE NOTES HAVE NOT BEEN AND ARE NOT REQUIRED TO BE REGISTERED WITH THE UNITED STATES COMPTROLLER OF THE CURRENCY (THE "OCC") UNDER APPLICABLE REGULATIONS OR WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE "COMMISSION") UNDER THE SECURITIES ACT. THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE COMMISSION, THE OCC OR ANY STATE SECURITIES COMMISSION IN THE UNITED STATES, NOR HAS THE COMMISSION, THE OCC OR ANY SUCH STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE NOTES ARE NOT OBLIGATIONS OF, NOR ARE THEY GUARANTEED BY, WACHOVIA CORPORATION (FORMERLY NAMED FIRST UNION CORPORATION) (THE "CORPORATION"), THE PARENT CORPORATION OF THE BANK, OR ANY OTHER AFFILIATE OF THE BANK. On April 1, 2002, the former Wachovia Bank, National Association (the "former Wachovia Bank") merged with and into First Union National Bank, with First Union National Bank being the surviving bank, and First Union National Bank changed its name to "Wachovia Bank, National Association".

The Program has been rated by Moody's Investors Service, Inc. ("Moody's Investors Service"), Standard & Poor's Ratings Services, a division of McGraw Hill Companies, Inc. ("Standard & Poor's") and Fitch Ratings ("Fitch"). Notes issued pursuant to the Program may be rated or unrated. Where an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Program. A securities rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Offers to purchase the Notes may be solicited from time to time by the Bank directly and by certain other firms, including, but not limited to, those shown below, as distribution agents (each, a "Distribution Agent", and collectively, the "Distribution Agents"), acting as principals or acting as agents on behalf of the Bank. See "Plan of Distribution".

Arrangers

Merrill Lynch & Co.
U.S. Distribution Agents
Wachovia Securities
Barclays Capital
Citigroup Global Markets
Credit Suisse First Boston
JPMorgan
Merrill Lynch & Co.

Wachovia Securities
European Distribution Agents
Wachovia Securities International Ltd.
Barclays Capital
Citigroup Global Markets
Credit Suisse First Boston
JPMorgan
Merrill Lynch International

The date of this Offering Circular is November 21, 2003.

(cover page continued)

The Senior Notes are unsecured and uninsured direct general obligations of the Bank and will not be an obligation of, or guaranteed by, the Corporation or any other affiliate of the Bank. In the event of any liquidation or resolution of the Bank by any receiver, the holders of deposits (including the FDIC, as subrogee of insured depositors), the holders of certain other claims entitled to a priority or preference (including certain claims for administrative expenses) and the holders of secured obligations will be afforded a priority in payment over the claims of the holders of the Senior Notes and the holders of other general obligations of the Bank. See “Certain Regulatory Considerations — Effect of Insolvency on the Notes”.

The Subordinated Notes are unsecured and uninsured direct general obligations of the Bank and will not be an obligation of, or guaranteed by, the Corporation or any other affiliate of the Bank. The obligations evidenced by the Subordinated Notes are subordinated to all unsubordinated indebtedness and other obligations of the Bank, including deposits, deposit notes and unsubordinated Bank notes (including the Senior Notes). In an insolvency of the Bank, the holders of the Subordinated Notes could receive significantly less, if anything, than the holders of unsubordinated obligations, including the deposits, deposit notes and unsubordinated notes (including the Senior Notes) of the Bank. See “Certain Regulatory Considerations — Effect of Insolvency on the Notes”.

The Notes may be offered (i) in the United States only, (ii) outside the United States only or (iii) in and outside the United States simultaneously as part of a global offering. See “Plan of Distribution”. Bearer Notes are subject to United States tax law requirements and may not be offered, sold, resold or delivered, directly or indirectly, within the United States or its possessions or to a U.S. person, except in certain transactions permitted by United States tax regulations.

The Bank accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge and belief of the Bank (which has taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to materially affect the import of such information.

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference. See “Available Information and Incorporation of Certain Documents By Reference”. This Offering Circular is to be read and construed on the basis that such documents are so incorporated and form a part hereof.

Neither this Offering Circular nor any other information supplied in connection with the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Bank or the Distribution Agents that any recipient of this Offering Circular or any other information supplied in connection with the offering of the Notes should purchase any of the Notes. Each investor contemplating purchasing any of the Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Bank. Neither this Offering Circular nor any other information supplied in connection with the offering of the Notes constitutes an offer of, or an invitation by or on behalf of, the Bank or any Distribution Agent to any person to subscribe for or purchase any of the Notes.

Notwithstanding any agreement to the contrary, any holder (and each employee, representative or other agent of any party to this transaction) may disclose to any and all persons, without limitation of any kind beyond that reasonably necessary to comply with the securities laws, the tax treatment and tax structure of this offering, and all materials of any kind (including opinions or other tax analysis) that are provided relating to such tax treatment and tax structure.

No action has been taken by the Bank or any of the Distribution Agents which would permit a public offering of the Notes or distribution of this Offering Circular in any jurisdiction, other than the United States, where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except in circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular or any Notes come must inform themselves about, and observe, any such restrictions. Neither the Bank nor any of the Distribution Agents represents that this Offering Circular may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption therefrom, or assumes any responsibility for facilitating any such distribution or offering. In particular, there are further restrictions on the distribution of this Offering Circular and the offer or sale of the Notes in the United Kingdom, Japan, Germany and Switzerland. See “Plan of Distribution — Sales Restrictions”.

This Offering Circular and related pricing supplements (in some cases along with the original offering circular used in connection with the initial offering of such notes) may be used by Wachovia Capital Markets, LLC, an affiliate of the Bank, in connection with offers and sales related to market-making transactions in the Notes and similar notes previously issued by the Bank and outstanding as of September 30, 2003, in an aggregate principal amount of US\$7 billion as described in this Offering Circular, which includes US\$500 million aggregate principal amount of Notes issued under this Program. Wachovia Capital Markets, LLC may act as principal or agent in such transactions. The Corporation conducts its investment banking, institutional and capital markets businesses through its various bank, broker-dealer and nonbank subsidiaries (including Wachovia Capital Markets, LLC) under the trade name of "Wachovia Securities". See "Plan of Distribution".

In this Offering Circular, references to "USs", "U.S. dollars" and "U.S. Dollars" are to the currency of the United States, references to "Euro" and "euro" are to the single currency of participating member states which was introduced on January 1, 1999 at the commencement of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community as amended (the "Treaty"), references to "Yen" and "¥" are to the currency of Japan and references to "Sterling" and "£" are to the currency of the United Kingdom.

THE SUBORDINATED NOTES ARE SUBORDINATED TO THE CLAIMS OF DEPOSITORS, HOLDERS OF UNSUBORDINATED BANK NOTES (INCLUDING THE SENIOR NOTES), CERTAIN OTHER CREDITORS AND CERTAIN OTHER OBLIGATIONS OF THE BANK, ARE INELIGIBLE AS COLLATERAL FOR A LOAN BY THE BANK AND ARE NOT SECURED. TO THE EXTENT THEN REQUIRED UNDER OR PURSUANT TO APPLICABLE CAPITAL REGULATIONS, THE SUBORDINATED NOTES MAY NOT BE REPAID PRIOR TO MATURITY, EITHER PURSUANT TO AN ACCELERATION UPON AN EVENT OF DEFAULT OR OTHERWISE, WITHOUT THE PRIOR WRITTEN APPROVAL OF THE OCC.

IN CONNECTION WITH ANY SERIES, THE DISTRIBUTION AGENTS HAVE RESERVED THE RIGHT TO APPOINT ONE OF THEM TO ACT AS A STABILIZING AGENT (THE "STABILIZING AGENT"). SUCH APPOINTMENT WILL BE DISCLOSED IN THE RELEVANT PRICING SUPPLEMENT. IN CONNECTION WITH THE ISSUE OF ANY TRANCHE, THE STABILIZING AGENT OR ANY PERSON ACTING FOR HIM MAY OVER-ALLOT OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL FOR A LIMITED PERIOD. HOWEVER, THERE IS NO OBLIGATION ON THE STABILIZING AGENT OR ANY AGENT OF HIS TO DO THIS. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME, AND MUST BE BROUGHT TO AN END AFTER A LIMITED PERIOD.

NOTICE TO INVESTORS

The Notes have not been, and are not required to be, registered with the Commission pursuant to the Securities Act. The Notes are being offered and sold pursuant to exemptions from registration with the OCC set forth in Part 16 of the OCC's regulations. To qualify for these exemptions from registration with the OCC, among other things, the Notes must be offered and sold (i) only to investors that are "accredited investors" (as defined in the Commission's Rule 501(a) under the Securities Act) and must be sold in minimum denominations of US\$250,000 or the equivalent thereof in other currencies (and not be exchangeable for Notes in smaller denominations) or (ii) to non-U.S. persons in offshore transactions in accordance with Regulation S under the Securities Act. Accordingly, each purchaser of Notes, in making its purchase, will be deemed to have represented and agreed with the Bank that it is either (a) an accredited investor within the meaning of the Commission's Rule 501(a) under the Securities Act, that it is purchasing the Notes for its own account or the account(s) of one or more other accredited investors and that it, or each of such other accredited investors owning a beneficial interest in a Note, will hold an undivided beneficial interest therein in a principal amount of not less than US\$250,000 (or the equivalent thereof in other currencies, calculated as described herein) at all times or (b) a non-U.S. person purchasing Notes in an offshore transaction in accordance with Regulation S under the Securities Act. Notes sold in accordance with Regulation S under the Securities Act may not be offered or sold in the United States or to U.S. persons unless an exemption from the registration requirements of the Securities Act is available (other than Section 3(a)(2) thereof).

In making an investment decision, investors must rely on their own examination of the Bank and the terms of the offering of the Notes, including the merits and risks involved.

AVAILABLE INFORMATION AND INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Bank submits quarterly to the FDIC on behalf of the OCC, their primary federal regulator, certain unaudited reports called "Consolidated Reports of Condition and Income for a Bank with Domestic and Foreign Offices" (each, a "Call Report" and collectively, the "Call Reports"). The publicly available portions of the Call Reports with respect to the Bank and Wachovia Bank are on file with, and publicly available at, the FDIC, 550 17th Street, N.W. Washington, DC 20429. Each Call Report consists of a Balance Sheet, Income Statement, Changes in Equity Capital and other supporting schedules at or as of the end of, and for, the period to which such Call Report relates. The Call Reports are prepared in accordance with regulatory instructions issued by the Federal Financial Institutions Examination Council. Because of the special supervisory, regulatory and economic policy needs served by the Call Reports, such regulatory instructions do not in all cases follow generally accepted accounting principles or the opinions and statements of the Accounting Principles Board of the American Institute of Certified Public Accountants or the Financial Accounting Standards Board. While the Call Reports are supervisory and regulatory documents, not primarily accounting documents, and do not provide a complete range of financial disclosure about the Bank, the Call Reports nevertheless provide important information concerning the financial condition and results of operations of the Bank and Wachovia Bank. The publicly available portion of each Call Report, and any amendment or supplement thereto, beginning with and including the Call Report filed for the period ended December 31, 1999, with respect to the Bank and former Wachovia Bank are incorporated herein by reference. The publicly available portion of each Call Report filed by the Bank after the date of this Offering Circular and prior to the termination of the offering of the Notes is also incorporated by reference herein. The publicly available portions of all such Call Reports may be obtained by calling the FDIC Disclosure Group at (800) 945-2186. If any of the Notes are listed on the Luxembourg Stock Exchange then the publicly available portions of all such Call Reports may also be obtained (without charge) from the office of Dexia Banque Internationale à Luxembourg S.A. (the "Listing Agent") specified on the inside back cover of this Offering Circular.

The Bank is a subsidiary of the Corporation, a North Carolina corporation and a registered financial holding company. The Corporation is subject to the informational requirements of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements and other information with the Commission. Financial information regarding the Corporation is set forth in its Annual Report on Form 10-K for the year ended December 31, 2002, in its Quarterly Reports on Form 10-Q for the periods ended March 31, 2003, June 30, 2003 and September 30, 2003 and in its Current Reports on Form 8-K dated January 16, 2003, February 18, 2003, April 16, 2003, April 22, 2003, July 17, 2003, September 8, 2003 and October 15, 2003, each of which are hereby incorporated by reference herein. Additional financial information regarding the Corporation subsequent to the date hereof will be included in the Quarterly Reports on Form 10-Q, Annual Reports on Form 10-K and other information subsequently filed by the Corporation with the Commission. For further information regarding the Corporation and the Bank, reference is made to the previously filed reports referred to above and to the reports and other information filed by the Corporation with the Commission pursuant to Section 13(a), 13(c), 14, or 15(d) of the Exchange Act, subsequent to the date of this Offering Circular and prior to the termination of the offering of the Notes, which are each incorporated herein by reference. All such reports, proxy statements and other information are available as described below, or can be inspected and copied at the offices of the Commission at 450 Fifth Street, N.W., Washington, DC 20549. Certain of such reports, proxy statements and other information is also available from the Commission over the Internet at <http://www.sec.gov>. Certain of the Corporation's securities are listed and traded on the New York Stock Exchange, Inc. (the "NYSE"). Reports, proxy statements and other information can also be inspected at the offices of the NYSE, 20 Broad Street, New York, New York 10005.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Offering Circular to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular. All documents incorporated by reference herein shall be deemed to be a part of this Offering Circular.

The Corporation will provide without charge to each person to whom a copy of this Offering Circular is delivered, upon the written or oral request of any such person, a copy of any or all of the documents incorporated by reference herein, other than exhibits to such documents, unless such exhibits are specifically incorporated by reference therein. Requests should be directed to: Wachovia Corporation; Investor Relations, NC026; 301 South College Street; Charlotte, NC 28288-0206; Telephone: (704) 374-2137. Such documents may also be obtained (without charge) from the office of the Listing Agent specified on the inside back cover page of this Offering Circular.

The Bank will, in connection with the listing of any Notes on the Luxembourg Stock Exchange, in the event of a material adverse change in the financial condition of the Bank which is not reflected in this Offering Circular, prepare a supplement to this Offering Circular or publish a new Offering Circular for use in connection with any subsequent issuance of Notes to be listed on the Luxembourg Stock Exchange. The Bank will, in connection with the listing of any Notes on the Luxembourg Stock Exchange, prepare a new Offering Circular or supplement this Offering Circular, in the event of an increase in the amount of the Program or if the terms of the Program are modified or amended in a manner which would make this Offering Circular, as supplemented, materially inaccurate or misleading.

The delivery of this Offering Circular together with a Pricing Supplement relating to particular Notes in any jurisdiction shall not constitute an offer in that jurisdiction of any of the other Notes covered by this Offering Circular.

SUMMARY OF CERTAIN TERMS AND CONDITIONS OF THE PROGRAM AND THE NOTES

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by reference to, the more detailed information appearing elsewhere in this Offering Circular, including the documents incorporated by reference herein. Terms defined in this Offering Circular shall have the same meaning in this summary.

Issuer:	Wachovia Bank, National Association														
Description:	Global Bank Note Program for the Issue of Senior and Subordinated Notes. Due 7 Days or More from Date of Issue														
Arrangers:	Merrill Lynch & Co. and Wachovia Securities														
Distribution Agents:	<table><thead><tr><th><u>U.S. Distribution Agents</u></th><th><u>European Distribution Agents</u></th></tr></thead><tbody><tr><td>Wachovia Capital Markets, LLC</td><td>Wachovia Securities International Limited</td></tr><tr><td>Barclays Capital Inc.</td><td>Barclays Bank PLC</td></tr><tr><td>Citigroup Global Markets, Inc.</td><td>Citigroup Global Markets Limited</td></tr><tr><td>Credit Suisse First Boston Corporation</td><td>Credit Suisse First Boston (Europe) Limited</td></tr><tr><td>J.P. Morgan Securities Inc.</td><td>J.P. Morgan Securities Ltd.</td></tr><tr><td>Merrill Lynch, Pierce, Fenner & Smith Incorporated</td><td>Merrill Lynch International</td></tr></tbody></table>	<u>U.S. Distribution Agents</u>	<u>European Distribution Agents</u>	Wachovia Capital Markets, LLC	Wachovia Securities International Limited	Barclays Capital Inc.	Barclays Bank PLC	Citigroup Global Markets, Inc.	Citigroup Global Markets Limited	Credit Suisse First Boston Corporation	Credit Suisse First Boston (Europe) Limited	J.P. Morgan Securities Inc.	J.P. Morgan Securities Ltd.	Merrill Lynch, Pierce, Fenner & Smith Incorporated	Merrill Lynch International
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Merrill Lynch, Pierce, Fenner & Smith Incorporated	Merrill Lynch International														
	<p>The Bank may also sell Notes directly to investors on its own behalf and may appoint other distribution agents in addition to the Distribution Agents. Notes may be distributed on a syndicated basis, in which case the applicable Pricing Supplement will identify the distribution agents constituting the syndicate, or on a non-syndicated basis. See "Plan of Distribution".</p>														
United States Domestic Paying Agent and Registrar:	Wachovia Bank, National Association														
London Paying Agent and London Issuing Agent:	Citibank, N.A., London Office														
Luxembourg Paying Agent and Transfer Agent:	Dexia Banque Internationale à Luxembourg														
Calculation Agent:	Wachovia Bank, National Association Corporate and Investment Banking 8739 Research Drive Charlotte, NC 28288-0675 Attn: Issuance Desk, NC0675														
Amount:	Up to a maximum of US\$45,000,000,000 aggregate principal amount (or the equivalent thereof in other currencies, calculated as described herein) at any one time outstanding, subject to the following limitations: (i) not more than US\$45,000,000,000 (or the equivalent thereof in other currencies, calculated as described herein) aggregate principal amount of Notes with maturities of more than 270 days from their respective dates of issue may be issued; and (ii) Notes having maturities ranging from 7 days to 270 days from their respective dates of issue may be issued from time to time and may be outstanding at any one time in an aggregate maximum principal amount equal to US\$45,000,000,000 (or the equivalent thereof in other currencies, calculated as described herein) minus the aggregate principal amount of Notes having maturities of more than 270 days which have been issued under the Program (whether or not then outstanding). The Bank may at any time increase the maximum aggregate principal amount of the Notes that may be issued or outstanding at any one time pursuant to the Program.														

Currencies:

Subject to any applicable laws and regulations, such currencies as may be agreed between the Bank and the initial purchaser(s), as indicated in the applicable Pricing Supplement. An investment in Notes that are denominated in, or the payment of which is related to the value of, a currency other than the currency of the country in which a purchaser is resident or the currency in which a purchaser conducts its business entails significant risks. See “Currency Risks”.

Each issue, offer and sale of Notes denominated in Swiss Francs or carrying a Swiss Franc-related element will be effected in compliance with the relevant regulations of the Swiss National Bank, which currently requires such issues that have a maturity of more than one year to be effected through a bank domiciled in Switzerland that is regulated under the Federal Law on Banks and Savings Banks of 1934, as amended, or through a securities dealer which has been licensed as a securities dealer under the Federal Law on Stock Exchanges and Securities Trading of 1995.

In connection with any issuance of Notes denominated in Yen, the Bank and the Distribution Agents will be required to comply with all applicable laws, regulations and guidelines, as amended from time to time, of the Japanese government and regulatory authorities.

Maturities:

Any maturity of 7 days or more from the date of issue, as indicated in the applicable Pricing Supplement. Notes denominated in a particular currency will have such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank or equivalent body (however designated) in respect of such currency or any laws or regulations applicable to the Bank or the currency in which the relevant Notes are denominated.

Issue Price:

Notes may be issued on a fully paid or a partly paid basis and at an issue price which is equal to, less than or more than, their principal amount.

Form of Notes and Clearance:

The Notes may be offered (i) in the United States only, (ii) outside the United States only or (iii) in and outside the United States simultaneously as part of a global offering. Depending on where the relevant Notes are offered and whether such Notes are issued in registered or bearer form, the Notes will clear through one or more of The Depository Trust Company (“DTC”), Euroclear Bank S.A./N.V., as operator of the Euroclear System (“Euroclear”), and Clearstream Banking, société anonyme, or any successor thereto (“Clearstream, Luxembourg”).

Notes sold pursuant to an offering made in the United States only will be issued in global registered form and will clear through DTC. Such Notes will be represented by one or more DTC Global Notes deposited with the Registrar as custodian for, and registered in the name of a nominee of, DTC. Notes represented by DTC Global Notes will trade in DTC’s Same-Day Funds Settlement System and secondary market trading activity in such Notes will therefore settle in immediately available funds.

Except as described below, Notes sold outside of the United States in accordance with Regulation S under the Securities Act will initially be issued in the form of one or more Temporary Registered Global Notes. Beneficial interests in such Notes will be exchanged for one or more permanent Registered Global Notes upon the later of (i) the 40th day after the completion of the distribution of the Notes of such Tranche (determined as set forth under “Plan of Distribution — Sales Restrictions; United States Law”) and (ii) the first date on which the requisite certifications are provided to the London Issuing Agent by

or on behalf of the beneficial owner to the effect that such beneficial owner either is not a U.S. person or is a U.S. person who purchased securities in a transaction that did not require registration under the Securities Act (without regard to Section 3(a)(2) thereof).

Except as described below, Notes sold pursuant to an offering made outside the United States only will be issued in global registered form and may clear through one or more of Euroclear and Clearstream, Luxembourg. Such Notes will be initially issued in the form of one or more Temporary Registered Global Notes, as described above, and upon exchange therefore will be represented by one or more permanent Registered Global Notes deposited with a common depository for, and registered in the name of a nominee of, Euroclear or Clearstream, Luxembourg, as the case may be.

Notes sold pursuant to an offering made in and outside the United States simultaneously as part of a global offering will be issued in global registered form and may clear through one or more of DTC, Euroclear and Clearstream, Luxembourg. Subject to the initial issuance of Notes sold outside of the United States in accordance with Regulation S under the Securities Act in the form of one or more Temporary Registered Global Notes and their subsequent exchange for permanent Registered Global Notes, as described above, such Notes may be represented solely by one or more DTC Global Notes deposited with a custodian for, and registered in the name of a nominee of, DTC or, alternatively, by one or more DTC Global Notes so deposited and registered in respect of Notes sold in the United States, and a separate Registered Global Note deposited with a common depository for, and registered in the name of a nominee of, Euroclear or Clearstream, Luxembourg, as the case may be, in respect of Notes sold outside the United States.

In certain circumstances, the Bank may agree to issue Notes sold pursuant to an offering made outside the United States to non-U.S. persons in bearer form. In that event, the Notes will be represented initially by one or more Temporary Bearer Global Notes which will be deposited outside of the United States on the Original Issue Date thereof with a common depository for Euroclear and Clearstream, Luxembourg and which will be exchangeable, in whole but not in part, for one or more Permanent Bearer Global Notes or, under certain circumstances described under “Description of Notes — Form of Notes and Registration; Bearer Notes”, for Definitive Bearer Notes not earlier than 40 days after the completion of the distribution of the Tranche represented by the Notes as determined and certified by the Distribution Agents. Upon 60 days written notice as described under “Description of Notes — Form of Notes and Registration; Bearer Notes”, Definitive Bearer Notes with receipts with respect to installments of principal, if any, attached and (unless they are Zero Coupon Notes) interest coupons and talons for further coupons, if any, attached will be issued and delivered in whole, but not in part, in exchange for a Permanent Bearer Global Note, to each clearing system through which interests in such Permanent Bearer Global Note are held for the accounts of the beneficial owners of such interests.

Ownership of beneficial interests in Registered Global Notes will be evidenced only by, and transfers thereof will be effected only through, records maintained by the clearing system through which such interests are held and its direct and indirect participants. Except as described under “Description of Notes — Form of Notes and Registration — Bearer Notes”, owners of beneficial interests in Registered Global Notes will not be entitled to receive physical delivery of Notes in definitive form. Any interest in a Temporary

Registered Global Note, a Temporary Bearer Global Note or a Permanent Bearer Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg, as the case may be.

Registered Notes may not be exchanged for Bearer Notes.

Fixed Rate Notes:

Interest on Fixed Rate Notes having maturities of greater than one year will be payable in arrears on such date or dates as will be specified in the applicable Pricing Supplement. Unless otherwise specified in the applicable Pricing Supplement, interest on Fixed Rate Notes with maturities of one year or less will be payable only at maturity.

Unless otherwise specified in the applicable Pricing Supplement, interest on Fixed Rate Notes with maturities of greater than one year will be computed on the basis of a 360-day year of twelve 30-day months and interest on Fixed Rate Notes with maturities of one year or less will be computed on the basis of the actual number of days in the year divided by 360.

Floating Rate Notes:

Floating Rate Notes will bear interest determined by reference to either (i) an ISDA Rate or (ii) one or more of the CMT Rate, the Commercial Paper Rate, the Eleventh District Cost of Funds Rate, the J.J. Kenny Rate, the CD Rate, the Federal Funds Rate, EURIBOR, LIBOR, the Prime Rate, the Treasury Rate or such other interest rate basis or interest rate formula as may be set forth in the applicable Pricing Supplement.

The applicable Pricing Supplement will specify the basis for determining interest on the related Floating Rate Notes and the Spread and/or Spread Multiplier, if any, applicable thereto, the Maximum Interest Rate and/or Minimum Interest Rate, if any, and certain additional terms with respect thereto, including, if interest will be determined on the basis of a reference rate, whether such Notes are "Regular Floating Rate Notes," "Floating Rate/Fixed Rate Notes" or "Inverse Floating Rate Notes".

Interest on Floating Rate Notes will be computed in the manner and payable on the dates described under "Description of Notes — Floating Rate Notes".

Dual Currency Notes:

Payments (whether with respect to principal, premium, if any, or interest and whether at maturity or otherwise) with respect to Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Bank and the initial purchaser(s) may agree, as indicated in the applicable Pricing Supplement. See "Description of Notes — Dual Currency Notes".

Indexed Notes:

Payments (whether with respect to principal, premium, if any, or interest and whether at maturity or otherwise) with respect to Indexed Notes will be calculated by reference to such index and/or formula on which the Bank and the initial purchaser(s) may agree, as indicated in the applicable Pricing Supplement. An investment in Notes indexed, as to principal, premium, if any, or interest, to one or more values of currencies (including exchange rates between currencies), commodities, securities or interest rate indices entails significant risks. See "Description of Notes — Indexed Notes".

**Discount Notes
(including Zero Coupon Notes):**

Discount Notes may be offered and sold at a discount to their principal amount and may bear interest at a fixed or floating rate or may be Zero Coupon Notes, which bear no interest except in respect of overdue principal. See “Description of Notes — Discount Notes (including Zero Coupon Notes)”.

Payments:

The Bank will be obligated to make payments of principal and premium, if any, and interest on the Notes in the currency in which such Notes are denominated. Except as otherwise set forth herein, any such amounts to be paid by the Bank in respect of DTC Global Notes denominated other than in U.S. Dollars will, unless otherwise specified in the applicable Pricing Supplement, be converted into U.S. Dollars for payment to the holders thereof as described under “Description of Notes — Payment of Principal, Premium and Interest; General”. Unless otherwise specified in the applicable Pricing Supplement, payments of principal and premium, if any, and interest on any other Registered Global Notes and on Bearer Notes will be made in the currency in which such Notes are denominated.

Redemption and Repayment:

The applicable Pricing Supplement will indicate whether the Notes issued pursuant thereto will be subject to redemption at the option of the Bank or repayment at the option of the holder thereof, in each case, in whole or in part, prior to maturity. If no indication is made in the applicable Pricing Supplement, Notes of that Series will neither be subject to redemption at the option of the Bank or repayment at the option of the holder thereof prior to maturity. In addition, any Note may be redeemed by the Bank, in whole but not in part, in the event of certain changes involving taxation.

To the extent then required under or pursuant to applicable capital regulations, the Subordinated Notes may not be repaid prior to maturity, either pursuant to an acceleration upon an Event of Default or otherwise, without the prior written approval of the OCC.

Denomination of Notes:

Notes sold pursuant to Sections 16.5(a) (as it relates to Section 3(a)(3) of the Securities Act) or 16.6(a) of Part 16 of the Regulations of the OCC will be issued only in minimum denominations of US\$250,000 and integral multiples of US\$1,000 in excess thereof (or equivalent denominations in other currencies, calculated as described herein). Notes sold pursuant to Section 16.5(g) of Part 16 of the regulations of the OCC (and in accordance with Regulation S under the Securities Act) will, unless otherwise specified in the applicable Pricing Supplement, be issued in minimum denominations of US\$1,000 (or equivalent denominations in other currencies, calculated as described herein).

Taxation:

All payments with respect to the Notes will be made without withholding or deduction at source for or on account of any taxes or other charges imposed by any governmental authority or agency in the United States, except as described under “Description of Notes — Payment of Principal, Premium and Interest; Additional Amounts”. All references herein to principal, premium and interest in respect of any Note shall, unless the context otherwise requires, be deemed to mean and include all Additional Amounts, if any, payable in respect thereof as set forth in such Note or in the applicable Pricing Supplement. See “Certain United States Federal Income Tax Considerations”.

Status of the Notes:

The Notes are direct, unconditional and unsecured general obligations of the Bank, do not evidence deposits and are not insured by the FDIC or any other insurer. The Notes will be obligations solely of the Bank and will not be guaranteed by the Corporation or any other affiliate of the Bank.

Ranking of the Notes:

In the event of any liquidation or resolution of the Bank by any receiver, the holders of deposits (including the FDIC, as subrogee of insured depositors), the holders of certain other claims entitled to a priority or preference (including certain claims for administrative expenses) and the holders of secured obligations will be afforded a priority in payment over the claims of the holders of the Senior Notes and the holders of other general obligations of the Bank. See “Certain Regulatory Considerations — Effect of Insolvency on the Notes” and “Description of Notes — Ranking”.

The obligations evidenced by the Subordinated Notes are subordinated to all unsubordinated indebtedness and other obligations of the Bank, including deposits, deposit notes and unsubordinated Bank notes (including the Senior Notes). In an insolvency of the Bank, the holders of the Subordinated Notes could receive significantly less, if anything, than the holders of unsubordinated obligations, including the deposits, deposit notes and unsubordinated Bank notes (including the Senior Notes) of the Bank. See “Certain Regulatory Considerations — Effect of Insolvency on the Notes” and “Description of Notes — Ranking”.

Ratings:

The Program has been rated by Moody’s Investors Service, Standard & Poor’s and Fitch. Notes issued pursuant to the Program may be rated or unrated. Where an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Program. Ratings have been, or will be, obtained with the understanding that Moody’s Investors Service, Standard & Poor’s and Fitch will continue to monitor the credit rating of the Bank and will make future adjustments to the extent warranted. A rating reflects only the views of Moody’s Investors Service, Standard & Poor’s or Fitch, as the case may be, and is not a recommendation to buy, sell or hold the Notes. There is no assurance that such rating will be retained for any given period of time or that it will not be revised downward or withdrawn entirely by Moody’s Investors Service, Standard & Poor’s or Fitch, as the case may be, if, in their respective judgments, circumstances so warrant.

Listing:

Application has been made to list certain of the Notes which may be issued pursuant to the Program during the twelve-month period following the date of this Offering Circular on the Luxembourg Stock Exchange. Notes may also be listed on such other or additional securities exchanges on which the Bank and the initial purchaser(s) may agree in relation to each issuance. The Bank may also issue unlisted Notes.

Governing Law:

The Notes will be governed by, and construed in accordance with, the laws of the State of New York, United States of America.

Selling Restrictions:

The Notes will be offered by the Distribution Agents in any initial offering hereunder only (i) to investors that are “accredited investors” within the meaning of Rule 501(a) under the Securities Act, and each owner of a beneficial interest in such a Note will be required to hold such beneficial interest in a minimum principal amount of US\$250,000 (or the equivalent thereof in other currencies, calculated as described herein), subject to other statutory or regulatory minimums as described herein or (ii) to non-U.S. persons in offshore transactions in accordance with Regulation S under the Securities Act. Notes sold in accordance with Regulation S under the Securities Act may not be offered or sold in the United States or to U.S. persons unless an exemption from the registration requirements of the Securities Act is available (other than Section 3(a)(2) thereof).

Certain additional restrictions will apply to sales made in the United Kingdom, Japan, Germany and Switzerland, and other restrictions may apply in connection with a particular issuance of Notes. See “Plan of Distribution — Sales Restrictions”. Any such other restrictions will be set forth in the applicable Pricing Supplement.

THE BANK

The Bank is a national banking association with its principal office in Charlotte, North Carolina, that offers a wide range of domestic and international banking, retail and commercial banking and trust services. The Bank has offices in Connecticut, Florida, Georgia, Maryland, New Jersey, New York, North Carolina, Pennsylvania, South Carolina, Virginia and Washington, D.C., and in several foreign countries. On April 1, 2002, the former Wachovia Bank merged with and into First Union National Bank, with First Union National Bank being the surviving bank, and First Union National Bank changed its name to "Wachovia Bank, National Association". The Bank's business is subject to examination and regulation by United States federal banking authorities. Based on deposits of US\$209 billion as of September 30, 2003, the Bank was the fifth largest bank in the United States. The Bank has numerous wholly-owned subsidiaries, none of which contributes over 30 percent of its consolidated net income. See "Selected Unaudited Consolidated Financial Data of the Bank".

The main office of the Bank is located at One Wachovia Center, Charlotte, North Carolina 28288, and its telephone number is (704) 374-6161. The Bank maintains a Web site at <http://www.wachovia.com>. The information contained in such Web site is not part of this Offering Circular.

CAPITALIZATION OF THE BANK

The following table sets forth the unaudited capitalization of the Bank at September 30, 2003.

<u>(In millions)</u>	<u>September 30, 2003</u>
Long-term Debt	
Subordinated notes and debentures	\$ 8,549
Other long-term debt	<u>14,504</u>
Total long-term debt	<u>23,053</u>
Stockholder's Equity	
Preferred stock, authorized 160,540 shares, issued 160,540 shares	—
Common stock, authorized 25,000,000 shares, issued 22,727,147 shares	455
Surplus	24,178
Undivided profits and capital reserves	4,696
Accumulated other comprehensive income	<u>1,645</u>
Total stockholder's equity	<u>30,974</u>
Total long-term debt and stockholder's equity	<u>\$54,027</u>

There has been no material change in the capitalization of the Bank since September 30, 2003.

SELECTED UNAUDITED CONSOLIDATED FINANCIAL DATA OF THE BANK

Presented below are selected unaudited consolidated financial data of the Bank and its subsidiaries as of the dates and for the periods specified. The data for 2001 and 2000 reflect the selected unaudited consolidated financial data of First Union National Bank. The data as of and for the year ended December 31, 2002, reflect the selected unaudited consolidated financial data of the former Wachovia Bank and First Union National Bank as if the two banks had merged on January 1, 2002. The merger occurred on April 1, 2002. The following data are qualified in their entirety by the detailed information and financial statements of the Bank available in the Call Reports as described above under "Available Information and Incorporation of Certain Documents by Reference". The Bank does not separately prepare audited financial statements. The Call Reports and the following summary financial data are prepared in accordance with regulatory accounting principles, which may differ from generally accepted accounting principles used to prepare the consolidated financial statements of the Corporation. See "Available Information and Incorporation of Certain Documents by Reference".

Wachovia Bank, National Association

Selected Unaudited Consolidated Financial Data

(Dollars in millions)	Nine Months Ended			
	September 30, 2003(a)	2002	2001	December 31, 2000
Balance Sheet Data				
Assets				
Cash and balances due from depository institutions	\$ 12,428	13,481	17,298	13,259
Federal funds sold and securities purchased under agreements to resell	5,248	3,797	5,188	6,010
Securities	111,988	97,719	66,667	64,291
Loans and leases, net of unearned income	173,927	167,905	123,754	131,252
Less: Allowance for loan and lease losses	(2,572)	(2,783)	(2,222)	(1,706)
Loans and leases, net of unearned income and allowance	171,355	165,122	121,532	129,546
Other assets	43,037	38,751	22,100	18,731
Total assets	<u>\$344,056</u>	<u>318,870</u>	<u>232,785</u>	<u>231,837</u>
Liabilities and Equity Capital				
Deposits:				
Noninterest-bearing	21,625	30,980	24,578	21,074
Interest bearing	186,895	166,876	123,171	125,892
Total deposits	208,520	197,856	147,749	146,966
Federal funds purchased and securities sold under agreements to repurchase	29,786	28,235	19,728	21,452
Subordinated notes and debentures	8,549	8,449	5,993	5,992
Other borrowed money	30,910	19,819	16,702	23,115
Other liabilities	35,317	33,729	26,480	19,108
Total liabilities	313,082	288,088	216,652	216,633
Total equity capital	30,974	30,782	16,133	15,204
Total liabilities and equity capital	<u>\$344,056</u>	<u>318,870</u>	<u>232,785</u>	<u>231,837</u>
Loan Performance Data				
Charge-offs, net of recoveries	\$ 631	1,646	1,251	780
Nonperforming assets:				
Nonaccrual loans and leases	\$ 1,618	1,781	1,399	1,514
Restructured loans and leases in compliance with modified terms	—	—	—	6
Other real estate owned	153	161	92	91
Total nonperforming assets	<u>\$ 1,771</u>	<u>1,942</u>	<u>1,491</u>	<u>1,611</u>
Nonperforming assets as a percentage of loans and leases, net of unearned income and other real estate owned	1.02%	1.16	1.20	1.23
Allowance for loan and lease losses as a percentage of loans and leases, net of unearned income	1.48	1.66	1.80	1.30
Allowance for loan and lease losses as a percentage of nonperforming assets	<u>145%</u>	<u>143</u>	<u>149</u>	<u>106</u>
Capital Ratios				
Tier 1 capital	7.78%	7.42	7.55	6.92
Total capital	12.12	11.81	11.68	10.73
Leverage	<u>6.16%</u>	<u>6.25</u>	<u>6.29</u>	<u>6.04</u>

Wachovia Bank, National Association
Selected Unaudited Consolidated Financial Data

<u>(Dollars in millions)</u>	<u>Nine Months Ended September 30,</u> <u>2003 (a)</u>	<u>Years Ended December 31,</u>		
		<u>2002</u>	<u>2001</u>	<u>2000</u>
Income Statement Data				
Interest income	\$10,490	14,690	13,926	16,266
Interest expense	<u>3,092</u>	<u>5,102</u>	<u>7,061</u>	<u>8,828</u>
Net interest income	7,398	9,588	6,865	7,438
Provision for loan and lease losses	<u>420</u>	<u>1,451</u>	<u>1,767</u>	<u>1,057</u>
Net interest income after provision for loan and lease losses	6,978	8,137	5,098	6,381
Noninterest income	4,995	5,772	4,097	5,048
Gains (losses) on securities not held in trading accounts	114	265	38	(1,121)
Noninterest expense	<u>7,370</u>	<u>9,686</u>	<u>7,037</u>	<u>9,821</u>
Income before income taxes and extraordinary items	4,717	4,488	2,196	487
Applicable income taxes	<u>1,413</u>	<u>999</u>	<u>564</u>	<u>428</u>
Income before extraordinary items	3,304	3,489	1,632	59
Extraordinary items	<u>—</u>	<u>—</u>	<u>3</u>	<u>(46)</u>
Net income	<u>\$ 3,304</u>	<u>3,489</u>	<u>1,635</u>	<u>13</u>
Selected Profitability Ratios				
Return on average assets	1.37%(b)	1.25	0.71	0.01
Return on average equity	14.16(b)	14.04	10.36	0.08
Net interest margin	3.69(b)	3.98	3.49	3.79
Noninterest income as a percentage of total income (c)	<u>40.24%</u>	<u>38.11</u>	<u>37.25</u>	<u>34.26</u>
Ratio of Earnings to Fixed Charges (d)				
Excluding interest on deposits	4.51x	3.64	1.87	1.14
Including interest on deposits	<u>2.49x</u>	<u>1.86</u>	<u>1.31</u>	<u>1.05</u>

(a) Interim period financial data are not necessarily indicative of the financial data for the entire year.

(b) Annualized.

(c) These ratios represent the sum of noninterest income and gains (losses) on securities not held in trading accounts as a percentage of the sum of tax-equivalent net interest income, noninterest income and gains (losses) on securities not held in trading accounts for each period presented.

(d) For purposes of computing the ratios of earnings to fixed charges, earnings represent income before income taxes and extraordinary items and fixed charges. Fixed charges excluding interest on deposits include interest expense (other than on deposits) and one-third (the proportion deemed representative of the interest factor) of all rents. Fixed charges including interest on deposits include all interest expense and one-third (the proportion deemed representative of the interest factor) of all rents.

THE CORPORATION

The Corporation was incorporated under the laws of the State of North Carolina in 1967 and is registered as a bank holding company under the United States Bank Holding Company Act of 1956, as amended. The Bank is a subsidiary of the Corporation. The Corporation was formerly named First Union Corporation.

On September 1, 2001, the former Wachovia Corporation merged with and into First Union Corporation. As a result, First Union Corporation (as the surviving corporation) acquired control of the bank and nonbank subsidiaries of the former Wachovia Corporation, including the former Wachovia Bank. Upon completion of the merger, First Union Corporation changed its name to "Wachovia Corporation". This merger was accounted for as a purchase under accounting principles generally accepted in the United States of America. Under the purchase method of accounting, the assets and liabilities of the company not surviving a merger are, as of completion of the merger, recorded at their respective fair values and added to those of the surviving company. Financial statements of the surviving company issued after consummation of the merger reflect these values, but are not restated retroactively to reflect the historical financial position or results of operations of the company not surviving. As a result of the merger, the assets and liabilities of both the former Wachovia Corporation and the former Wachovia Bank were recorded at their respective fair values as of September 1, 2001.

The Corporation is a holding company that controls the Bank. The Corporation's common stock trades on the NYSE, under the symbol "WB".

On April 1, 2002, the former Wachovia Bank merged with and into First Union National Bank, with First Union National Bank being the surviving bank, and First Union National Bank changed its name to "Wachovia Bank, National Association". This merger was accounted for as a reorganization under regulatory accounting principles (which does not reflect additional purchase accounting adjustments), and, as a result, the financial data of the Bank presented in this Offering Circular as of and for the year ended December 31, 2002 reflect the selected unaudited consolidated financial data of the former Wachovia Bank and First Union National Bank as if the two banks had merged on January 1, 2002.

The Corporation is the fifth largest financial holding company in the United States with total assets of \$389 billion and a market capitalization of \$55 billion as of September 30, 2003. The Corporation offers 9 million households and 900,000 businesses corporate banking, retail banking, asset and wealth management, capital markets and securities brokerage services and products. The Corporation, through its bank subsidiaries, operates full-service banking offices in 11 East Coast states and Washington, D.C. Through its broker-dealer subsidiaries, the Corporation offers full-service brokerage services with offices in 48 states and global services through more than 30 international offices.

The Corporation is a separate and distinct legal entity from its banking and other subsidiaries. Dividends received by it from its subsidiaries are the Corporation's principal source of funds to pay dividends on its common and preferred stock and to service its debt. Various Federal and state statutes and regulations limit the amount of dividends that the Corporation's subsidiaries may pay to the Corporation without regulatory approval.

In 1985, the Supreme Court upheld regional interstate banking legislation. Since then, the Corporation has concentrated its efforts on building a large regional banking organization in what it perceives to be some of the better banking markets in the eastern United States. Since November 1985, the Corporation has completed over 90 banking-related acquisitions.

The Corporation continually evaluates its business operations and organizational structures to ensure they are aligned closely with its goal of maximizing performance in its core business lines. Therefore, the Corporation routinely explores acquisition opportunities, particularly in areas that would complement its core business lines, and frequently conducts due diligence activities in connection with possible acquisitions. As a result, acquisition discussions and, in some cases, negotiations frequently take place, and future acquisitions involving cash, debt or equity securities can be expected. When consistent with the Corporation's overall business strategy, the Corporation also considers the potential disposition of certain of its assets, branches, subsidiaries or lines of business.

The Corporation's principal executive offices are located at One Wachovia Center, Charlotte, North Carolina 28288-0013, and its telephone number is (704) 374-6565. The Corporation maintains a Web site at <http://www.wachovia.com>. The information contained in such Web site is not part of this Offering Circular.

The Notes are solely obligations of the Bank and are neither obligations of, nor guaranteed by, the Corporation.

CERTAIN REGULATORY CONSIDERATIONS

General

The business of the Bank is influenced by prevailing economic conditions and governmental policies, both domestic and foreign. The actions and policy directives of the Board of Governors of the Federal Reserve System (the “Federal Reserve Board”) determine to a significant degree the cost and availability of funds obtained from money market sources for lending and investment. The Federal Reserve Board’s policies and regulations also influence, directly or indirectly, the rates of interest paid by commercial banks on their time and savings deposits. The nature and impact on the Bank of future changes in economic conditions and monetary and fiscal policies, both foreign and domestic, are not predictable.

The Bank is subject to supervision, examination and regulation by applicable federal bank regulatory authorities. The primary bank regulatory authority for the Bank is the OCC.

For a discussion of the material elements of the regulatory framework applicable to the Bank and the Corporation, please also refer to the Corporation’s annual report on Form 10-K for the fiscal year ended December 31, 2002, quarterly report on Form 10-Q for the period ended September 30, 2003, and any subsequent reports filed with the Commission, which are incorporated by reference in this Offering Circular.

Cross-Guarantee Liability

A bank insured by the FDIC can be held liable for any loss incurred by, or reasonably expected to be incurred by, the FDIC in connection with (i) the default of a commonly controlled FDIC-insured depository institution or (ii) any assistance provided by the FDIC to a commonly controlled depository institution in danger of default. Thus, the Bank could incur liability to the FDIC in the event of the default of any other insured depository institutions owned or controlled by the Corporation. Such liability is subordinate in right of payment to deposit liabilities, secured obligations, any other general or senior liability, and any obligation subordinate to depositors or other general creditors, and senior to obligations owed to any affiliate of the depository institution (with certain exceptions) and any obligations to stockholders arising as a result of their status as stockholders.

Effect of Insolvency on the Notes

Federal law provides that deposits and certain claims for administrative expenses against an insured depository institution are afforded a priority over other general unsecured claims against such an institution, including the Notes, in the liquidation or other resolution of such an institution by any receiver. As a result, such priority creditors (including the FDIC, as the subrogee of insured depositors) would be entitled to priority over the holders of general unsecured claims against such institution, including claims under unsubordinated bank notes and subordinated obligations, including the Notes, in the event of liquidation or other resolution of the Bank. A substantial portion of the Bank’s liabilities are deposit obligations entitled to such a priority.

In the event that the FDIC is appointed as conservator or receiver for an FDIC-insured bank, the FDIC is authorized to disaffirm or repudiate any contract or lease to which such bank is a party the performance of which is determined to be burdensome, and the disaffirmance or repudiation of which is determined to promote the orderly administration of such bank’s affairs. The Bank understands that the Resolution Trust Corporation (the “RTC”), a no longer existing former sister agency of the FDIC, has taken the position that for this purpose debt obligations are “contracts” within the meaning of the foregoing and that such debt obligations may be repudiated by it in its capacity as conservator or receiver of a failed insured depository institution. However, the purpose of such repudiation by the RTC had generally been to attempt to deny to the holder of such indebtedness payments that are in the nature of prepayment penalties or the realization by debt holders of benefits of overcollateralization. To the knowledge of the Bank, neither the RTC nor the FDIC has asserted that such repudiation impairs the right of the holder of such indebtedness to receive the full principal amount of such indebtedness together with stated interest accrued thereon to the date of the appointment of a receiver. If the FDIC were to successfully contend that its power to repudiate “contracts” extends to obligations such as the Notes, such repudiation would result in a claim of the holders of the Notes against the receivership for principal and interest accrued through the date of the appointment of the conservator or receiver. The amount paid upon this claim would depend upon, among other factors, the amount of receivership assets available for the payment of unsecured claims and the priority of this claim relative to the priority of other unsecured creditors and depositors. If the maturity of the Notes were so accelerated,

and a claim relating to the Notes paid by the receivership, the holders of the Notes might not be able, depending upon economic conditions, to reinvest any amounts paid on the Notes at a rate of interest comparable to that paid on the Notes. The FDIC as conservator or receiver is also permitted to enforce most types of contracts pursuant to their terms notwithstanding any acceleration provisions therein, and may transfer to a new obligor any of the Bank's assets and liabilities, without approval or consent of the Bank's creditors.

Pursuant to the Federal Deposit Insurance Corporation Improvement Act of 1992 ("FDICIA"), the FDIC may not take any action that would have the effect of increasing the losses to a deposit insurance fund by protecting depositors for more than the insured portion of deposits (generally US\$100,000) or creditors other than depositors. The FDIC is authorized by FDICIA to settle all uninsured and unsecured claims in the insolvency of an insured bank by making a final settlement payment after the declaration of insolvency. Such a payment would constitute full payment and disposition of the FDIC's obligations to claimants. The rate of such final settlement payments is to be a percentage rate determined by the FDIC reflecting an average of the FDIC's receivership recovery experience.

Capital

Under risk-based capital requirements for national banks issued by the OCC, the minimum requirement for the ratio of capital to risk-weighted assets (including certain off-balance sheet obligations, such as standby letters of credit) is eight percent. At least half of the total capital is to be composed of common equity, retained earnings and qualifying non-cumulative perpetual preferred stock, less certain intangibles ("tier 1 capital" and, together with tier 2 capital, "total capital"). The remainder may consist of subordinated debt, non-qualifying preferred stock and a limited amount of the loan loss allowance ("tier 2 capital"). As of September 30, 2003, the Bank's total capital and tier 1 capital ratios were 12.12 percent and 7.78 percent, respectively.

In addition, the OCC has established minimum leverage ratio requirements for banks. These requirements provide for a minimum leverage ratio of tier 1 capital to adjusted average quarterly assets ("leverage ratio") equal to three percent for banks that meet certain specified criteria, including having the highest regulatory rating. All other banks will generally be required to maintain a leverage ratio of four percent. The OCC has not advised the Bank of any specific minimum leverage ratio greater than three percent applicable to it. As of September 30, 2003, the Bank's leverage ratio was 6.16 percent.

Banking regulators continue to indicate their desire to raise capital requirements applicable to banking organizations.

FDICIA

In addition to the effects of the provisions described above, FDICIA substantially revised the bank regulatory and funding provisions of the Federal Deposit Insurance Act and made revisions to several other federal banking statutes.

Among other things, FDICIA, requires the federal banking agencies to take "prompt corrective action" in respect of depository institutions that do not meet minimum capital requirements. FDICIA establishes five capital tiers: "well capitalized", "adequately capitalized", "undercapitalized", "significantly undercapitalized" and "critically undercapitalized." A depository institution's capital tier will depend upon how its capital levels compare to various relevant capital measures and certain other factors, as established by regulation.

The OCC has adopted regulations establishing relevant capital measures and relevant capital levels. The relevant capital measures are the total capital ratio, the tier 1 capital ratio and the leverage ratio. Under the regulations, a national bank will be: (i) "well capitalized" if it has a total capital ratio of ten percent or greater, a tier 1 capital ratio of six percent or greater and a leverage ratio of five percent or greater and is not subject to any other or written directive by the OCC to meet and maintain a specific capital level for any capital measure; (ii) "adequately capitalized" if it has a total capital ratio of eight percent or greater, a tier 1 capital ratio of four percent or greater and a leverage ratio of four percent or greater (three percent in certain circumstances); (iii) "undercapitalized" if it has a total capital ratio of less than eight percent, a tier 1 capital ratio of less than four percent or a leverage ratio of less than four percent (three percent in certain circumstances); (iv) "significantly undercapitalized" if it has a total capital ratio of less than six percent, a tier 1 capital ratio of less than three percent or a leverage ratio of less than three percent, and (v) "critically undercapitalized" if its tangible equity is equal to or less than two percent of average quarterly tangible assets. As of September 30, 2003, the Bank was "well-capitalized" under such regulations.

FDICIA generally prohibits a depository institution from making any capital distribution (including payment of a dividend) or paying any management fee to its holding company if the depository institution would thereafter be "under-

capitalized". "Undercapitalized" depository institutions are subject to growth limitations and are required to submit a capital restoration plan. The federal banking agencies may not accept a capital plan without determining, among other things, that the plan is based on realistic assumptions and is likely to succeed in restoring the depository institution's capital. In addition, for a capital restoration plan to be acceptable, the depository institution's parent holding company must guarantee that the institution will comply with such capital restoration plan. The aggregate liability of the parent holding company is limited to the lesser of (i) an amount equal to five percent of the depository institution's total assets at the time it became "undercapitalized", and (ii) the amount which is necessary (or would have been necessary) to bring the institution into compliance with all capital standards applicable with respect to such institution as of the time it fails to comply with the plan. If a depository institution fails to submit an acceptable plan, it is treated as if it is "significantly undercapitalized".

An insured depository institution that is not "well-capitalized" may not accept funds obtained, directly or indirectly, by or through any deposit broker for deposit in such institution. An insured depository institution that is "undercapitalized" may not solicit deposits by offering rates of interest that are significantly higher than the prevailing rates of interest or insured deposits in such institution's normal market areas or in the market areas in which such deposits would otherwise be accepted. "Significantly undercapitalized" depository institutions may be subject to a number of requirements and restrictions, including orders to sell sufficient voting stock to become "adequately capitalized", requirements to reduce total assets and cessation of receipt of deposits from correspondent banks. "Critically undercapitalized" institutions are subject to the appointment of a receiver or conservator. Under FDICIA, from the date 60 days after an institution becomes or is deemed to become "critically undercapitalized", it may not make any payments of principal or interest on its subordinated debt, including the Subordinated Notes. Under certain circumstances, a "well capitalized", "adequately capitalized" or "undercapitalized" institution may be required to comply with restrictions applicable to the next lowest capital category.

USE OF PROCEEDS

The Bank intends to use the net proceeds from the sale of the Notes for general corporate purposes in the ordinary course of its business. Based upon the historical and anticipated future growth of the Bank and its financial needs, the Bank may engage in additional financings (in addition to its funding activities in the ordinary course of its business) of a character and amount to be determined as the need arises.

DESCRIPTION OF NOTES

General

The Notes do not evidence deposits and are not insured by the FDIC or any other insurer. The Notes are solely obligations of the Bank and are neither obligations of, nor guaranteed by, the Corporation or any other affiliate of the Bank.

The Notes will be issued in accordance with a Global Agency Agreement, dated as of November 7, 2001 (the "Agency Agreement"), among the Bank, as issuer, and the Bank, as registrar (the "Registrar") and paying agent (the "Domestic Paying Agent"), Citibank, N.A. acting through its specified office in London, as paying agent (the "London Paying Agent") and issuing agent (the "London Issuing Agent"), and Dexia Banque Internationale à Luxembourg as transfer agent (the "Transfer Agent"), Listing Agent and paying agent (the "Luxembourg Paying Agent," and together with the Domestic Paying Agent and the London Paying Agent, the "Paying Agents", and each individually, a "Paying Agent"). The terms Domestic Paying Agent, Registrar, London Paying Agent, London Issuing Agent, Listing Agent, Luxembourg Paying Agent and Transfer Agent shall include any additional or successor agents appointed in such capacities by the Bank. The Agency Agreement permits the appointment of other agents, including one or more calculation agents (each, a "Calculation Agent") and a currency exchange agent (the "Exchange Rate Agent"). Unless otherwise indicated in an applicable Pricing Supplement, the Bank will act as Calculation Agent and Exchange Rate Agent with respect to the Notes. A copy of the Agency Agreement, which includes the forms of the Notes, is available for inspection at the offices of the Registrar at One Wachovia Center, Charlotte, North Carolina 28288-0600, Attention: Compliance Officer, and at the specified office of the Luxembourg Paying Agent. The following summaries of certain provisions of the Agency Agreement and the Notes do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all of the provisions of the Agency Agreement and the Notes, including the definitions therein of certain terms.

Because the Notes will not be issued pursuant to an indenture, each holder will be responsible for acting independently with respect to certain matters affecting such holder's Note, including accelerating the maturity thereof upon the occurrence of an Event of Default (as defined herein), enforcing any covenants contained therein and responding to any requests for consents, waivers or amendments. See "—Events of Default".

The terms and conditions set forth below will apply to each Note unless otherwise specified herein or in any amendment or supplement hereto, or in the applicable Note. The terms of the Notes described herein, including the maturities and interest rates, may differ from one Note to another. The terms of a Tranche of Notes (as defined below) will be set forth in a Pricing Supplement, substantially in the form of Annex A hereto, relating to such Tranche.

As used herein, "Series" means all Notes which are denominated in the same currency and which have the same Stated Maturity Date (as defined herein), interest payment basis and Interest Payment Dates (as defined herein), if any, and the terms of which, except for the Original Issue Date (as defined herein) and/or the issue price, are otherwise identical, including whether the Notes are listed on a particular securities exchange. As used herein "Tranche" means all Notes of the same Series with the same Original Issue Date and the same issue price.

The aggregate principal amount of Notes that the Bank may issue under the Program is limited to a maximum of US\$45,000,000,000 (or the equivalent thereof in other currencies, calculated as described herein) at any one time outstanding, subject to the following limitations: (i) not more than US\$45,000,000,000 (or the equivalent thereof in other currencies, calculated as described herein) aggregate principal amount of Notes with maturities of more than 270 days from their respective dates of issue may be issued; and (ii) Notes having maturities ranging from 7 days to 270 days from their respective dates of issue may be issued from time to time and may be outstanding at any one time in an aggregate maximum principal amount equal to US\$45,000,000,000 (or the equivalent thereof in other currencies, calculated as described herein) minus the aggregate principal amount of Notes having maturities of more than 270 days which have been issued under the Program (whether or not then outstanding). For the purpose of calculating the U.S. Dollar equivalent of the aggregate principal amount of Notes issued from time to time:

(i) the U.S. Dollar equivalent of Notes denominated in a Specified Currency (as defined herein) other than U.S. Dollars shall be determined by the Exchange Rate Agent as of 2:30 P.M., London time, on the Original Issue Date for such Notes by reference to the spot rate for U.S. Dollars against the Specified Currency provided to the Exchange Rate Agent by the Bank or, if such spot rate is not so provided on a timely basis, by reference to the Exchange Rate Agent's middle market spot rate for U.S. Dollars against the Specified Currency on the London Business Day (as defined herein) immediately preceding the date on which the Exchange Rate Agent receives the Bank's instruction to determine the amount of Notes outstanding;

(ii) the U.S. Dollar equivalent of Dual Currency Notes and Indexed Notes (each as defined herein) shall be determined by the Exchange Rate Agent in the manner specified in clause (i) above by reference to the original principal amount of such Notes;

(iii) the principal amount of Zero Coupon Notes (as defined herein) and any other Notes issued at a discount shall be deemed to be the U.S. Dollar equivalent, determined in the manner specified in clause (i) above, of the net proceeds received by the Bank for the relevant issue; and

(iv) the U.S. Dollar equivalent of Partly Paid Notes (as defined herein) shall be determined by the Exchange Rate Agent in the manner specified in clause (i) above by reference to the principal amount thereof regardless of the amount of money paid up on such Notes.

The aggregate principal amount of Notes outstanding at any time is subject to, and will be limited by, the then existing grant of authority by the Bank's Board of Directors and accordingly the Bank may at any time increase the maximum aggregate principal amount of the Notes that may be issued or outstanding at any one time pursuant to the Program. This Offering Circular will be amended or supplemented to indicate any increase in the grant of authority which may result in Notes outstanding or issued in an aggregate principal amount in excess of the amount set forth above. In addition to the Notes, the Bank may issue promissory notes and other obligations evidencing indebtedness or liabilities of the Bank, including deposit instruments, in an unlimited principal amount.

Each Note shall be denominated in such currency (the "Specified Currency") as may be selected by the initial purchaser and agreed to by the Bank, including, without limitation, U.S. Dollars, Euro, Sterling, Swiss Francs and Yen.

The Specified Currency with respect to any Note will be specified therein and in the applicable Pricing Supplement. Purchasers of Notes are required to pay for such Notes by delivery of the requisite amount of the Specified Currency to the London Issuing Agent or Registrar, as the case may be, unless other arrangements have been made. The Bank will be obligated to make payments of principal of, and premium, if any, and interest on the Notes in the applicable Specified Currency. Any amounts paid by the Bank in respect of DTC Global Notes (as defined herein) denominated other than in U.S. Dollars will, unless otherwise specified in the applicable Pricing Supplement, be converted into U.S. Dollars for payment to the holders thereof as described under “Payment of Principal, Premium and Interest; General”. Unless otherwise specified in the applicable Pricing Supplement, payments on any other Registered Global Notes (as defined herein) and on Bearer Notes (as defined herein) will be made in the applicable Specified Currency in the country issuing the Specified Currency (or in the case of Euro, in any country then participating in European economic and monetary union pursuant to the Treaty). See “—Payment of Principal, Premium and Interest”.

In the event that any Specified Currency has been replaced by another currency (a “Replacement Currency”), any amount due pursuant to any Note denominated in the Specified Currency may be repaid, at the option of the Bank, in the Replacement Currency or in U.S. Dollars, at a rate of exchange which takes into account the conversion, at the rate prevailing on the most recent date on which official conversion rates were quoted or set by the national government or other authority responsible for issuing the Replacement Currency, from the Specified Currency, to the Replacement Currency and, if necessary, the conversion of the Replacement Currency into U.S. Dollars at the rate prevailing on the date of such conversion. Notwithstanding the foregoing, if, pursuant to the Treaty, a currency of a member country of the European Community has been replaced by a new single European currency (the “Euro”), the payment of principal of, premium (if any,) or interest on any Note denominated in any such currency shall be effected in Euro in conformity with legally applicable measures taken pursuant to, or by virtue, of the Treaty.

Unless previously redeemed or repaid, each Note will mature on a date (the “Stated Maturity Date”) 7 days or more from the date on which such Note was originally issued (the “Original Issue Date”), as selected by the initial purchaser and agreed to by the Bank. Notes denominated in other currencies will have such other minimum or maximum maturity as may be allowed or required from time to time by the relevant central bank or equivalent body (however designated) or any laws or regulations applicable to the Bank or the relevant currency.

The Notes will be issued in fully registered form without receipts, interest coupons or talons (“Registered Notes”) or in bearer form with or without receipts, interest coupons or talons (“Bearer Notes”), as described below under “Form of Notes and Registration”. Notes sold to “accredited investors” (as defined in the Commission’s Rule 501(a) under the Securities Act) pursuant to Sections 16.5(a) (as it relates to Section 3(a)(3) of the Securities Act) or 16.6(a) of Part 16 of the OCC’s regulations will be in minimum denominations of US\$250,000 and integral multiples of US\$1,000 in excess thereof (or equivalent denominations in other currencies, calculated as described herein). Notes sold pursuant to Section 16.5(g) of Part 16 of the OCC’s regulations (and in accordance with Regulation S under the Securities Act) will, unless otherwise specified in the applicable Pricing Supplement, be issued in minimum denominations of US\$1,000 (or equivalent denominations in other currencies, calculated as described herein).

Unless otherwise specified in the applicable Pricing Supplement, interest-bearing Notes will bear interest at either fixed rates (“Fixed Rate Notes”) or floating rates (“Floating Rate Notes”), as specified in the applicable Pricing Supplement. Notes may be issued at discounts from their principal amount payable on the Stated Maturity Date (or on any prior date on which the principal, or an installment of principal, of a Note becomes due and payable, whether by the declaration of acceleration, call for redemption at the option of the Bank, repayment at the option of the holder or otherwise) (each such date, a “Maturity”), and some Notes may not bear interest (“Zero Coupon Notes”).

No recourse shall be had for the payment of principal of, premium, if any, or interest on, any Note, for any claim based thereon, or otherwise in respect thereof, against any shareholder, employee, agent, officer or director, as such, past, present or future, of the Bank or of any successor organization. The Notes will not contain any provision that would provide protection to the holders of the Notes against a decline in credit quality resulting from a merger, takeover, recapitalization, or similar restructuring of the Bank or of the Corporation or any other event involving the Bank or the Corporation that may adversely affect the credit quality of the Bank.

As used herein, “Business Day” means, unless otherwise specified in the applicable Pricing Supplement, a day which is both: (i) a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle pay-

ments in The City of New York, Charlotte, North Carolina and London; and (ii) either (a) in relation to Notes denominated in a Specified Currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments in the principal financial center of the country of the relevant Specified Currency (if other than The City of New York or London), or (b) in relation to Notes denominated in Euro, a day (other than a Saturday or a Sunday) on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System (“Target”) or any successor thereto is open. Unless otherwise specified in the applicable Pricing Supplement, the principal financial center of any country, for the purpose of the definition of Business Day shall be as provided in the 2000 ISDA Definitions, as amended and updated from time to time, published by the International Swaps and Derivatives Association, Inc. (the “ISDA Definitions”). As used herein, “London Business Day” means any day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London.

Ranking

Senior Notes

The Senior Notes are unsecured and uninsured direct general obligations of the Bank and will not be an obligation of, or guaranteed by, the Corporation or any other affiliate of the Bank. In the event of any liquidation or resolution of the Bank by any receiver, the holders of deposits (including the FDIC, as subrogee of insured depositors), the holders of certain other claims entitled to a priority or preference (including certain claims for administrative expenses) and the holders of secured obligations will be afforded a priority in payment over the claims of the holders of the Senior Notes and the holders of other general obligations of the Bank. See “Certain Regulatory Considerations — Effect of Insolvency on the Notes”.

Subordinated Notes

The Subordinated Notes are unsecured and uninsured direct general obligations of the Bank and will not be an obligation of, or guaranteed by, the Corporation or any other affiliate of the Bank. The obligations evidenced by the Subordinated Notes are subordinated to all unsubordinated indebtedness and other obligations of the Bank, including deposits, deposit notes and unsubordinated Bank notes (including the Senior Notes). In an insolvency of the Bank, the holders of the Subordinated Notes could receive significantly less, if anything, than the holders of unsubordinated obligations, including the deposits, deposit notes and unsubordinated notes (including the Senior Notes) of the Bank.

The indebtedness of the Bank evidenced by the Subordinated Notes, including the payment of principal, premium, if any, and interest, is subordinate and junior in right of payment to the Bank’s obligations to its depositors, the Bank’s obligations under bankers’ acceptances and letters of credit and the Bank’s obligations to its other creditors, including its obligations to any Federal Reserve Bank and the FDIC, except for obligations to the FDIC arising under the provision of Section 1815(e) of Title 12 of the United States Code, and any rights acquired by the FDIC as a result of loans made by the FDIC to the Bank or the purchase or guarantee of any of its assets by the FDIC pursuant to the provisions of Section 1823(c) or (d) of Title 12 of the United States Code, whether now outstanding or hereafter incurred, in that in the event of any insolvency, receivership, conservatorship, reorganization, readjustment of debt, marshalling of assets and liabilities or similar proceedings or any liquidation or winding up of or relating to the Bank, whether voluntary or involuntary, all such obligations shall be entitled to be paid in full before any payment shall be made on account of the principal of, premium, if any, or interest on, the Subordinated Notes. In the event of any such proceedings, after payment in full of all sums owing on such prior obligations, the holders of the Subordinated Notes, together with the holders of any obligations of the Bank ranking on a parity with the Subordinated Notes, are entitled to be paid from the remaining assets of the Bank the unpaid principal of, premium, if any, and interest on, the Subordinated Notes, before any payment or other distribution, whether in cash, property, or otherwise, will be made on account of any capital stock or any obligations of the Bank ranking junior to the Subordinated Notes. The Bank has an absolute and unconditional obligation to pay the principal of, premium, if any, and any interest on, the Subordinated Notes in accordance with their terms.

Notwithstanding any other provisions contained in the Subordinated Notes, the OCC or any receiver or conservator of the Bank appointed by the OCC has the right in the performance of its legal duties, and as part of any transaction or plan of reorganization or liquidation designed to protect or further the continued existence of the Bank or the rights of any parties or agencies with an interest in, or claim against, the Bank or its assets, to transfer or direct the transfer of the obligations represented by the Subordinated Notes to any national banking association, state bank or bank holding company selected by such entity which shall expressly assume the obligation of the due and punctual payment of the

unpaid principal, premium, if any, and interest on the Subordinated Notes and the due and punctual performance of all covenants and conditions; and the completion of such transfer and assumption shall serve to supersede and void any default, acceleration or subordination which may have occurred, or which may occur due or related to such transaction, plan, transfer or assumption, pursuant to the provisions of the Subordinated Notes, and shall serve to return the holders of Subordinated Notes to the same position, other than for substitution of the obligor, they would have occupied had no default, acceleration or subordination occurred; except that any interest and principal (and premium, if any) previously due, other than by reason of acceleration, and not paid shall, in the absence of a contrary agreement by the holders of the Subordinated Notes, be deemed to be immediately due and payable as of the date of such transfer and assumption, together with the interest from its original due date at the rate provided for in the Subordinated Notes.

Form of Notes and Registration

General

The Bank and the initial purchaser(s) will agree on the form of Notes to be issued in respect of any Series of Notes. The form of Notes to be issued in relation to any Series of Notes will be specified in the applicable Pricing Supplement.

Registered Notes

The Notes may be offered and sold (i) in the United States only, (ii) outside the United States only or (iii) in and outside the United States simultaneously as part of a global offering. Notes sold pursuant to an offering made in the United States only will be represented by one or more global Notes in fully registered form without receipts, interest coupons or talons (each, a “Registered Global Note”) deposited with the Registrar (in such capacity, the “Custodian”) as custodian for, and registered in the name of a nominee of, DTC as depositary (each Registered Global Note so deposited and registered being referred to herein as a “DTC Global Note”).

Except as described below under “Bearer Notes”, Notes sold outside of the U.S. in accordance with Regulation S under the Securities Act will initially be issued in the form of one or more temporary registered global notes (“Temporary Registered Global Notes”). Beneficial interests in the Temporary Registered Global Notes will be exchanged for one or more permanent Registered Global Notes upon the later of (i) the 40th day after the completion of the distribution of the Notes of such Tranche (determined as set forth under “Plan of Distribution — Sales Restrictions; United States Law”) and (ii) the first date on which the requisite certifications are provided to the London Issuing Agent by or on behalf of the beneficial owner of an interest in such Temporary Registered Global Notes to the effect that such beneficial owner either is not a U.S. person or is a U.S. person who purchased securities in a transaction that did not require registration under the Securities Act (without regard to Section 3(a)(2) thereof). Unless such certificate is provided, (i) payments of dividends, redemption price and any other payments will not be made with respect to such beneficial interests in the Temporary Registered Global Note, (ii) such beneficial interest may not be exchanged for a beneficial interest in a permanent Registered Global Note and (iii) settlement of trades with respect to such beneficial interest will be suspended.

Except as described below under “Bearer Notes”, Notes sold pursuant to an offering made outside the United States only will be initially issued in the form of one or more Temporary Registered Global Notes, as described above, and upon exchange therefor will be represented by one or more Registered Global Notes deposited with the London Issuing Agent (in such capacity, the “Depositary”) as common depositary for, and registered in the name of a nominee of, Euroclear Bank S.A./N.V., as operator of Euroclear, and/or Clearstream, Luxembourg.

Subject to the initial issuance of Notes sold outside of the United States in accordance with Regulation S under the Securities Act in the form of one or more Temporary Registered Global Notes and their subsequent exchange for permanent Registered Global Notes, as described above, Notes sold pursuant to an offering made in and outside the United States simultaneously as part of a global offering may be represented solely by one or more DTC Global Notes (a “Single Global Note Issue”) or, alternatively, by one or more DTC Global Notes in respect of Notes sold in the United States and by a separate Registered Global Note deposited with the Depositary as common depositary for, and registered in the name of a nominee of, Euroclear and/or Clearstream, Luxembourg in respect of Notes sold outside the United States (a “Dual Global Note Issue”).

Except as described below, owners of beneficial interests in a Registered Global Note (each, a “Beneficial Owner”) will not be entitled to have Notes registered in their names, will not receive or be entitled to receive physical delivery of Notes in

definitive form (each, a “Definitive Registered Note”) and will not be considered the owners or holders thereof under the Agency Agreement. Beneficial interests in a Registered Global Note will be represented, and transfers thereof will be effected, only through book-entry accounts of financial institutions acting on behalf of the Beneficial Owners, as a direct or indirect participant in the relevant clearing system.

Investors in a global offering may elect to hold interests in a Registered Global Note through any of DTC or Euroclear or Clearstream, Luxembourg if they are participants in such systems, or indirectly through organizations that are participants in such systems. If the Notes sold pursuant to a global offering are part of a Single Global Note Issue, Clearstream, Luxembourg and Euroclear will hold interests on behalf of their participants through customers’ securities accounts in Clearstream, Luxembourg’s and Euroclear’s names on the books of the Depository, which in turn will hold such interests in customers’ securities accounts in the Depository’s name on the books of DTC.

The Bank will serve initially as the Registrar for the Registered Notes. In such capacity, the Registrar will cause to be kept at its offices in Charlotte, North Carolina, a register (the “Note Register”) in which, subject to such reasonable regulations as it may prescribe, the Registrar will provide for the registration of the Registered Notes and of transfers thereof. The Bank reserves the right to transfer such registration function to another bank or financial institution at any time.

Subject to applicable law and the terms of the Agency Agreement and the Notes, the Bank and the Paying Agents, the Registrar, the London Issuing Agent and the Transfer Agent (collectively, the “Agents”, and each individually, an “Agent”) will deem and treat the registered holder or holders of the Registered Notes as the absolute owner or owners thereof for all purposes whatsoever notwithstanding any notice to the contrary; and all payments to, or to the order of, the registered holders will be valid and effectual to discharge the liability of the Bank and the Agents on the Notes to the extent of the sum or sums so paid. So long as DTC, its nominee, a nominee of Euroclear and/or Clearstream, Luxembourg or a successor to DTC or any such nominee is the registered owner of a Registered Global Note, DTC, such nominee or such successor to DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Registered Global Note for all purposes under the Agency Agreement. Accordingly, any Beneficial Owner must rely on the procedures of DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be, and, if such person is not a participant in any such clearing system, on the procedures of the participant therein through which such person owns its interest, to exercise any rights of a holder of Notes. The Bank understands that, under existing industry practices, in the event that the Bank requests any action of holders or that Beneficial Owners desire to give or take any action which a holder is entitled to give or take under the Agency Agreement, DTC, its nominee or a successor to DTC or its nominee, as the holder of the DTC Global Note, would authorize the participants through which the relevant beneficial interests are held (or persons holding beneficial interests in the Notes through participants) to give or take such action, and such participants would authorize Beneficial Owners owning through such participants (or such persons holding beneficial interests in the Notes through participants) to give or take such action and would otherwise act upon the instructions given to such participants (or such persons) by such Beneficial Owners.

DTC may grant proxies or otherwise authorize its participants (or persons holding beneficial interests in the Notes through its participants) to exercise any rights of a holder or take any other actions which a holder is entitled to take under the Agency Agreement or in respect of the Notes. Euroclear or Clearstream, Luxembourg, as the case may be, will take any action permitted to be taken by a holder under the Agency Agreement or the Notes on behalf of a Euroclear participant or a Clearstream, Luxembourg participant only in accordance with its relevant rules and procedures and, with respect to interests in a DTC Global Note, subject to the Depository’s ability to effect such actions on its behalf through DTC. Because DTC can act only on behalf of its participants, who in turn act on behalf of indirect participants, the ability of a Beneficial Owner to pledge its interest in the Notes to persons or entities that do not participate in the DTC system or otherwise take action in respect of such interest, may be limited by the lack of a definitive certificate for such interest. The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the ability to transfer beneficial interests in a DTC Global Note.

Principal of, and premium, if any, and interest on, the Registered Notes are payable to the persons in whose names the Notes are registered on the Record Date (as defined herein) preceding any Interest Payment Date or at Maturity, as the case may be. Ownership positions within each clearing system will be determined in accordance with the normal conventions observed by such system. The Domestic Paying Agent and the London Paying Agent will act as the Bank’s paying agents for the Notes pursuant to the Agency Agreement. Principal and interest payments on a Registered Global Note will be made to DTC, its nominee or a nominee of Euroclear and/or Clearstream, Luxembourg, as the case may be (or to any successor to DTC or any such nominee), as the registered holder of the Registered Global Note representing such Notes. Neither the Bank

nor the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in a Registered Global Note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. See “—Payment of Principal, Premium and Interest”.

Upon receipt of any payment of principal of, or premium, if any, or interest on, a DTC Global Note, the Bank expects that DTC will credit its participants’ accounts with payment in amounts proportionate to their respective beneficial interests in the principal amount of such DTC Global Note as shown on the records of DTC. Payments by such participants to owners of beneficial interests in the DTC Global Note held through such participants will be the responsibility of such participants, as is now the case with securities held for the accounts of customers registered in a “street name”. Distributions with respect to Notes held through Euroclear and/or Clearstream, Luxembourg will be credited to the cash accounts of Euroclear participants and/or Clearstream, Luxembourg participants in accordance with the relevant system’s rules and procedures, to the extent received by the Depository.

Unless otherwise provided in the applicable Pricing Supplement, interests in a Registered Global Note will be exchangeable for Definitive Registered Notes, only if such exchange is permitted by applicable law and (i) in the case of a DTC Global Note, DTC notifies the Bank that it is unwilling or unable to continue as depository for the DTC Global Note or DTC ceases to be a clearing agency registered under the Exchange Act, if so required by applicable law or regulation, and, in either case, a successor depository is not appointed by the Bank within 90 days after receiving such notice or becoming aware that DTC is no longer so registered, (ii) in the case of any other Registered Global Note, if the clearing system(s) through which it is cleared and settled is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention to cease business permanently or does in fact do so, (iii) the Bank, in its discretion, elects to issue Definitive Registered Notes or (iv) after the occurrence of an Event of Default with respect to any Registered Global Note, Beneficial Owners representing a majority in principal amount of such Registered Global Note advise the relevant clearing system through its participants to cease acting as depository for such Registered Global Note. The Definitive Registered Notes so issued in exchange for any such Registered Global Note shall be of like tenor and of an equal aggregate principal amount, in authorized denominations. Such Definitive Registered Notes shall be registered in the name or names of such person or persons as the relevant clearing system shall instruct the Registrar. It is expected that such instructions may be based upon directions received by DTC from DTC participants with respect to ownership of beneficial interests in the DTC Global Notes. Except as provided above, owners of beneficial interests in a Registered Global Note will not be entitled to receive physical delivery of Definitive Registered Notes and will not be considered the registered holders of such Notes for any purpose.

Any Definitive Registered Note issued under the circumstances described in the preceding paragraph will be transferrable in whole or in part in an authorized denomination upon the surrender of such Note, together with the form of transfer endorsed thereon duly completed and executed, at the specified office of the Registrar or the specified office of any Transfer Agent. In the case of a transfer of part only of a Definitive Registered Note, a new Definitive Registered Note in respect of the balance not transferred will be issued to the transferor. Each new Definitive Registered Note to be issued upon transfer will, within three Business Days of receipt of such form of transfer, be delivered to the transferee at the office of the Registrar or such Transfer Agent or mailed, at the risk of the holder entitled to the Definitive Registered Note in respect of which the relevant Definitive Registered Note is issued, to such address as may be specified in such form of transfer.

Bearer Notes

In certain circumstances, the Bank may agree to issue Notes sold pursuant to an offering made outside the United States to non-U.S. persons in bearer form. In that event, the Notes will be represented initially by one or more temporary global Notes in bearer form without receipts, interest coupons or talons attached (each, a “Temporary Bearer Global Note”), which will be deposited on the Original Issue Date thereof with a common depository for Euroclear and Clearstream, Luxembourg.

If an Interest Payment Date for any Note occurs while such Note is represented by a Temporary Bearer Global Note, the related interest payment will be made against presentation of the Temporary Bearer Global Note only to the extent that certification of non-U.S. beneficial ownership has been received by Euroclear and/or Clearstream, Luxembourg, as the case may be. Such certification of non-U.S. beneficial ownership must be a signed certificate in writing (or an electronic certificate as described in United States Treasury Regulation Section 1.163-5(c)(2)(i)(D)(3)(ii)), in the form set forth in the Temporary Bearer Global Note, stating that on the date of such certificate the beneficial interest in the Note (i)(a) is owned by a person that is not a United States person, (b) is owned by a United States person that (1) is a foreign branch of a United

States financial institution (as defined in United States Treasury Regulation Section 1.165-12(c)(1)(v)) (a “financial institution”) purchasing for its own account or for resale, or (2) is acquiring such Note through a foreign branch of a United States financial institution and who holds the Note through such financial institution through such date (and in either case (1) or (2) above, each such United States financial institution provides a certificate to the Bank or its agent within a reasonable time stating that it agrees, on its own behalf or through its agent, to comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended (the “Code”), and the regulations thereunder), or (c) is owned by a United States or foreign financial institution for the purposes of resale during the restricted period (as defined in United States Treasury Regulation Section 1.163-5(c)(2)(i)(D)(7)) and, in addition, if the owner of such Note is a United States or foreign financial institution described in clause (c) above (whether or not also described in clause (a) or clause (b) above), such financial institution certifies that it has not acquired the Note for the purposes of resale directly or indirectly within the United States, to a United States person or to a person who is a resident of the United States or its possessions and (ii) is not held by or on behalf of a U.S. person (as defined in Rule 902(k) of Regulation S under the Securities Act).

On or after the date (the “Exchange Date”) which is 40 days after the date on which the Temporary Bearer Global Note is issued, provided that certification of non-U.S. beneficial ownership has been received, beneficial interests in the Temporary Bearer Global Note will be exchangeable, in whole but not in part, for beneficial interests in a permanent global Note in bearer form (a “Permanent Bearer Global Note”). No payments will be made on a Temporary Bearer Global Note after the Exchange Date. Payments of principal, or premium, if any, or interest, if any, with respect to a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg (as the case may be) against presentation or surrender, as the case may be, of the Permanent Bearer Global Note without any requirement for further certification. Upon 60 days written notice expiring at least 30 days after the Exchange Date from Euroclear and/or Clearstream, Luxembourg (as the case may be) acting on instructions from any owner of a beneficial interest in a Permanent Bearer Global Note, definitive bearer Notes (each, a “Definitive Bearer Note”) with, where applicable, receipts, interest coupons and talons attached will be issued and delivered, in full exchange for the Permanent Bearer Global Note, to Euroclear and/or Clearstream, Luxembourg (as the case may be) and such other approved clearing system for the accounts of the owners of beneficial interests in the Permanent Bearer Global Note. No Definitive Bearer Note delivered in exchange for a beneficial interest in a Permanent Bearer Global Note will be mailed or otherwise delivered to any location in the United States in connection with such exchange. An exchange for a Definitive Bearer Note will be made at no charge to the holders of the beneficial interests in the Permanent Bearer Global Note being exchanged.

Until exchanged in full, the owner of an interest in any Permanent Bearer Global Note shall in all respects be entitled to the same benefits as the holder of a Definitive Bearer Note, with, where applicable, receipts, interest coupons and talons attached.

Interest-bearing Definitive Bearer Notes will (unless otherwise specified in the applicable Note and Pricing Supplement related thereto) have interest coupons (“Coupons”) and, if indicated in the applicable Note, talons for further Coupons (“Talons”) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons. Definitive Bearer Notes that are repayable in installments will have receipts (“Receipts”) for the payment of the installments of principal (other than the final installment) attached on issue.

On and after the Interest Payment Date on which the final Coupon of any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the London Paying Agent outside the United States in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to, and including, the final date for the payment of interest due with respect to the Bearer Note to which it appertains) a further Talon. Each Talon will be deemed to mature on the Interest Payment Date on which the final Coupon of the related Coupon sheet matures.

The following legend will appear on all Temporary Bearer Global Notes, Permanent Bearer Global Notes, Definitive Bearer Notes, Talons, Receipts and Coupons:

“Any United States person (as defined in the Internal Revenue Code of the United States) who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

The sections referred to provide that United States holders of Bearer Notes, Receipts or Coupons, with certain exceptions, will not be entitled to deduct any loss on such Notes, Receipts or Coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition or payment of principal with respect to such Notes, Receipts or Coupons.

Except as set forth below, title to Bearer Notes, Receipts and Coupons will pass by delivery. The Bank and the Agents and any agent of the Bank or the Agents, may treat the holder of a Bearer Note as the owner of such Bearer Note for all purposes, whether or not such Bearer Note be overdue, and neither the Bank, the Agents nor any such agent shall be affected by notice to the contrary except as required by law.

For so long as any of the Notes are represented by a Temporary Bearer Global Note or a Permanent Bearer Global Note, each person who is for the time being shown in the records of Euroclear and/or Clearstream, Luxembourg as the owner of a particular principal amount of Notes (in which regard any certificate or other document issued by Euroclear and/or Clearstream, Luxembourg as to the principal amount of such Notes standing to the account of any person shall be, except in the case of manifest error, conclusive and binding for all purposes) shall be treated by the Bank and the Agents as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal, or premium, if any, or interest on the Notes, the right to which shall be vested, as against the Bank and the Agents, solely in the bearer of the relevant Temporary Bearer Global Note or Permanent Bearer Global Note in accordance with and subject to its terms (and the expressions “Noteholder” and “holder of Notes” and similar expressions shall be construed accordingly). Notes which are represented by a Temporary Bearer Global Note or a Permanent Bearer Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg, as the case may be.

Global Clearance and Settlement

General

Notes issued pursuant to the Program may be held through one or more international and domestic clearing systems, principally, the book-entry systems operated by DTC in the United States, and Euroclear and Clearstream, Luxembourg in Europe. Electronic securities and payment transfer, processing, depository and custodial links have been established among these systems and others, either directly or through custodians and depositories, which enable Notes to be issued, held and transferred among the clearing systems through these links. The relevant Agents have direct electronic links with DTC, Clearstream, Luxembourg and Euroclear. Special procedures have been established among these clearing systems and the relevant Agents to facilitate clearance and settlement of certain Notes traded across borders in the secondary market. Cross-market transfers of Notes in respect of which payments will be made in U.S. Dollars and which will be issued in global form may be cleared and settled using these procedures on a delivery against payment basis. Cross-market transfers of Notes in other than global form may be cleared and settled in accordance with other procedures established among the relevant Agent or Agents, as the case may be, and the clearing systems concerned for this purpose.

Although DTC, Euroclear and Clearstream, Luxembourg have agreed to the procedures described below in order to facilitate transfers of Notes among participants of DTC, Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures and such procedures may be modified or discontinued at any time. Neither the Bank nor the Agents will have any responsibility for the performance by DTC, Euroclear and/or Clearstream, Luxembourg or their respective participants or indirect participants of the respective obligations under the rules and procedures governing their operations.

The Clearing Systems

DTC. DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that DTC participants deposit with DTC. DTC also facilitates the settlement among DTC participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in DTC participants’ accounts, thereby eliminating the need for physical movement of securities certificates. DTC participants who maintain accounts directly with DTC include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the Distribution Agents (“direct participants”). DTC is owned by a number of its direct

participants and by the New York Stock Exchange, Inc., the American Stock Exchange, LLC and the National Association of Securities Dealers, Inc. Access to DTC's system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. The rules applicable to DTC and DTC participants are on file with the Commission.

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

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

Securities clearance accounts and cash accounts with the Euroclear operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of Euroclear, and applicable Belgian law (collectively, the "Terms and Conditions"). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear operator acts under the Terms and Conditions only on behalf of Euroclear participants, and has no record or relationship with persons holding through Euroclear participants.

Distribution with respect to Notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the Terms and Conditions, to the extent received by the Depository.

Other Clearing Systems. Any other clearing system which the Bank and the relevant Distribution Agent(s) agree shall be available for a particular issuance of Notes, including the clearance and settlement procedures for such clearing system, will be described in the applicable Pricing Supplement.

Primary Distribution

General. Distribution of the Notes will be cleared through one or more of the clearing systems described above or any other clearing system specified in the applicable Pricing Supplement. Payment for Notes will be made on a delivery versus payment or free delivery basis, as more fully described in the applicable Pricing Supplement.

Registered Notes. The Bank and the relevant Distribution Agent(s) shall agree that either global clearance and settlement procedures or specific clearance and settlement procedures should be available for any Series of Notes, as specified in the Pricing Supplement relating thereto. Clearance and settlement procedures may vary from one Series of Notes to another according to the Specified Currency of the Notes of such Series. Customary clearance and settlement procedures are described under the specific clearance and settlement procedures below. Application will be made to the relevant clearing system(s) for the Notes of the relevant Series to be accepted for clearance and settlement and the applicable clearance numbers will be specified in the applicable Pricing Supplement.

Clearance and Settlement Procedures — DTC. DTC participants holding Registered Notes through DTC on behalf of investors will follow the settlement practices applicable to United States corporate debt obligations in DTC's Same-Day Funds Settlement System. Registered Notes will be credited to the securities custody accounts of such DTC participants against payment in same-day funds on the settlement date.

Clearance and Settlement Procedures — Euroclear and Clearstream, Luxembourg. Investors electing to hold their Notes through Euroclear and/or Clearstream, Luxembourg accounts will follow the settlement procedures applicable to

conventional Eurobonds in registered form. Notes will be credited to the securities custody accounts of Euroclear and/or Clearstream, Luxembourg participants, as the case may be, on the business day following the settlement date against payment for value on the settlement date.

Bearer Notes. Customary clearance and settlement procedures for Euroclear and Clearstream, Luxembourg applicable to bearer Eurobonds in the Specified Currency will be followed, unless otherwise specified in the applicable Pricing Supplement.

Regulation S Notes

Notes sold outside of the U.S. in accordance with Regulation S under the Securities Act will initially be issued in the form of one or more temporary global Notes. Beneficial interests in such temporary global Notes will be exchanged for one or more permanent global Notes upon the later of (i) the 40th day after the completion of the distribution of the Notes of such Tranche (determined as set forth under “Plan of Distribution — Sales Restrictions — United States Law”) and (ii) the first date on which the requisite certifications are provided to the London Issuing Agent by or on behalf of the beneficial owner of an interest in such temporary global Notes to the effect that such beneficial owner either is not a U.S. person or (except with respect to Bearer Notes) is a U.S. person who purchased securities in a transaction that did not require registration under the Securities Act (without regard to Section 3(a)(2) thereof). Unless such certificate is provided, (i) payments of dividends, redemption price and any other payments will not be made with respect to such beneficial interests in the temporary global Note, (ii) such beneficial interest may not be exchanged for a beneficial interest in a permanent global Note and (iii) settlement of trades with respect to such beneficial interest will be suspended. Any interest in a temporary global Note will be transferable only in accordance with the rules and the procedures for the time being of Euroclear and/or Clearstream, Luxembourg, as the case may be.

Secondary Market Trading

Trading between DTC participants. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC’s rules and will be settled using procedures applicable to United States corporate debt obligations in DTC’s Same-Day Funds Settlement System in same-day funds, if payment is made in U.S. Dollars, or free of payment if payment is made in a currency other than U.S. Dollars. In the latter case, separate payment arrangements outside of the DTC system are required to be made between DTC participants.

Trading between Euroclear and/or Clearstream, Luxembourg participants. Secondary market trading between Euroclear and/or Clearstream, Luxembourg participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using procedures applicable to conventional Eurobonds in registered form.

Trading between a DTC seller and a Euroclear or Clearstream, Luxembourg purchaser.

Single Global Note Issues. When Notes represented by a DTC Global Note are to be transferred from the account of a DTC participant (other than the Depository) to the account of a Euroclear participant or a Clearstream, Luxembourg participant, the purchaser must send instructions to Euroclear or Clearstream, Luxembourg through a participant at least one business day prior to settlement. Euroclear or Clearstream, Luxembourg, as the case may be, will instruct the Depository to receive the Notes against payment or free of payment, as the case may be. After settlement has been completed, the Notes will be credited to the respective clearing system and by the clearing system, in accordance with its usual procedures, to the account of the relevant Euroclear or Clearstream, Luxembourg participant. Credit for the Notes will appear on the next day (European time) and cash debit will be back-valued to, and the interest on the Notes will accrue from, the value date (which would be the preceding day, when settlement occurs in New York). If settlement is not completed on the intended value date (*i.e.*, the trade fails), the Euroclear or Clearstream, Luxembourg cash debit will be valued instead as of the actual settlement date.

Euroclear participants or Clearstream, Luxembourg participants will need to make available to the respective clearing systems the funds necessary to process same-day funds settlement. The most direct means of doing so is to pre-position funds for settlement, either from cash on hand or existing lines of credit, as they would for any settlement occurring within Euroclear or Clearstream, Luxembourg. Under this approach, participants may take on credit exposure to Euroclear or Clearstream, Luxembourg until the Notes are credited to their accounts one day later.

As an alternative, if Euroclear or Clearstream, Luxembourg has extended a line of credit to them, participants can elect not to pre-position funds and allow that credit line to be drawn upon to finance settlement. Under this procedure, Euroclear participants or Clearstream, Luxembourg participants purchasing Notes would incur overdraft charges for one day, assuming they cleared the overdraft when the Notes were credited to their accounts. However, interest on the Notes would accrue from the value date. Therefore, in many cases, the investment income on Notes earned during that one-day period may substantially reduce or offset the amount of such overdraft charges, although this result will depend on each participant's particular cost of funds.

Because the settlement will take place during New York business hours, DTC participants can employ their usual procedures for delivering Notes to the Depository for the benefit of Euroclear participants and/or Clearstream, Luxembourg participants. The sale proceeds will be available to the DTC seller on the settlement date. Thus, to the DTC participants, a cross-market transaction will settle no differently than a trade between two DTC participants.

Dual Global Note Issues. When Notes are to be transferred from the account of a DTC participant to the account of a Euroclear or Clearstream, Luxembourg participant, the DTC participant will deliver the Notes free of payment to the appropriate account of the Custodian at DTC by 11:00 A.M. (New York time) on the settlement date together with instructions for delivery to the relevant Euroclear or Clearstream, Luxembourg participant. Separate payment arrangements are required to be made between the relevant Euroclear or Clearstream, Luxembourg participant and the DTC participant. The Custodian will instruct the Registrar to (i) decrease the amount of Notes registered in the name of the nominee of DTC and represented by the DTC Global Note and (ii) increase the amount of Notes registered in the name of the nominee of Euroclear and Clearstream, Luxembourg and represented by the Registered Global Note. The Depository will deliver such Notes free of payment to Euroclear or Clearstream, Luxembourg, as the case may be, for credit to the relevant participant in such clearing system on the business day following the settlement date.

Trading between a Euroclear or Clearstream, Luxembourg seller and a DTC purchaser.

Single Global Note Issues. Due to time zone differences in their favor, Euroclear participants or Clearstream, Luxembourg participants may employ their customary procedures for transactions in which Notes represented by a DTC Global Note are to be transferred by the respective clearing system through the Depository to another DTC participant. The seller must send instructions to Euroclear or Clearstream, Luxembourg through a participant at least one business day prior to settlement. In these cases, Euroclear or Clearstream, Luxembourg will instruct the Depository to credit the Notes to the DTC participant's account against payment. The payment will then be reflected in the account of the Euroclear participant or Clearstream, Luxembourg participant the following day, and receipt of the cash proceeds in the Euroclear or Clearstream, Luxembourg participant's account will be back-valued to the value date (which would be the preceding day, when settlement occurs in New York). If the Euroclear participant or Clearstream, Luxembourg participant has a line of credit with its respective clearing system and elects to draw on such line of credit in anticipation of receipt of the sale proceeds in its account, the back-valuation may substantially reduce or offset any overdraft charges incurred over the one-day period. If settlement is not completed on the intended value date (*i.e.*, the trade fails), receipt of the cash proceeds in the Euroclear or Clearstream, Luxembourg participant's account would instead be valued as of the actual settlement date.

As is the case with sales of Notes represented by a DTC Global Note by a DTC participant to a Euroclear or Clearstream, Luxembourg participant, participants in Euroclear or Clearstream, Luxembourg will have their accounts credited the day after their settlement date.

Dual Global Note Issues. When Notes are to be transferred from the account of a Euroclear or Clearstream, Luxembourg participant to the account of a DTC participant, the relevant Euroclear or Clearstream, Luxembourg participant must provide settlement instructions for delivery of the Notes free of payment to Euroclear or Clearstream, Luxembourg, as the case may be, by 7:45 P.M. (Brussels or Luxembourg time, as the case may be) one business day prior to the settlement date. Euroclear or Clearstream, Luxembourg will in turn provide appropriate settlement instructions to the Depository for delivery to the DTC participant. Separate payment arrangements are required to be made between the DTC participant and the relevant Euroclear or Clearstream, Luxembourg participant. On the settlement date, the Custodian will deliver the Notes free of payment to the appropriate DTC account of the DTC participant and will instruct the Registrar to (i) decrease the amount of Notes registered in the name of the nominee for Euroclear and Clearstream, Luxembourg and represented by the Registered Global Note and (ii) increase the amount of Notes registered in the name of the nominee of DTC and represented by the DTC Global Note.

Record Date

Unless otherwise specified in the applicable Pricing Supplement, the “Record Date” for purposes of interest payments with respect to any Note will be the fifteenth calendar day immediately preceding the related Interest Payment Date, as described below. Trading within and between all clearing systems will become “ex dividend” as of the close of business on such date. Bearer Notes will have a Record Date consistent with the practices and requirements of Euroclear and/or Clearstream, Luxembourg, as the case may be.

Interest

Each Note, other than a Zero Coupon Note, will bear interest from and including its Original Issue Date or from and including the most recent Interest Payment Date to which interest on such Note (or any predecessor Note) has been paid or duly provided for at the fixed interest rate per annum specified in the applicable Pricing Supplement, or at the floating interest rate per annum determined as specified in the applicable Pricing Supplement, until the principal thereof is paid or made available for payment. Interest will be payable in arrears on each Interest Payment Date and at Maturity, as specified below under “Payment of Principal, Premium and Interest”. Interest payments on the Notes will equal the amount of interest accrued from and including the next preceding Interest Payment Date in respect of which interest has been paid (or from and including the Original Issue Date, if no interest has been paid with respect to such Notes) to but excluding the related Interest Payment Date or Maturity, as the case may be (each such period an “Interest Period”).

As described above under “Certain Regulatory Considerations — FDICIA”, from the date 60 days after an institution becomes or is deemed to become “critically undercapitalized”, it may not make any payments of principal or interest on its subordinated debt, including the Subordinated Notes. Under certain circumstances, a “well capitalized”, “adequately capitalized” or “undercapitalized” institution may be required to comply with restrictions applicable to the next lowest capital category.

Fixed Rate Notes

The applicable Pricing Supplement will specify a fixed interest rate per annum payable on a Fixed Rate Note. The interest payment dates (the “Interest Payment Dates”) for Fixed Rate Notes (other than Zero Coupon Notes) having a maturity greater than one year will be semi-annually on such dates specified in the applicable Pricing Supplement of each year commencing, unless otherwise specified in the applicable Pricing Supplement, with the first such Interest Payment Date falling at least six months after the Original Issue Date. Payments of interest on Fixed Rate Notes having maturities of greater than one year will include interest accrued to but excluding the relevant Interest Payment Date or Maturity. Unless otherwise specified in the applicable Pricing Supplement, interest on such Fixed Rate Notes with maturities of greater than one year will be computed on the basis of 360-day year of twelve 30-day months.

Unless otherwise provided in the applicable Pricing Supplement, interest on Fixed Rate Notes with maturities of one year or less will be payable only at Maturity to the person to whom principal shall be payable. Payments of interest on Fixed Rate Notes having maturities of one year or less will include interest accrued to but excluding Maturity. Unless otherwise specified in the applicable Pricing Supplement, interest on Fixed Rate Notes with maturities of one year or less will be computed on the basis of the actual number of days in the year divided by 360.

Unless otherwise specified in the applicable Pricing Supplement, if any Interest Payment Date or Maturity of a Fixed Rate Note falls on a day which is not a Business Day, the related payment of principal, premium, if any, and interest will be made on the next succeeding Business Day with the same force and effect as if made on the date such payment were due, and no interest will accrue on the amount so payable for the period from and after such Interest Payment Date or Maturity, as the case may be.

Floating Rate Notes

General

The applicable Pricing Supplement will specify whether the related Floating Rate Notes will bear interest determined by reference to either (i) an ISDA Rate (as defined herein) or (ii) one or more reference rates and/or an interest rate formula. No later than the commencement of each Interest Period, the Calculation Agent shall provide, if and so long as the rules of the Luxembourg Stock Exchange require, a notice to the Luxembourg Stock Exchange stating the rate of interest, amount of interest payable for a specific denomination and the Interest Period, if applicable.

ISDA Rate

Where “ISDA Rate” is specified in the applicable Pricing Supplement in connection with the determination of the rate of interest on the related Floating Rate Note, the rate of interest on such Note for each Interest Period will be the relevant ISDA Rate plus or minus the Margin, if any, specified in the applicable Pricing Supplement. Unless otherwise specified in the applicable Pricing Supplement, “ISDA Rate” means, with respect to any Interest Period, the rate equal to the Floating Rate that would be determined by the Calculation Agent or other person specified in the applicable Pricing Supplement pursuant to an interest rate swap transaction if the Calculation Agent or such other person were acting as calculation agent for such swap transaction in accordance with the terms of an agreement in the form of the Interest Rate and Currency Exchange Agreement published by the International Swaps and Derivatives Association, Inc. (the “ISDA Agreement”) and evidenced by a Confirmation (as defined in the ISDA Agreement) incorporating the ISDA Definitions and under which:

- (i) the Floating Rate Option is as specified in the applicable Pricing Supplement;
- (ii) the Designated Maturity is the period specified in the applicable Pricing Supplement; and
- (iii) the relevant Reset Date is either (a) if the applicable Floating Rate Option is based on the London inter-bank offered rate for a currency, the first day of such Interest Period or (b) in any other case, as specified in the applicable Pricing Supplement.

As used in this paragraph, “Floating Rate”, “Floating Rate Option”, “Designated Maturity” and “Reset Date” have the meanings ascribed to those terms in the ISDA Definitions.

Reference Rate Determination

Where “Reference Rate Determination” is specified in the applicable Pricing Supplement in connection with the determination of the rate of interest on the related Floating Rate Note, the applicable Pricing Supplement will also specify the “Interest Rate Basis” or “Interest Rate Bases” by reference to which interest on such Floating Rate Note will be determined, which may be one or more of the interest rates hereinafter defined under “Calculation of Interest Payment”, namely (i) the “CMT Rate”, in which case such Note will be a “CMT Rate Note”, (ii) the “Commercial Paper Rate”, in which case such Note will be a “Commercial Paper Rate Note”, (iii) the “Eleventh District Cost of Funds Rate”, in which case such Note will be an “Eleventh District Cost of Funds Rate Note”, (iv) the “Federal Funds Rate”, in which case such Note will be a “Federal Funds Rate Note”, (v) the “J.J. Kenny Rate”, in which case such Note will be a “J.J. Kenny Rate Note”, (vi) the “CD Rate”, in which case such Note will be a “CD Rate Note”, (vii) “EURIBOR”, in which case such Note will be a “EURIBOR Note” (viii) “LIBOR”, in which case such Note will be a “LIBOR Note”, (ix) the “Prime Rate”, in which case such Note will be a “Prime Rate Note”, (x) the “Treasury Rate”, in which case such Note will be a “Treasury Rate Note”, or (xi) such other Interest Rate Basis or interest rate formula as may be set forth in the applicable Pricing Supplement. In addition, the applicable Pricing Supplement will specify whether such Floating Rate Note is a “Regular Floating Rate Note”, a “Floating Rate/Fixed Rate Note” or an “Inverse Floating Rate Note”, the Initial Interest Rate, the Interest Reset Dates, the Index Maturity, and if one or more of the specified Interest Rate Bases is LIBOR, the applicable LIBOR screen, as described below.

Where “Reference Rate Determination” is specified in the applicable Pricing Supplement, the interest rate borne by the Floating Rate Note will be determined as follows:

- (i) Unless such Floating Rate Note is designated as a “Floating Rate/Fixed Rate Note” or an “Inverse Floating Rate Note”, such Floating Rate Note will be designated a “Regular Floating Rate Note” and, except as described below or in the applicable Pricing Supplement, will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases (a) plus or minus the applicable Spread, if any, and/or (b) multiplied by the applicable Spread Multiplier, if any. Commencing on the Interest Reset Date (as defined herein), the rate at which interest on such Regular Floating Rate Note shall be payable shall be reset as of each Interest Reset Date; *provided, however*, that the interest rate in effect for the period from the Original Issue Date to the Initial Interest Reset Date will be the Initial Interest Rate.

(ii) If such Floating Rate Note is designated as a “Floating Rate/Fixed Rate Note”, then, except as described below or in the applicable Pricing Supplement, such Floating Rate Note will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases (a) plus or minus the applicable Spread, if any, and/or (b) multiplied by the applicable Spread Multiplier, if any. Commencing on the Initial Interest Reset Date, the rate at which interest on such Floating Rate/Fixed Rate Note shall be payable shall be reset as of each Interest Reset Date; *provided, however*, that (1) the interest rate in effect for the period from the Original Issue Date to the Initial Interest Reset Date will be the Initial Interest Rate and (2) the interest rate in effect from, and including, the Fixed Rate Commencement Date to Maturity shall be the Fixed Interest Rate, if such rate is specified in the applicable Pricing Supplement, or if no such Fixed Interest Rate is so specified, the interest rate in effect thereon on the Business Day immediately preceding the Fixed Rate Commencement Date.

(iii) If such Floating Rate Note is designated as an “Inverse Floating Rate Note”, then, except as described below or in the applicable Pricing Supplement, such Floating Rate Note will bear interest equal to the Fixed Interest Rate specified in the applicable Pricing Supplement minus the rate determined by reference to the Interest Rate Basis or Bases (a) plus or minus the applicable Spread, if any, and/or (b) multiplied by the applicable Spread Multiplier, if any; *provided, however*, that, unless otherwise specified in the applicable Pricing Supplement, the interest rate thereon will not be less than zero percent. Commencing on the Initial Interest Reset Date, the rate at which interest on such Inverse Floating Rate Note shall be payable shall be reset as of each Interest Reset Date; *provided, however*, that the interest rate in effect for the period from the Original Issue Date to the Initial Interest Reset Date will be the Initial Interest Rate.

The “Spread” is the number of basis points (each basis point being one hundredth of one percent) to be added to or subtracted from the related Interest Rate Basis or Bases applicable to such Floating Rate Note. The “Spread Multiplier” is the percentage of the related Interest Rate Basis or Bases applicable to a Floating Rate Note by which the applicable Interest Rate Basis or Bases will be multiplied to determine the applicable interest rate on such Floating Rate Note. The “Index Maturity” is the period to maturity of the instrument or obligation with respect to which the Interest Rate Basis or Bases will be calculated. The Spread, Spread Multiplier, Index Maturity and other variable terms of the Floating Rate Notes are subject to change by the Bank from time to time, but no such change will affect any Floating Rate Note previously issued or as to which an offer has been accepted by the Bank.

The applicable Pricing Supplement will specify whether the rate of interest on the related Floating Rate Note will be reset daily, weekly, monthly, quarterly, semiannually, annually or any other specified period (each, an “Interest Reset Period”) and the dates on which such interest rate will be reset (each, an “Interest Reset Date”). Unless otherwise specified in the applicable Pricing Supplement, the Interest Reset Date will be, in the case of Floating Rate Notes which reset: (i) daily, each Business Day; (ii) weekly, the Wednesday of each week (with the exception of weekly reset Floating Rate Notes as to which the Treasury Rate is an applicable Interest Rate Basis, which will reset the Tuesday of each week, except as specified below); (iii) monthly, the third Wednesday of each month (with the exception of monthly reset Floating Rate Notes as to which the Eleventh District Cost of Funds Rate is an applicable Interest Rate Basis, which will reset on the first calendar day of the month); (iv) quarterly, the third Wednesday of March, June, September and December of each year; (v) semiannually, the third Wednesday of the two months specified in the applicable Pricing Supplement; and (vi) annually, the third Wednesday of the month specified in the applicable Pricing Supplement; *provided, however*, that, with respect to Floating Rate/Fixed Rate Notes, the fixed rate of interest in effect for the period from the Fixed Rate Commencement Date until Maturity shall be the Fixed Interest Rate or the interest rate in effect on the Business Day immediately preceding the Fixed Rate Commencement Date, as specified in the applicable Pricing Supplement and no Interest Reset Date will occur after the Fixed Rate Commencement Date. If any Interest Reset Date for any Floating Rate Note would otherwise be a day that is not a Business Day, the particular Interest Reset Date will be postponed to the next succeeding Business Day, except that in the case of a Floating Rate Note as to which LIBOR is applicable and that Business Day falls in the next succeeding calendar month, the particular Interest Reset Date will be the immediately preceding Business Day. In addition, in the case of a Floating Rate Note as to which the Treasury Rate is applicable, if the Interest Determination Date would otherwise fall on an Interest Reset Date, the particular Interest Reset Date will be postponed to the next succeeding Business Day.

The interest rate applicable to each day in an Interest Reset Period will be the rate determined as of the Interest Determination Date immediately preceding the Interest Reset Date on which such Interest Reset Period commenced. Unless otherwise specified in the applicable Pricing Supplement, the Interest Determination Date with respect to the Commercial Paper Rate, the Federal Funds Rate and the Prime Rate will be the Business Day immediately preceding the

related Interest Reset Date; the Interest Determination Date with respect to the CMT Rate, the J.J. Kenny Rate and the CD Rate will be the second Business Day preceding each Interest Reset Date; the Interest Determination Date with respect to the Eleventh District Cost of Funds Rate will be the last working day of the month immediately preceding each Interest Reset Date on which the Federal Home Loan Bank of San Francisco (the “FHLB of San Francisco”) publishes the Index (as defined herein); and the Interest Determination Date with respect to LIBOR will be the second London Banking Day (as defined herein) immediately preceding each Interest Reset Date. With respect to the Treasury Rate, the Interest Determination Date will be the day in the week in which the related Interest Reset Date falls on which day Treasury Bills (as defined herein) are normally auctioned (Treasury Bills are normally sold at auction on Monday of each week, unless the day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that such auction may be held on the preceding Friday); *provided, however*, that if an auction is held on the Friday of the week preceding the related Interest Reset Date, the related Interest Determination Date will be such preceding Friday; and *provided, further*, that if an auction falls on any Interest Reset Date, then the related Interest Reset Date will instead be the first Business Day following such auction. The Interest Determination Date pertaining to a Floating Rate Note the interest rate of which is determined with reference to two or more Interest Rate Bases will be the latest Business Day which is at least two Business Days prior to such Interest Reset Date for such Floating Rate Note on which each Interest Rate Basis is determinable. Each Interest Rate Basis will be determined on such date, and the applicable interest rate will take effect on the Interest Reset Date.

Interest Payment Dates

Each Floating Rate Note will bear interest on its principal amount (or, if it is a Partly Paid Note, the amount paid up) from and including its Original Issue Date at the rate determined as specified therein until the principal thereof is paid or otherwise made available for payment. Where “ISDA Rate” is specified in the applicable Pricing Supplement, interest will be payable on each Interest Payment Date specified in the applicable Pricing Supplement, or, if no express Interest Payment Dates are so specified, on each date which falls at the end of the number of months or other period specified as the Interest Period in the applicable Pricing Supplement after the preceding Interest Payment Date (or after the Original Issue Date, in the case of the first such date). Except as provided below or in the applicable Pricing Supplement, interest will be payable on, in the case of such Floating Rate Notes which reset: (i) daily, weekly or monthly, the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year, as specified in the applicable Pricing Supplement; (ii) quarterly, the third Wednesday of March, June, September and December of each year; (iii) semiannually, the third Wednesday of the two months of each year specified in the applicable Pricing Supplement; and (iv) annually, the third Wednesday of the month of each year specified in the applicable Pricing Supplement and, in each case, interest will be payable at Maturity. The dates on which interest in respect of a Floating Rate Note will be paid are referred to herein as “Interest Payment Dates”. If any Interest Payment Date (or other date which the applicable Pricing Supplement indicates is subject to adjustment in accordance with a business day convention) for any Floating Rate Note (other than an Interest Payment Date at Maturity) would otherwise fall on a day that is not a Business Day, such Interest Payment Date will be postponed to the next succeeding Business Day, except that in the case of a Floating Rate Note as to which LIBOR is an applicable Interest Rate Basis and that Business Day falls in the next succeeding calendar month, the particular Interest Payment Date will be the immediately preceding Business Day.

If the Maturity of a Floating Rate Note falls on a day that is not a Business Day, the payment of principal, premium, if any, and interest will be made on the next succeeding Business Day, and no interest on such payment will accrue for the period from and after such Maturity.

Minimum and/or Maximum Interest Rate

A Floating Rate Note may also have either or both of the following: (i) a minimum numerical limitation, or floor, on the rate at which interest may accrue during any Interest Period (a “Minimum Interest Rate”); and (ii) a maximum numerical limitation, or ceiling, on the rate at which interest may accrue during any Interest Period (a “Maximum Interest Rate”). In addition to any Maximum Interest Rate that may be applicable to any Floating Rate Note pursuant to the above provisions, the interest rate on any Floating Rate Note will in no event be higher than the maximum rate permitted by New York law, as the same may be modified by United States law of general application. Under present New York law, the maximum rate of interest, with certain exceptions, for any loan in an amount less than US\$250,000 is 16% and for any loan in the amount of US\$250,000 or more but less than US\$2,500,000 is 25% per annum on a simple interest basis. These limits do not apply to Notes in which US\$2,500,000 or more has been invested.

Calculation of Interest Payment

General. With respect to each Floating Rate Note, accrued interest is calculated by multiplying its face amount by an accrued interest factor. Such accrued interest factor is computed by adding the interest factor calculated for each day in the period for which interest is being calculated. Unless otherwise specified in the applicable Pricing Supplement, the interest factor for each such day will be computed on the basis of a 360-day year of twelve 30-day months if the day count convention specified in the applicable Pricing Supplement is “30/360” for the period specified thereunder, or by dividing the applicable per annum interest rate by 360 if the day count convention specified in the applicable Pricing Supplement is “Actual/360” for the period specified thereunder, or by dividing the applicable per annum interest rate by the actual number of days in the year if the day count convention specified in the applicable Pricing Supplement is “Actual/Actual” for the period specified thereunder. If no day count convention is specified in the applicable Pricing Supplement, the interest factor for each day in the relevant Interest Period will be computed, in the case of Notes for which an applicable Interest Rate Basis is the CMT Rate or the Treasury Rate and Notes denominated in Sterling, as if “Actual/Actual” has been specified therein and, in all other cases, as if “Actual/360” had been specified therein. Unless otherwise specified in an applicable Pricing Supplement, the interest factor for Notes for which the interest rate is calculated with reference to two or more Interest Rate Bases will be calculated in each period in the same manner as if only one of the applicable Interest Rate Bases applied as specified in the applicable Pricing Supplement.

All percentages resulting from any calculation on Floating Rate Notes will be rounded to the nearest one hundred thousandth of a percentage point, with five one millionths of a percentage point rounded upwards (e.g., 9.876545% (or .09876545) would be rounded to 9.87655% (or .0987655)), and all dollar amounts used in or resulting from such calculation on Floating Rate Notes will be rounded to the nearest cent or, in the case of a Specified Currency other than U.S. Dollars, to the nearest units (with one-half cent or unit being rounded upwards).

Unless otherwise provided in the applicable Pricing Supplement, the Bank will be the “Calculation Agent” for the Notes. Where “Reference Rate Determination” is specified in the applicable Pricing Supplement, the “Calculation Date”, if applicable, pertaining to any Interest Determination Date will be the earlier of (i) the tenth calendar day after such Interest Determination Date, or, if such day is not a Business Day, the next succeeding Business Day or (ii) the Business Day immediately preceding the applicable Interest Payment Date or Maturity, as the case may be. The determination of any interest rate by the Calculation Agent will be final and binding absent manifest error.

Upon request of the holder of any Floating Rate Note, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate that will become effective as a result of a determination made for the next Interest Period with respect to such Floating Rate Note. The Calculation Agent will notify the Bank and any securities exchange on which the relevant Floating Rate Notes are for the time being listed of the interest rate, interest amount and the relevant Interest Payment Date, and, if and so long as the rules of any such securities exchange require, will cause the same to be published as provided herein as soon as practicable after their determination but in no event later than the fourth London Business Day thereafter.

CMT Rate. CMT Rate Notes will bear interest at the rates (calculated with reference to the CMT Rate and the Spread and/or Spread Multiplier, if any) specified in such CMT Rate Notes and any applicable Pricing Supplement.

Unless otherwise specified in the applicable Pricing Supplement, “CMT Rate” means, with respect to any Interest Determination Date relating to a CMT Rate Note or any Floating Rate Note for which the interest rate is determined with reference to the CMT Rate (a “CMT Rate Interest Determination Date”)

- (1) if CMT Moneyline Telerate Page 7051 is specified in the applicable pricing supplement, the percentage equal to the yield for United States Treasury securities at “constant maturity” having the Index Maturity specified in the applicable pricing supplement as published in H.15(519) under the caption “Treasury Constant Maturities”, as the yield is displayed on Moneyline Telerate (or any successor service) on page 7051 (or any other page as may replace the specified page on that service) (“Telerate Page 7051”), for the CMT Rate Interest Determination Date. If such rate does not so appear on Telerate Page 7051, the CMT Rate shall be the percentage equal to the yield for United States Treasury securities at “constant maturity” having the particular Index Maturity and for the CMT Rate Interest Determination Date as published in H.15(519) under the caption “Treasury Constant Maturities”. If such rate does not so appear in H.15(519), the CMT Rate shall be the rate on the CMT Rate Interest Determination Date for the period of the particular Index Maturity as may

then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate which would otherwise have been published in H.15(519). If such rate is not so published, the CMT Rate shall be the rate on the CMT Rate Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three leading primary United States government securities dealers in The City of New York (which may include the agents or their affiliates) (each, a "Reference Dealer"), selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation, or in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the CMT Rate Index Maturity, a remaining term to maturity no more than 1 year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time. If fewer than five but more than two of the prices referred to in the previous sentence are provided as requested, the CMT Rate shall be the rate on the CMT Rate Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated. If fewer than three such prices are provided as requested, the CMT Rate shall be the rate on the CMT Rate Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the CMT Rate Index Maturity, a remaining term to maturity closest to that Index Maturity, and in a principal amount that is representative for a single transaction in the securities in that market at that time. If fewer than five but more than two prices referred to in the previous sentence are provided as requested, the CMT Rate shall be the rate on the CMT Rate Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated. If fewer than three prices referred to are provided as requested, the CMT Rate shall be the CMT Rate in effect on the CMT Rate Interest Determination Date.

- (2) if CMT Moneyline Telerate Page 7052 is specified in the applicable pricing supplement, the percentage equal to the one-week or one-month, as specified in the applicable pricing supplement, average yield for United States Treasury securities at "constant maturity" having the Index Maturity specified in the applicable pricing supplement as published in H.15(519) opposite the caption "Treasury Constant Maturities", as the yield is displayed on Moneyline Telerate (or any successor service) (on page 7052 or any other page as may replace the specified page on that service) ("Telerate Page 7052"), for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the CMT Rate Interest Determination Date falls. If such rate does not so appear on Telerate Page 7052, the CMT Rate shall be the percentage equal to the one-week or one-month, as specified in the applicable pricing supplement, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the week or month, as applicable, preceding the CMT Rate Interest Determination Date as published in H.15(519) opposite the caption "Treasury Constant Maturities". If such rate does not so appear in H.15(519), the CMT Rate shall be the one-week or one-month, as specified in the applicable pricing supplement, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, in which the CMT Rate Interest Determination Date falls. If such rate is not so published, the CMT Rate shall be the rate on the CMT Rate Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the CMT Rate Index Maturity, a remaining term to maturity no more than 1 year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time. If fewer than five but more than two of the prices referred to in the previous sentence are provided as requested, the CMT Rate shall be the rate on the CMT

Rate Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated. If fewer than three such prices are provided as requested, the CMT Rate shall be the rate on the CMT Rate Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that CMT Rate Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time. If fewer than five but more than two prices referred to in the preceding sentence are provided as requested, the CMT Rate shall be the rate on the CMT Rate Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the States Treasury securities with an original maturity greater than the CMT Rate Index Maturity, a remaining term highest or the lowest of the quotations will be eliminated. If fewer than three such prices are provided as requested, the CMT Rate shall be the CMT Rate in effect on that Interest Determination Date.

If two United States Treasury securities with an original maturity greater than the Index Maturity specified in the applicable pricing supplement have remaining terms to maturity equally close to the CMT Rate Index Maturity, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

Commercial Paper Rate. Commercial Paper Rate Notes will bear interest at the rates (calculated with reference to the Commercial Paper Rate and the Spread and/or Spread Multiplier, if any) specified in such Commercial Paper Rate Notes and any applicable Pricing Supplement.

Unless otherwise specified in the applicable Pricing Supplement, “Commercial Paper Rate” means, with respect to any Interest Determination Date relating to a Commercial Paper Rate Note or any Floating Rate Note for which the interest rate is determined with reference to the Commercial Paper Rate (a “Commercial Paper Rate Interest Determination Date”), the Money Market Yield (as defined herein) on such date of the rate for commercial paper having the Index Maturity specified in the applicable Pricing Supplement as published in H.15(519) under the heading “Commercial Paper — Nonfinancial”. In the event that such rate is not published by 3:00 P.M., New York City time, on the related Calculation Date, then the Commercial Paper Rate will be the Money Market Yield on such Commercial Paper Rate Interest Determination Date of the rate for commercial paper having the Index Maturity specified in the applicable Pricing Supplement as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption “Commercial Paper — Nonfinancial”, available through the world wide website of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/h15/update> or any successor site or publication (the “H.15 Daily Update”) under the heading “Commercial Paper — Nonfinancial” (with an Index Maturity of one month or three months being deemed to be equivalent to an Index Maturity of 30 days or 90 days, respectively). If by 3:00 P.M., New York City time, on the related Calculation Date such rate is not yet published in either H.15(519) or the H.15 Daily Update, the Commercial Paper Rate on such Commercial Paper Rate Interest Determination Date will be calculated by the Calculation Agent and will be the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 A.M., New York City time, on such Commercial Paper Rate Interest Determination Date of three leading dealers of United States dollar commercial paper in The City of New York (which may include one or more of the Distribution Agents or their respective affiliates) selected by the Calculation Agent for commercial paper having the Index Maturity designated in the applicable Pricing Supplement placed for an industrial issuer whose bond rating is “AA”, or the equivalent, from a nationally recognized securities rating agency; *provided, however,* that if any of the dealers selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, the Commercial Paper Rate determined as of such Commercial Paper Rate Interest Determination Date shall be the Commercial Paper Rate in effect on such Commercial Paper Rate Interest Determination Date.

“Money Market Yield” means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where “D” refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and “M” refers to the actual number of days in the Interest Period for which interest is being calculated.

Eleventh District Cost of Funds Rate. Eleventh District Cost of Funds Rate Notes will bear interest at the rates (calculated with reference to the Eleventh District Cost of Funds Rate and the Spread and/or Spread Multiplier, if any) specified in such Eleventh District Cost of Funds Rate Notes and any applicable Pricing Supplement. Unless otherwise specified in the applicable Pricing Supplement, “Eleventh District Cost of Funds Rate” means, with respect to any Interest Determination Date relating to an Eleventh District Cost of Funds Rate Note or any Floating Rate Note for which the interest rate is determined with reference to the Eleventh District Cost of Funds Rate (an “Eleventh District Cost of Funds Rate Interest Determination Date”), the rate equal to the monthly weighted average cost of funds for the calendar month immediately preceding the month in which such Eleventh District Cost of Funds Rate Interest Determination Date falls, as set forth under the caption “11th District” on Telerate Page 7058 as of 11:00 A.M., San Francisco time, on such Eleventh District Cost of Funds Rate Interest Determination Date. If such rate does not appear on Telerate Page 7058 on any related Eleventh District Cost of Funds Rate Interest Determination Date, the Eleventh District Cost of Funds Rate for such Eleventh District Cost of Funds Rate Interest Determination Date shall be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the “Index”) by the FHLB of San Francisco as such cost of funds for the calendar month immediately preceding the date of that Eleventh District Cost of Funds Rate Interest Determination Date. If the FHLB of San Francisco fails to announce such rate for the calendar month immediately preceding such Eleventh District Cost of Funds Rate Interest Determination Date, then the Eleventh District Cost of Funds Rate determined as of such Eleventh District Cost of Funds Rate Interest Determination Date shall be the Eleventh District Cost of Funds Rate in effect on such Eleventh District Cost of Funds Rate Interest Determination Date.

“Telerate Page 7058” means the display designated as page “7058” on Moneyline Telerate (or any successor service) (or such other page as may replace the 7058 page on that service for the purpose of displaying the monthly weighted average costs of funds paid by member institutions of the Eleventh Federal Home Loan Bank District).

Federal Funds Rate. Federal Funds Rate Notes will bear interest at the rates (calculated with reference to the Federal Funds Rate and the Spread and/or Spread Multiplier, if any) specified in such Federal Funds Rate Notes and any applicable Pricing Supplement.

Unless otherwise specified in the applicable Pricing Supplement, “Federal Funds Rate” means, with respect to any Interest Determination Date relating to a Federal Funds Rate Note or any Floating Rate Note for which the interest rate is determined with reference to the Federal Funds Rate (a “Federal Funds Rate Interest Determination Date”), the rate on such date for U.S. dollar federal funds as published in H.15(519) under the heading “Federal Funds (Effective)” and displayed on Moneyline Telerate, Inc. (or any successor service) on page 120 (or any other page as may replace the specified page on that Service (“Telerate Page 120”) or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Federal Funds Rate Interest Determination Date as published in the H.15 Daily Update or such other recognized electronic source used for displaying the applicable rate under the heading “Federal Funds/Effective Rate”. If by 3:00 P.M., New York City time, on the related Calculation Date such rate is not published in either H.15(519), the H.15 Daily Update or another recognized electronic source used for displaying that rate, then the Federal Funds Rate on such Federal Funds Rate Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates for the last transaction in overnight United States dollar federal funds arranged prior to 9:00 A.M., New York City time, on such Federal Funds Rate Interest Determination Date by three leading brokers of federal funds transactions in The City of New York (which may include one or more of the Distribution Agents or their respective affiliates) selected by the Calculation Agent; *provided, however*, that if any of the brokers selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, the Federal Funds Rate determined as of such Federal Funds Rate Interest Determination Date shall be the Federal Funds Rate in effect on such Federal Funds Rate Interest Determination Date.

J.J. Kenny Rate Notes. J.J. Kenny Rate Notes will bear interest at the rates (calculated with reference to the J.J. Kenny Rate and the Spread and/or Spread Multiplier, if any) specified in such J.J. Kenny Rate Notes and any applicable Pricing Supplement.

Unless otherwise indicated in the applicable Pricing Supplement, the “J.J. Kenny Rate” means, with respect to any Interest Determination Date relating to a J.J. Kenny Note or any Floating Rate Note for which the interest rate is determined with reference to the J.J. Kenny Rate (a “J.J. Kenny Rate Interest Determination Date”), the rate in the high grade weekly index (the “Weekly Index”) on such date made available by Kenny Information Systems (“Kenny”) to the Calculation Agent. The Weekly Index Maturity is, and shall be, based upon 30-day yield evaluations at par of bonds, the interest of which is exempt from Federal income taxation under the Code, of not less than five high grade component issuers selected by Kenny which shall include, without limitation, issuers of general obligation bonds. The specific issuers included among the component issuers may be changed from time to time by Kenny in its discretion. The bonds on which the Weekly Index is based shall not include any bonds on which the interest is subject to a minimum tax or similar tax under the Code unless all tax-exempt bonds are subject to such tax. In the event Kenny ceases to make available such Weekly Index, a successor indexing agent will be selected by the Calculation Agent, such index to reflect the prevailing rate for bonds rated in the highest short-term rating category by Moody’s Investors Service and Standard & Poor’s in respect of issuers most closely resembling the high grade component issuers selected by Kenny for its Weekly Index, the interest on which is (i) variable on a weekly basis, (ii) exempt from Federal income taxation under the Code, and (iii) not subject to a minimum tax or similar tax under the Code unless all tax-exempt bonds are subject to such tax. If such successor indexing agent is not available, the rate for any J.J. Kenny Interest Determination Date shall be 67% of the rate determined if the Treasury Rate option had been originally selected. The Calculation Agent shall calculate the J.J. Kenny Rate in accordance with the foregoing.

EURIBOR. EURIBOR Notes will bear interest at the rates (calculated with reference to EURIBOR and the Spread and/or Spread Multiplier, if any) specified in such EURIBOR Notes and any applicable Pricing Supplement.

Unless otherwise specified in the applicable Pricing Supplement, “EURIBOR” means:

(i) The offered rate for deposits in Euros having the Index Maturity designated in the applicable Pricing Supplement, beginning on the second Euro Business Day after the relevant EURIBOR Interest Determination Date, displayed on Moneyline Telerate, Inc. (or any successor service) on page 248 (or any other page as may replace the specified page on that Service) (“Telerate Page 248”) as of 11:00 A.M., Brussels time, on the relevant EURIBOR Interest Determination Date.

(ii) If the rate described above does not appear on Telerate Page 248, EURIBOR will be determined on the basis of the rates, at approximately 11:00 A.M., Brussels time, on the relevant EURIBOR Interest Determination Date, at which Euro deposits having the Index Maturity designated in the applicable Pricing Supplement, beginning on the relevant Interest Reset Date, in a representative principal amount, are offered to prime banks in the Euro-zone interbank market by the principal Euro-zone office of each of four major banks in that market selected by the Calculation Agent. The Calculation Agent will request the principal Euro-zone office of each of these banks to provide a quotation of its rate. If at least two quotations are provided, EURIBOR for the relevant EURIBOR Interest Determination Date will be the arithmetic mean of the quotations.

(iii) If fewer than two quotations are described as above, EURIBOR for the relevant EURIBOR Interest Determination Date will be the arithmetic mean of the rates for loans of Euros having the Index Maturity designated in the applicable Pricing Supplement, beginning on the relevant Interest Reset Date, in a representative principal amount, to leading Euro-zone banks quoted, at approximately 11:00 A.M., Brussels time, on that EURIBOR Interest Determination Date, by three major banks in the Euro-zone and selected by the Calculation Agent.

(iv) If fewer than three banks selected by the Calculation Agent are quoting as described above, EURIBOR determined as of such EURIBOR Interest Determination Date shall be the rate of EURIBOR in effect on such EURIBOR Interest Determination Date.

“Euro Business Day” means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System, or any successor system, is open for business.

“Euro-zone” shall mean, at any time, the region comprised of Member States of the European Economic and Monetary Union that, as of that time, have adopted the Euro as the single currency in accordance with the Treaty.

LIBOR. LIBOR Notes will bear interest at the rates (calculated with reference to LIBOR and the Spread and/or Spread Multiplier, if any) specified in such LIBOR Notes and any applicable Pricing Supplement.

Unless otherwise specified in the applicable Pricing Supplement, “LIBOR” means the rate determined by the Calculation Agent in accordance with the following provisions:

(i) With respect to an Interest Determination Date relating to a LIBOR Note or any Floating Rate Note for which the interest rate is determined with reference to LIBOR (a “LIBOR Interest Determination Date”), LIBOR will be, as specified in the applicable Pricing Supplement, either: (a) if “LIBOR Reuters” is specified in the applicable Pricing Supplement, the arithmetic mean of the offered rates (unless the specified Designated LIBOR Page by its terms provides only for a single rate, in which case such single rate shall be used) for deposits in the Index Currency having the Index Maturity designated in the applicable Pricing Supplement, commencing on the second London Banking Day immediately following that LIBOR Interest Determination Date, that appear on the Designated LIBOR Page specified in the applicable Pricing Supplement, as of 11:00 A.M., London time, on that LIBOR Interest Determination Date, if at least two such offered rates appear (unless, as aforesaid, only a single rate is required) on such Designated LIBOR Page, or (b) if “LIBOR Telerate” is specified in the applicable Pricing Supplement or if neither “LIBOR Telerate” nor “LIBOR Reuters” is specified as the method for calculating LIBOR, the rate for deposits in the Index Currency having the Index Maturity designated in the applicable Pricing Supplement, commencing on the second London Banking Day immediately following that LIBOR Interest Determination Date, that appears on the Designated LIBOR Page specified in the applicable Pricing Supplement, as of 11:00 A.M., London time, on that LIBOR Interest Determination Date. If fewer than two such offered rates appear, or if no such rate appears, as applicable, LIBOR in respect of that LIBOR Interest Determination Date will be determined as if the parties had specified the rate described in (ii) below.

(ii) With respect to a LIBOR Interest Determination Date on which fewer than two offered rates appear, or no rate appears, as the case may be, on the applicable Designated LIBOR Page as specified in (i) above, the Calculation Agent will request the principal London office of each of four major reference banks (which may include affiliates of the Distribution Agents) in the London interbank market, as selected by the Calculation Agent (“Reference Banks”), to provide the Calculation Agent with its offered quotation for deposits in the Index Currency for the period of the Index Maturity designated in the applicable Pricing Supplement, commencing on the second London Banking Day immediately following that LIBOR Interest Determination Date, to prime banks in the London interbank market at approximately 11:00 A.M., London time, on such LIBOR Interest Determination Date and in a principal amount that is representative for a single transaction in such Index Currency in such market at such time. If at least two such quotations are provided, LIBOR in respect of that LIBOR Interest Determination Date will be the arithmetic mean of such quotations. If fewer than two quotations are provided, LIBOR in respect of that LIBOR Interest Determination Date will be the arithmetic mean of the rates quoted at approximately 11:00 A.M., in the applicable Principal Financial Center, on that LIBOR Interest Determination Date by three major banks (which may include affiliates of the Distribution Agents) in the applicable Principal Financial Center selected by the Calculation Agent for loans in the Index Currency to leading European banks having the Index Maturity designated in the applicable Pricing Supplement and in a principal amount that is representative for a single transaction in such Index Currency in such market at such time; *provided, however*, that if the banks selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, LIBOR with respect to such LIBOR Interest Determination Date will be the rate of LIBOR in effect on such date.

“Index Currency” means the currency (including composite currencies) specified in the applicable Pricing Supplement as the currency for which LIBOR shall be calculated. If no such currency is specified in the applicable Pricing Supplement, the Index Currency shall be U.S. Dollars.

“Designated LIBOR Page” means either (i) if “LIBOR Reuters” is specified in the applicable Pricing Supplement, the display on the Reuters Monitor Money Rates Service or any successor service for the purpose of displaying London interbank offered rates of major banks for the applicable Index Currency, or (ii) if “LIBOR Telerate” is specified in the applicable Pricing Supplement, or neither “LIBOR Reuters” nor “LIBOR Telerate” is specified as the method for

calculating LIBOR, the display on Moneyline Telerate, Inc. (or any successor service) for the purpose of displaying London interbank offered rates of major banks for the applicable Index Currency.

“Principal Financial Center” will generally be the capital city of the country of the specified Index Currency, except that with respect to U.S. Dollars, Swiss francs and Euro, the Principal Financial Center shall be The City of New York, Zurich and Brussels, respectively.

“London Banking Day” means any day (other than a Saturday or a Sunday) on which dealings in deposits in the Index Currency are transacted in the London interbank market.

CD Rate. CD Rate Notes will bear interest at the rates (calculated with reference to the CD Rate and the Spread and/or Spread Multiplier, if any) as specified in such CD Rate Note and any applicable Pricing Supplement.

Unless otherwise indicated in the applicable Pricing Supplement, “CD Rate” means, with respect to any Interest Determination Date relating to a CD Rate Note or any Floating Rate Note for which the interest rate is determined with reference to the CD Rate (a “CD Rate Interest Determination Date”), the rate on such date for negotiable U.S. dollar certificates of deposit having the Index Maturity specified in the applicable Pricing Supplement as published in H.15(519) under the heading “CDs (Secondary Market)”. In the event that such rate is not so published before 3:00 P.M., New York City time, on the Calculation Date pertaining to such CD Rate Interest Determination Date, the CD Rate will be the rate on such CD Rate Interest Determination Date for negotiable U.S. dollar certificates of deposit having the Index Maturity specified in the applicable Pricing Supplement as published in the H.15 Daily Update, or another recognized electronic source used for displaying that rate, under the heading “CDs (secondary market)”. If such rate is published neither in H.15(519) nor in the H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, by 3:00 P.M., New York City time, on such Calculation Date, the CD Rate for such CD Rate Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the secondary market offered rates as of 10:00 A.M., New York City time, on such CD Rate Interest Determination Date, of three leading nonbank dealers of negotiable U.S. dollar certificates of deposit in The City of New York (which may include one or more of the Distribution Agents or their respective affiliates) selected by the Calculation Agent for negotiable U.S. dollar certificates of deposit of major United States money market banks with a remaining maturity closest to the Index Maturity specified in the applicable Pricing Supplement and in an amount that is representative for a single transaction in that market at that time; *provided, however*, that if the dealers selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, the CD Rate determined on such CD Rate Interest Determination Date will be the CD Rate in effect on such date.

Prime Rate. Prime Rate Notes will bear interest at the rates (calculated with reference to the Prime Rate and the Spread and/or Spread Multiplier, if any) specified in such Prime Rate Notes and any applicable Pricing Supplement.

Unless otherwise specified in the applicable Pricing Supplement, “Prime Rate” means, with respect to any Interest Determination Date relating to a Prime Rate Note or any Floating Rate Note for which the interest rate is determined with reference to the Prime Rate (a “Prime Rate Interest Determination Date”), the rate on such date as such rate is published in H.15(519) under the heading “Bank Prime Loan”. If such rate is not published prior to 3:00 P.M., New York City time, on the related Calculation Date the rate on the Prime Rate Interest Determination Date will be the rate as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the heading “Bank Prime Loan”. If such rate is not published prior to 3:00 p.m., New York City time, on the related Calculation Date, then the Prime Rate shall be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen USPRIME1 (as defined below) as such bank’s prime rate or base lending rate as of 11:00 A.M., New York City time, on such Prime Rate Interest Determination Date. If fewer than four such rates appear on the Reuters Screen USPRIME1 by 3:00 P.M., New York City time, on such Prime Rate interest Determination Date, the Prime Rate shall be the arithmetic mean of the prime rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on such Prime Rate Interest Determination Date by three major banks in The City of New York (which may include affiliates of certain of the Distribution Agents) selected by the Calculation Agent; *provided, however*, that if the banks or trust companies selected as aforesaid are not quoting as mentioned above, the Prime Rate determined as of such Prime Rate Interest Determination Date shall be the Prime Rate in effect on such Prime Rate Interest Determination Date.

“Reuters Screen USPRIME1” means the display designated as page “USPRIME1” (or such other page as may replace the USPRIME1 page on that service) on the Reuters Monitor Money Rates Service (or any successor service) for the purpose of displaying prime rates or base lending rates of major United States banks.

Treasury Rate. Treasury Rate Notes will bear interest at the rates (calculated with reference to the Treasury Rate and the Spread and/or Spread Multiplier, if any) specified in such Treasury Rate Notes and any applicable Pricing Supplement.

Unless otherwise specified in the applicable Pricing Supplement, “Treasury Rate” means, with respect to any Interest Determination Date relating to a Treasury Rate Note or any Floating Rate Note for which the interest rate is determined by reference to the Treasury Rate (a “Treasury Rate Interest Determination Date”), the rate applicable to the auction held on the Treasury Rate Interest Determination Date (the “Auction”) of direct obligations of the United States (“Treasury Bills”) having the Index Maturity specified in the applicable Pricing Supplement, under the heading “INVESTMENT RATE” on the display on Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace that page on that service) (“Telerate Page 56”) or page 57 (or any other page as may replace that page on that service) (“Telerate Page 57”). If such rate is not published by 3:00 P.M., New York City time, on the related Calculation Date, the Treasury Rate shall be the Bond Equivalent Yield (as defined below) of the rate for the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption “U.S. Government Securities/Treasury Bills/Auction High”. In the event that such rate is not reported as provided by 3:00 P.M., New York City time, on such Calculation Date the Treasury Rate shall be the Bond Equivalent Yield of the auction rate of the applicable Treasury Bills as announced by the United States Department of the Treasury. If such rate is not so announced by the United States Department of the Treasury by 3:00 P.M., New York City time, or if the Auction is not held, the Treasury Rate shall be the Bond Equivalent Yield of the rate on the particular Interest Determination Date of the applicable Treasury Bills as published in H.15(519) under the caption “U.S. Government Securities/Treasury Bills/Secondary Market”. If such rate is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Treasury Rate shall be the rate on the particular Interest Determination Date of the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption “U.S. Government Securities/Treasury Bills/Secondary Market”. If such rate is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Treasury Rate shall be the rate on the particular Interest Determination Date calculated by the Calculation Agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on that Interest Determination Date, of three primary United States government securities dealers (which may include the Agents or their affiliates) selected by the Calculation Agent, for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified in the applicable pricing supplement; *provided, however*, that if any of the dealers selected as aforesaid by the Calculation Agent are not quoting as mentioned in this sentence, the Treasury Rate determined as of such Treasury Rate Interest Determination Date shall be the Treasury Rate in effect on such Treasury Rate Interest Determination Date.

“Bond Equivalent Yield” means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where “D” refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis and expressed as a decimal, “N” refers to 365 or 366, as the case may be, and “M” refers to the actual number of days in the applicable Interest Reset Period.

Discount Notes (including Zero Coupon Notes)

The Bank may issue “Discount Notes” (as defined below under “Certain United States Federal Income Tax Considerations”). In the event of redemption, repayment or acceleration of Maturity, the amount payable to the holder of a Discount Note will, unless otherwise provided in the applicable Pricing Supplement, be equal to (i) the Amortized Face Amount thereof determined as of the date of such redemption, repayment or acceleration, plus (ii) with respect to any redemption of a Discount Note (other than for tax reasons), the Initial Redemption Percentage specified in the applicable

Pricing Supplement (as adjusted by the Annual Redemption Percentage Reduction, if applicable) minus 100% multiplied by the Issue Price of such Note specified in the applicable Pricing Supplement (the "Issue Price"), net of any portion of such Issue Price which has been paid prior to the date of redemption, or the portion of the Issue Price (or the net amount) proportionate to the portion of the unpaid principal amount to be redeemed, plus (iii) any accrued interest to the date of such event the payment of which would constitute qualified stated interest payments within the meaning of United States Treasury Regulation 1.1273-1(c). The "Amortized Face Amount" of a Discount Note means an amount equal to the sum of (a) the Issue Price thereof plus (b) the aggregate of the portions of the original issue discount (the excess of the amounts considered as part of the "stated redemption price at maturity" of such Note within the meaning of Section 1273(a)(2) of the Code, whether denominated as principal or interest, over the Issue Price) which shall theretofore have accrued pursuant to Section 1272 of the Code (without regard to Section 1272(a)(7) of the Code) from the Original Issue Date of such Note to the date of determination, minus (c) any amount considered as part of the "stated redemption price at maturity" of such Note which has been paid from the Original Issue Date to the date of determination. Certain additional considerations relating to any Discount Notes may be described in the Pricing Supplement relating thereto.

Dual Currency Notes

General

The Bank may from time to time offer Notes ("Dual Currency Notes") with respect to which the Bank will have the option of making each scheduled payment of principal and interest due on such Notes in either the currency (the "Face Amount Currency") in which the face amount thereof (the "Face Amount") is specified in the applicable Pricing Supplement or another currency specified therein (the "Optional Payment Currency"). If the Bank elects to make a payment in the Optional Payment Currency, the amount payable in such Optional Payment Currency shall be determined using the exchange rate specified in the applicable Pricing Supplement (the "Designated Exchange Rate"). If the Bank chooses to make any payment in the Optional Payment Currency instead of the Face Amount Currency, payments of interest and principal may be worth less, at the then current exchange rate, than if the Bank had made such payment in the Face Amount Currency. Accordingly, a holder of Dual Currency Notes may receive a principal payment at Maturity which, at the then current exchange rate, is less than such holder's investment denominated in the Face Amount Currency. See "Currency Risks". Information as to the relative historical value of the applicable Face Amount Currency against the applicable Optional Payment Currency, any exchange controls applicable to such Face Amount Currency or Optional Payment Currency, and the tax consequences to owners of Dual Currency Notes, or beneficial interests therein, will be set forth in the applicable Pricing Supplement.

Scheduled Payments of Principal and Interest

Interest on a Dual Currency Note will be payable based on the Face Amount of such Dual Currency Note at the rate stated in the applicable Pricing Supplement on each Interest Payment Date until the principal thereof is paid or made available for payment. The principal amount of each Dual Currency Note will be payable at Maturity.

The applicable Pricing Supplement for each issuance of Dual Currency Notes will specify, among other things, the Face Amount of the Dual Currency Notes of such issuance, the Face Amount Currency and Optional Payment Currency of such issuance and the Designated Exchange Rate for such issuance, which will be a fixed exchange rate used for converting amounts denominated in the Face Amount Currency into amounts denominated in the Optional Payment Currency. The applicable Pricing Supplement will also specify the Option Election Dates (as defined herein) and Interest Payment Dates for the related issue of Dual Currency Notes. Each "Option Election Date" will be approximately 10 days before an Interest Payment Date or the Stated Maturity Date, as the case may be, and will be the date on which the Bank must elect to make payments due on the related Interest Payment Date or the Stated Maturity Date in the Face Amount Currency or the Optional Payment Currency. If such election is made, notice of such election shall be provided within four Business Days of the Option Election Date and shall state (i) the Interest Payment Date or the Stated Maturity Date and (ii) the Designated Exchange Rate. Any such notice by the Bank, once given, may not be withdrawn. If the Bank elects on any Option Election Date to pay the amounts due on the succeeding Interest Payment Date or the Stated Maturity Date in the Optional Payment Currency, then it shall pay all amounts due with respect to the affected issue of Dual Currency Notes in the Optional Payment Currency on such Interest Payment Date or Stated Maturity Date. If the Bank does not elect on an Option Election Date to pay the amount due on the related Interest Payment Date or Stated Maturity Date in the Optional Payment Currency, then such payment shall be made in the Face Amount Currency and no notice of the manner of such payment will be given.

Payment Due Upon Redemption or Acceleration

If any Dual Currency Note is redeemed prior to its Stated Maturity Date, or if the payment of principal of and interest on any Dual Currency Note is accelerated in accordance with the provisions described below under “Events of Default”, then the Bank shall pay to the holder of such Dual Currency Note on the redemption date or the date of acceleration an amount equal to (i) the Face Amount thereof in the Face Amount Currency plus accrued interest in such currency to but excluding the redemption date or date of acceleration, as the case may be, minus (ii) the Total Option Value (as defined herein) multiplied by a fraction, the numerator of which is the Face Amount of such Dual Currency Note and the denominator of which is the aggregate Face Amount of all Dual Currency Notes of the same Tranche as such Dual Currency Note.

The “Total Option Value” of any Dual Currency Note is an amount (calculated as of the date (the “Option Value Calculation Date”) on which the Bank notifies the Agents that such Dual Currency Note will be redeemed, or the date of acceleration, as the case may be, by the option value calculation agent designated in the applicable Pricing Supplement (the “Option Value Calculation Agent”)) equal to the sum of the Option Values (calculated as of such date by the Option Value Calculation Agent) for all Interest Payment Dates occurring after the Option Value Calculation Date up to and including the Stated Maturity Date. The “Option Value” for an Interest Payment date is the amount calculated by the Option Value Calculation Agent to be the arithmetic mean of the prices quoted on the Option Value Calculation Date by three reference banks (which banks shall be selected by the Option Value Calculation Agent and shall be reasonably acceptable to the Bank) for the right on the Option Election Date immediately preceding such Interest Payment Date to purchase for value on such Interest Payment Date from such reference banks (i) the aggregate amount of the Face Amount Currency due on such Interest Payment Date with respect to all of the Dual Currency Notes of the same Tranche as such Dual Currency Note in exchange for (ii) the amount of the Optional Payment Currency that would be received if the amount in clause (i) were converted into the Optional Payment Currency at the Designated Exchange Rate.

Prospective investors should consult their own financial and legal advisors as to the risks entailed by an investment in Dual Currency Notes. Dual Currency Notes are not an appropriate investment for investors who are unsophisticated with respect to foreign currency transactions.

Indexed Notes

General

“Indexed Notes” are Notes pursuant to which the amount of principal, premium, if any, or interest payable is to be determined with reference to the price or prices of specified commodities or stocks or other securities, the exchange rate of one or more specified currencies relative to an indexed currency or such other price, exchange rate or interest index, as set forth in the applicable Pricing Supplement. In certain cases, holders of Indexed Notes may receive a principal amount at Maturity that is greater than or less than the face amount of the Notes depending upon the relative value at Maturity of the specified index or indexed item. Information as to the method for determining the amount of principal, premium, if any, or interest payable in respect of Indexed Notes, certain historical information with respect to the specified index or indexed item and tax considerations associated with investment in such Indexed Notes will be set forth in the applicable Pricing Supplement.

Certain Risks Related to Indexed Notes

An investment in Notes indexed as to principal, premium, if any, or interest, to one or more values of currencies (including exchange rates between currencies), commodities, securities or interest rate indices entails significant risks that are not associated with similar investments in a conventional fixed-rate debt security. If the interest rate of an Indexed Note is so indexed, it may result in an interest rate that is less than that payable on a conventional fixed-rate debt security issued at the same time, including the possibility that no interest will be paid, and, if the principal of and/or premium, if any, on an Indexed Note is so indexed, the amount of principal payable in respect thereof may be less than the original purchase price of such Indexed Note if allowed pursuant to the terms thereof, including the possibility that no such amount will be paid. There can be no assurance that there will be a secondary market for Indexed Notes or liquidity in the secondary market if one develops. The secondary market, if any, for Indexed Notes will be affected by a number of factors, independent of the creditworthiness of the Bank and the value of the applicable currency, commodity,

security or interest rate index, including the volatility of the applicable currency, commodity, security or interest rate index, the time remaining to the Maturity of such Notes, the amount outstanding of such Notes and market interest rates. The value of the applicable currency, commodity or interest rate index depends on a number of interrelated factors, including economic, financial and political events, over which the Bank has no control. Additionally, if the formula used to determine the amount of principal, premium, if any, or interest payable with respect to Indexed Notes contains a multiple or leverage factor, the effect of any change in the applicable currency, commodity, security or interest rate index will be increased. The historical experience of the relevant currencies, commodities, securities or interest rate indices should not be taken as an indication of future performance of such currencies, commodities, securities or interest rate indices during the term of any Indexed Note. Any credit ratings assigned to the Program are a reflection of the Bank's credit status and in no way are a reflection of the potential impact of the factors discussed above, or any other factors, on the market value of the Notes. Accordingly, prospective investors should consult their own financial and legal advisors as to the risks entailed by an investment in Indexed Notes and the suitability of Indexed Notes in light of their particular circumstances.

Partly Paid Notes

The Notes may be issued with the issue price thereof payable in two or more installments ("Partly Paid Notes"), as specified in the applicable Pricing Supplement.

Payment of Principal, Premium and Interest

General

The Bank is obligated to make payments of principal of, and premium, if any, and interest on all Notes in the applicable Specified Currency (or, if such Specified Currency is not at the time of such payment legal tender for the payment of public and private debts, in such other coin or currency of the country which issued such Specified Currency as at the time of such payment is legal tender for payment of debts). Any such amounts to be paid by the Bank in respect of DTC Global Notes denominated other than in U.S. Dollars will, unless otherwise specified in the applicable Pricing Supplement, be converted by the Exchange Rate Agent or such other agent as may be specified in the applicable Pricing Supplement, which for these purposes shall act as Exchange Rate Agent, into U.S. Dollars for payment to the Beneficial Owners of interests in such Notes ("DTC Beneficial Owners"). However, unless otherwise specified in the applicable Pricing Supplement, the DTC Beneficial Owner may elect to receive such payments in the applicable Specified Currency (if other than U.S. Dollars) as hereinafter described.

The U.S. Dollar amount to be received by a holder of a DTC Global Note denominated other than in U.S. Dollars will be based on the Exchange Rate Agent's bid quotation as of 11:00 A.M., London time, on the second day on which banks are open for business in London and New York City preceding the applicable payment date, for the purchase of U.S. Dollars with the applicable Specified Currency for settlement on such payment date of the aggregate amount of the Specified Currency payable to all holders of DTC Global Notes denominated other than in U.S. Dollars scheduled to receive U.S. Dollar payments. If such bid quotation is not available, the Exchange Rate Agent will obtain a bid quotation from a leading foreign exchange bank in London or New York City selected by the Exchange Rate Agent for such purchase. If no such bids are available, payment of the aggregate amount due to all holders of DTC Global Notes on the payment date will be made in the Specified Currency. All currency exchange costs will be borne by the holder of such DTC Global Note by deductions from such payments.

A DTC Beneficial Owner may elect to receive wire transfer payment of principal of, or premium, if any, or interest with respect to, the Notes in the Specified Currency by notifying the DTC participant through which its interest is held prior to 5:00 P.M., New York City time, on the third Business Day following the applicable Record Date in the case of interest, and the twelfth calendar day prior to the payment date for the payment of principal, of (i) such owner's election to receive all or a portion of such payment in the Specified Currency on the relevant Interest Payment Date or Maturity, as the case may be, and (ii) wire transfer instructions to an account denominated in the Specified Currency with respect to any payment to be made in the Specified Currency. Such election shall be made by the DTC Beneficial Owner and any such election in respect of that payment shall be irrevocable. An indirect DTC participant must notify the DTC participant through which it is holding its interest in a DTC Global Note of such election and wire transfer instructions prior to 5:00 P.M., New York City time, on the first Business Day following the applicable Record Date or payment date for the

payment of principal. DTC will notify the Paying Agents of such election and wire transfer instructions prior to 5:00 P.M., New York City time, on the fifth Business Day following the applicable Record Date in the case of interest and the tenth calendar day prior to the payment date for the payment of principal. If complete instructions are received by the DTC participant and forwarded by the DTC participant to DTC, and by DTC to the Paying Agents, on or prior to such dates, the DTC Beneficial Owner will receive payment in the Specified Currency outside the DTC system. Otherwise only U.S. Dollar payments will be made by the Paying Agents. Payments in the Specified Currency outside the DTC system will be made by wire transfer of same day funds in accordance with the relevant wire transfer instructions on the relevant payment date.

Interest on a Registered Note will be paid generally to the person in whose name such Note (or any predecessor Note) is registered (which, in the case of Registered Global Notes, will be DTC, its nominee or a nominee of Euroclear and/or Clearstream, Luxembourg) at the close of business on the Record Date next preceding the applicable Interest Payment Date: *provided, however*, that interest payable at Maturity will be payable to the person to whom principal shall be payable (which, in the case of Registered Global Notes, will be DTC, its nominee or a nominee of Euroclear and/or Clearstream, Luxembourg). The first payment of interest on any Registered Note originally issued between a Record Date and the Interest Payment Date immediately following such Record Date will be made on the second Interest Payment Date following the Original Issue Date of such Note to the registered holder on the Record Date immediately preceding such second Interest Payment Date. Any interest not punctually paid or duly provided for (“Defaulted Interest”) shall forthwith cease to be payable to the holder thereof on the applicable Record Date, and shall instead be payable to the person in whose name such Note is registered at the close of business on a special record date (the “Special Record Date”) for the payment of such Defaulted Interest to be fixed by the Registrar, notice whereof shall be given by the Registrar to the holder of such Note as described herein not less than 15 days prior to such Special Record Date.

Payment of the principal of and premium, if any, and interest on any Definitive Registered Note at Maturity to be made in U.S. Dollars will be made in immediately available funds upon surrender of such Note at a specified office of a Paying Agent, provided that the Definitive Registered Note is presented to the Paying Agent in time for such Paying Agent to make such payment in immediately available funds in accordance with its normal procedures. Payments of interest on any Definitive Registered Note, other than at Maturity, will be payable by check mailed to the holder of such Note as of the Record Date with respect to such Interest Payment Date at the address shown in the Note Register; *provided, however*, that a holder of US\$10,000,000 or more in aggregate principal amount (or the equivalent thereof in other currencies) of Definitive Registered Notes, whether of the same or different Series, shall be entitled to receive payments of interest, other than interest due at Maturity, by wire transfer of immediately available funds if appropriate written wire transfer instructions have been received by the relevant Paying Agent not less than 16 days prior to the applicable Interest Payment Date.

The total amount of any principal, premium, if any, and interest due on any Registered Global Note on any Interest Payment Date or Maturity, as the case may be, will be made available to the relevant Paying Agent on such date. As soon as possible thereafter, the relevant Paying Agent will make such payment to the relevant clearing system. Each such clearing system will credit its participants with payment in amounts proportionate to their respective beneficial interests in the principal amount of such Registered Global Note in accordance with its existing operating procedures. Neither the Bank nor the relevant Paying Agent shall have any responsibility or liability for such payments by the clearing system. So long as DTC, its nominee or a nominee of Euroclear and/or Clearstream, Luxembourg is the holder of any Registered Global Note, DTC, its nominee or the nominee of Euroclear and/or Clearstream, Luxembourg, as the case may be, will be considered the sole owner or holder of the Notes represented by such Registered Global Note for all purposes under the Agency Agreement and the Notes. See “—Form of Notes and Registration”.

Subject to any fiscal or other laws and regulations applicable thereto in the place of payment, payments on Registered Notes to be made in a Specified Currency other than in U.S. Dollars and payments on Bearer Notes will be made by transfer to an account in the Specified Currency (which, in the case of a payment in Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or by a check in the Specified Currency drawn on, a bank (which, in the case of a payment in Yen to a non-resident of Japan, shall be an authorized foreign exchange bank) in the principal financial center of the country of the Specified Currency; *provided however*, a check may not be delivered to an address in, and an amount may not be transferred to an account at a bank located in, the United States or its possessions by any office or agency of the Bank or any Paying Agent.

Payments of principal with respect to Definitive Bearer Notes will (except as provided below) be made against surrender of the relevant Definitive Bearer Notes and payments of interest with respect to Definitive Bearer Notes will (except as provided below) be made against surrender of the relevant Coupons, in each case at the specified office of any Paying Agent outside the United States and its possessions.

Payments of installments of principal with respect to Definitive Bearer Notes, other than the final installment, will (except as provided below) be made against presentation and surrender outside the United States and its possessions of the relevant Receipt. Each Receipt must be presented together with the Definitive Bearer Note to which it appertains for payment of the relevant installment of principal. If any Definitive Bearer Note is redeemed or becomes repayable prior to the Stated Maturity Date thereof, principal will be payable upon surrender of such Definitive Bearer Note together with all unmaturing Receipts appertaining thereto. Receipts presented without the Definitive Bearer Note to which they appertain and unmaturing Receipts do not constitute valid obligations of the Bank.

Definitive Bearer Notes (other than Dual Currency Notes or Indexed Notes) should be presented outside the United States and its possessions for payment of interest together with all unmaturing Coupons appertaining thereto, failing which, the amount of any missing unmaturing Coupon (or in the case of payment of principal not being made in full as a result of missing unmaturing Coupons, the same proportion of the aggregate of such missing unmaturing Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner described above against surrender of the relevant missing Coupon at any time before the expiration of five years after the date on which such payment first becomes due. Upon any Definitive Bearer Note becoming due and repayable prior to its Stated Maturity Date, all unmaturing Coupons and Talons, if any, appertaining thereto (whether or not attached) will become void and no payment will be made in respect thereof.

Payments of principal, premium, if any, and interest, if any, with respect to Temporary Global Notes and Permanent Global Notes will, subject as provided below, be made in the manner specified above and otherwise in the manner specified in the relevant Temporary Global Note or Permanent Global Note against presentation or surrender, as the case may be, of such Temporary Global Note or Permanent Global Note at the specified office of the London Paying Agent. A record of each payment made against presentation or surrender of such Temporary Global Note or Permanent Global Note, distinguishing between any payment of principal and premium, if any, and any payment of interest, will be made on such Temporary Global Note or Permanent Global Note by the London Paying Agent and such record shall be *prima facie* evidence that the payment in question has been made.

The holder of the relevant Temporary Global Note or Permanent Global Note shall be the only person entitled to receive payments with respect to Notes represented thereby and the Bank will be discharged by payment to, or to the order of, the holder of such Temporary Global Note or Permanent Global Note with respect to each amount so paid. Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg as the holder of a particular principal amount of Notes must look solely to Euroclear and/or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Bank to, or to the order of, the holder of the relevant Temporary Global Note or Permanent Global Note. No person other than the holder of the relevant Temporary Global Note or Permanent Global Note shall have any claim against the Bank with respect to payments due thereon.

Notwithstanding the foregoing, payments with respect to Bearer Notes may be made at the specified office of a Paying Agent in the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction) if:

- (i) the Bank has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment at such specified offices outside the United States of the full amount due with respect to the Bearer Notes in the manner provided above when due;
- (ii) payment of the full amount due with respect to the Bearer Notes at such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Bank, adverse tax consequences to the Bank.

If the date for payment of any amount with respect to any Bearer Note, Receipt or Coupon is not a Payment Business Day in a place of presentation, the holder thereof shall not be entitled to payment until the next succeeding

Payment Business Day in the relevant place and shall not be entitled to further interest or other payment with respect to such delay. For these purposes, unless otherwise specified in the applicable Pricing Supplement, "Payment Business Day" means any Business Day which is also a day on which commercial banks and foreign exchange markets settle payments in the relevant place of presentation.

Unavailability of Specified Currency

If the principal of, or premium, if any, or interest on any Note is payable in a Specified Currency other than U.S. Dollars which is not available due to the imposition of exchange controls or other circumstances beyond the control of the Bank, the Bank will be entitled to satisfy its obligations to holders of the Notes by making such payment in U.S. Dollars on the basis of the most recently available bid quotation from a leading foreign exchange bank in London or New York City selected by the Exchange Rate Agent, for the purchase of U.S. Dollars with the Specified Currency for settlement on such payment date of the aggregate amount of the Specified Currency payable to all holders of Notes denominated other than in U.S. Dollars scheduled to receive U.S. Dollar payments (the "Market Exchange Rate"). Any payment made under such circumstances in U.S. Dollars where the required payment is other than in U.S. Dollars will not constitute an "Event of Default" (as defined herein) under the Notes.

Additional Amounts

All payments of principal, premium, if any, and interest with respect to the Notes will be made without withholding or deduction at source for, or on account of, any present or future taxes, fees, duties, assessments or governmental charges of whatever nature imposed or levied by the United States or any political subdivision or taxing authority thereof or therein, unless such withholding or deduction is required by (i) the laws (or any regulations or rulings promulgated thereunder) of the United States or any political subdivision or taxing authority thereof or therein or (ii) an official position regarding the application, administration, interpretation or enforcement of any such laws, regulations or rulings (including, without limitation, a holding by a court of competent jurisdiction or by a taxing authority in the United States or any political subdivision thereof). If a withholding or deduction at source is required, the Bank will, subject to certain limitations and exceptions (set forth below), pay to a holder of Notes, Receipts or Coupons on behalf of an owner of a beneficial interest therein (an "Owner") who is a United States Alien (as defined herein) such additional amounts ("Additional Amounts") as may be necessary so that every net payment of principal, premium, if any, or interest with respect to such Notes, Receipts or Coupons after such withholding or deduction, will not be less than the amount provided for in the Notes, Receipts or Coupons. However, the Bank shall not be required to make any payment of Additional Amounts for or on account of:

(a) any tax, fee, duty, assessment or other governmental charge which would not have been imposed but for (1) the existence of any present or former connection between such Owner (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such Owner, if such Owner is an estate, trust, partnership or corporation) and the United States, including, without limitation, such Owner (or such fiduciary, settlor, beneficiary, member, shareholder or possessor) being or having been a citizen or resident thereof or being or having been present or engaged in trade or business therein or having or having had a permanent establishment therein, or (2) the presentation of a Note, Receipt or Coupon for payment on a date more than 15 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

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

(c) any tax, fee, duty, assessment or other governmental charge imposed by reason of such Owner's past or present status as a personal holding company, foreign personal holding company, passive foreign investment company or controlled foreign corporation with respect to the United States or as a corporation which accumulates earnings to avoid United States federal income tax;

(d) any tax, fee, duty, assessment or other governmental charge which is payable otherwise than by withholding from payments of principal or interest with respect to the Notes, Receipts or Coupons;

(e) any tax, fee, duty, assessment or other governmental charge imposed on interest received by anyone who owns (actually or constructively) 10% or more of the total combined voting power of all classes of stock of the Bank;

(f) any tax, fee, duty, assessment or other governmental charge required to be withheld by any Paying Agent from any payment of principal, premium, if any, or interest with respect to any Note, Receipt or Coupon, if such payment can be made without such withholding by any other Paying Agent with respect to the Notes;

(g) any tax, fee, duty, assessment or other governmental charge which would not have been imposed but for the failure to comply with certification, information or other reporting requirements concerning the nationality, residence, identity or connection with the United States of the Owner of such Note, Receipt or Coupon, if such compliance is required by statute or by regulation of the United States Treasury Department as a precondition to relief or exemption from such tax, assessment or other governmental charge;

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

(i) any combination of items (a), (b), (c), (d), (e), (f), (g) and (h); nor shall Additional Amounts be paid to any holder of a Note, Receipt or Coupon on behalf of any Owner who is a fiduciary or partnership or other than the sole Owner to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or Owner would not have been entitled to payment of the Additional Amounts had such beneficiary, settlor, member or Owner been the sole Owner of the Note, Receipt or Coupon.

The term "United States Alien" means any corporation, individual, fiduciary or partnership that for United States federal income tax purposes is a foreign corporation, nonresident alien individual, nonresident alien fiduciary of a foreign estate or trust, or foreign partnership one or more members of which is a foreign corporation, nonresident alien individual or nonresident alien fiduciary of a foreign estate or trust.

If the Bank shall determine, based upon a written opinion of independent counsel selected by the Bank, that any payment made outside the United States by the Bank or any of the Paying Agents of the full amount of the next scheduled payment of either principal, premium, if any, or interest due with respect to any Bearer Note, Receipt or Coupon would, under any present or future laws or regulations of the United States affecting taxation or otherwise, be subject to any certification, information or other reporting requirements of any kind, the effect of which requirements is the disclosure to the Bank, any of the Paying Agents or any governmental authority of the nationality, residence or identity (as distinguished from status as a United States Alien) of any Owner of such Bearer Note, Receipt or Coupon who is a United States Alien (other than such requirements which (i) would not be applicable to a payment made to a custodian, nominee or other agent of the Owner, or which can be satisfied by such a custodian, nominee or other agent certifying to the effect that such Owner is a United States Alien; *provided, however*, in each case that payment by such custodian, nominee or agent to such Owner is not otherwise subject to any requirements referred to in this sentence, (ii) are applicable only to payment by a custodian, nominee or other agent of the Owner to or on behalf of such Owner or (iii) would not be applicable to a payment made by any other Paying Agent of the Bank), the Bank shall redeem such Bearer Note as a whole but not in part at a redemption price equal to the principal amount thereof (or, in the case of a Discount Note, the Amortized Face Amount thereof determined as of the date of redemption), together, if appropriate, with accrued interest to, but excluding, the date fixed for redemption, such redemption to take place on such date not later than one year after notice of such determination has been give as described herein. If the Bank becomes aware of an event that might give rise to such certification, information or other reporting requirements, the Bank shall, as soon as practicable, solicit advice of independent counsel selected by the Bank to establish whether such certification, information or other reporting requirements will apply and, if such requirements will, in the written opinion of such counsel, apply, the Bank shall give prompt notice of such determination (a "Tax Notice") as described herein stating in such notice the effective date of such certification, information or other reporting requirements and, if applicable, the date by which the redemption shall take place. Notwithstanding the foregoing, the Bank shall not redeem such Bearer Note if the Bank, based upon the written opinion of independent counsel selected by the Bank, shall subsequently determine not less than 30 days prior to the date fixed for redemption that subsequent payments would not be subject to any such requirements, in which case the Bank shall give prompt notice of such determination as described herein and any earlier redemption notice shall thereby be revoked and of no further effect.

Notwithstanding the foregoing, to the extent then required under or pursuant to applicable capital regulations, the Subordinated Notes may not be repaid prior to Maturity without the prior written approval of the OCC.

Notwithstanding the foregoing, if and so long as the certification, information or other reporting requirements referred to in the preceding paragraph would be fully satisfied by payment of a withholding, backup withholding tax or similar charge, the Bank may elect prior to giving the Tax Notice to have the provisions described in this paragraph apply in lieu of the provisions described in the preceding paragraph, in which case the Tax Notice shall state the effective date of such certification, information or reporting requirements and that the Bank has elected to pay Additional Amounts rather than redeem the Bearer Note. In such event, the Bank will also pay as Additional Amounts such sums as may be necessary so that every net payment made following the effective date of such certification, information or reporting requirements outside the United States by the Bank or any of the Paying Agents of principal or interest due with respect to a Bearer Note, Receipt or Coupon to a holder who certifies to the effect that the beneficial owner of such Bearer Note, Receipt or Coupon is a United States Alien (provided that such certification shall not have the effect of communicating to the Bank or any of the Paying Agents or any governmental authority the nationality, residence or identity of such beneficial owner) after deduction or withholding for, or on account of, such withholding, backup withholding tax or similar charge (other than a withholding, backup withholding tax or similar charge which (i) is imposed as a result of certification, information or other reporting requirements referred to in the second parenthetical clause of the first sentence of the preceding paragraph, or (ii) is imposed as a result of the fact that the Bank or any of the Paying Agents has actual knowledge that the holder or beneficial owner of such Bearer Note, Receipt or Coupon is not a United States Alien but is within the category of persons, corporations or other entities described in clause (a)(1) of the third preceding paragraph or (iii) is imposed as a result of presentation of such Bearer Note, Receipt or Coupon for payment more than 15 days after the date on which such payment becomes due and payable or on which payment thereof is duly provided for, whichever occurs later), will not be less than the amount provided for in such Bearer Note, such Receipt or such Coupon to be then due and payable. In the event the Bank elects to pay such Additional Amounts, the Bank will have the right, at its sole option, at any time, to redeem such Bearer Note, as a whole but not in part, at a redemption price equal to the principal amount thereof (or, in the case of a Discount Note, the Amortized Face Amount thereof determined as of the date of redemption), together, if appropriate, with accrued interest to the date fixed for redemption including any Additional Amounts required to be paid under this paragraph. If the Bank has made the determination described in the preceding paragraph with respect to certification, information or other reporting requirements applicable to interest only and subsequently makes a determination in the manner and of the nature referred to in such preceding paragraph with respect to such requirements applicable to principal, the Bank will redeem such Bearer Note in the manner and on the terms described in the preceding paragraph (except as provided below), unless the Bank elects to have the provisions of this paragraph apply rather than the provisions of the immediately preceding paragraph. If in such circumstances the Bearer Note is to be redeemed, the Bank will be obligated to pay Additional Amounts with respect to interest, if any, accrued to the date of redemption. If the Bank has made the determination described in the preceding paragraph and subsequently makes a determination in the manner and of the nature referred to in such preceding paragraph that the level of withholding applicable to principal or interest has been increased, the Bank will redeem the Bearer Note in the manner and on the terms described in the preceding paragraph (except as provided below), unless the Bank elects to have the provisions of this paragraph apply rather than the provisions of the immediately preceding paragraph. If in such circumstances the Bearer Note is to be redeemed, the Bank will be obligated to pay Additional Amounts with respect to the original level of withholding on principal and interest, if any, accrued to the date of redemption.

Whenever there is mentioned herein, in any context, the payment of the principal of, or premium, if any, or interest on, or in respect of, a Note, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to the provisions of such Note and express mention of the payment of Additional Amounts (if applicable) in any provisions hereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made.

Redemption for Tax Reasons

The Bank may redeem any Note in whole but not in part at any time at a redemption price equal to the principal amount thereof (or, in the case of a Discount Note, the Amortized Face Amount thereof determined as of the date of redemption), together, if appropriate, with accrued interest to but excluding the date fixed for redemption, if the Bank shall determine, based upon a written opinion of independent counsel selected by the Bank, that as a result of any change in or amendment to the laws (or any regulations or rulings promulgated thereunder) of (i) the United States or of any political subdivision or taxing authority thereof or therein affecting taxation or (ii) the relevant taxing jurisdiction or any political subdivision or taxing authority thereof or therein affecting taxation, or any change in application or official

interpretation of such laws, regulations or rulings, which amendment or change is effective on or after the Original Issue Date of such Note, the Bank would be required to pay Additional Amounts on the occasion of the next payment due with respect to such Note.

Bearer Notes are also subject to redemption in the other circumstances described above under “Additional Amounts”.

Notice of intention to redeem Notes will be given at least once as described herein not less than 30 days nor more than 60 days prior to the date fixed for redemption, provided that no such notice of redemption shall be given earlier than 90 days prior to the effective date of such change or amendment and that at the time notice of such redemption is given, such obligation to pay such Additional Amounts remains in effect and cannot be avoided by the Bank’s taking reasonable measures available to it. From and after any redemption date, if monies for the redemption of Notes shall have been made available for redemption on such redemption date, such Notes shall cease to bear interest, if applicable, and the only right of the holders of such Notes and any Receipts or Coupons appertaining thereto shall be to receive payment of the principal amount thereof (or, in the case of a Discount Note, the Amortized Face Amount thereof) and, if appropriate, all unpaid interest accrued to such redemption date. Unless otherwise specified in the applicable Pricing Supplement, the redemption date with respect to any Floating Rate Note will be an Interest Payment Date.

To the extent then required under or pursuant to applicable capital regulations, the Subordinated Notes may not be repaid prior to maturity, either pursuant to an acceleration upon an Event of Default or otherwise, without the prior written approval of the OCC.

Redemption at the Option of the Bank

Unless otherwise specified in the applicable Pricing Supplement, the Notes will not be subject to any sinking fund. If so agreed upon by the Bank and the initial purchaser(s) thereof, a Note or Notes will be redeemable on and after a date fixed at the time of sale and specified in the applicable Pricing Supplement (the “Initial Redemption Date”) either in whole or in part, at the option of the Bank, on written notice given by the Registrar, Paying Agent or London Issuing Agent, as designated in a particular instance by the Bank, at the Bank’s expense, not more than 60 nor less than 30 calendar days prior to the date of redemption by the Bank to the holder thereof (unless otherwise specified in the applicable Pricing Supplement). On and after the Initial Redemption Date, if any, such Note will be redeemable in increments of US\$1,000 or the equivalent thereof in other currencies (provided that any remaining principal amount of such Note shall be at least an authorized denomination) at the option of the Bank at the applicable Redemption Price, together with unpaid interest accrued thereon at the applicable rate borne by such Note to the date of redemption. The “Redemption Price” initially will be the Initial Redemption Percentage (as specified in the applicable Pricing Supplement) of the principal amount of such Note to be redeemed and will decline at each anniversary of the Initial Redemption Date by the Annual Redemption Reduction (as specified in the applicable Pricing Supplement), if any, of the principal amount to be redeemed until the Redemption Price is 100% of such principal amount. Whenever less than all the Notes at any time outstanding are to be redeemed, the terms of the Notes to be so redeemed shall be selected by the Bank. If less than all the Notes with identical terms at any time outstanding are to be redeemed, the Notes to be so redeemed shall be selected by the Registrar by lot or in any usual manner approved by it. If no Initial Redemption Date is specified in the applicable Pricing Supplement, such Note will not be redeemable prior to its Stated Maturity Date (other than for tax reasons). The Registrar is not required to register the transfer of any Registered Note that has been called for redemption during a period beginning at the opening of business 15 calendar days before the day of mailing of a notice of such redemption and ending at the close of business on the day of such mailing. Unless otherwise specified in the applicable Pricing Supplement, the redemption date with respect to any Floating Rate Note will be an Interest Payment Date.

To the extent then required under or pursuant to applicable capital regulations, the Subordinated Notes may not be repaid prior to maturity, either pursuant to an acceleration upon an Event of Default or otherwise, without the prior written approval of the OCC.

Repayment at the Option of the Holder

The Notes will be subject to repayment at the option of the holders thereof in accordance with the terms of the Notes on their respective optional repayment dates, if any, as agreed upon by the Bank and the purchasers thereof at the

time of sale and specified in the applicable Pricing Supplement (each, a “Holder’s Optional Repayment Date”). If no Holder’s Optional Repayment Date is specified in the applicable Pricing Supplement, such Note will not be repayable at the option of the holder thereof prior to its Stated Maturity Date. On any Holder’s Optional Repayment Date with respect to a Note, such Note will be repayable in whole or in part in increments of US\$1,000 or the equivalent thereof in other currencies (provided that any remaining principal amount of such Note will be at least an authorized denomination) at the option of the holder thereof at a repayment price equal to 100% of the principal amount to be repaid, together with accrued and unpaid interest thereon payable to the date of repayment. For any Note to be repaid, such Note must be received, together with the form thereon entitled “Option to Elect Repayment” duly completed, by the London Paying Agent (if the Note to be redeemed is in bearer form) or the Domestic Paying Agent or London Paying Agent, as appropriate (if the Note to be redeemed is in registered form) at the address set forth in such form or at such place or places of which the Bank shall from time to time notify the holders of the Notes not more than 60 nor less than 30 days prior to the Holder’s Optional Repayment Date (unless otherwise specified in the applicable Pricing Supplement).

To the extent then required under or pursuant to applicable capital regulations, the Subordinated Notes may not be repaid prior to Maturity, either pursuant to an acceleration upon an Event of Default, or otherwise, without the prior written approval of the OCC.

Events of Default

Each of the following will be an “Event of Default” with respect to a Senior Note: (i) default in the payment of any interest (including any Additional Amounts) with respect to such Senior Note when due, which continues for 30 days; (ii) default in the payment of any principal of, or premium, if any, on, such Senior Note when due; and (iii) certain events of insolvency, reorganization or the appointment of a conservator, receiver or liquidator of the Bank or substantially all of its property. Any holder of a Senior Note may declare the principal amount of, and accrued interest and premium, if any, on such Senior Note due and payable by written notice to the Bank, if an Event of Default with respect to such Senior Note shall have occurred and be continuing at the time of such declaration. Upon such declaration and notice, such principal amount, accrued interest and premium, if any, shall become due and payable seven calendar days after such notice. Any Event of Default with respect to a Senior Note may be waived by the holder thereof.

An Event of Default in respect of the Subordinated Notes shall occur only if the Bank shall consent to, or a court or other governmental agency or body shall enter a decree or order for, the appointment of a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official (other than a conservator) in any liquidation, insolvency or similar proceeding with respect to the Bank or all or substantially all of its property, and in the case of a decree or order, such decree or order shall have remained in force undischarged or unstayed for a period of 60 days.

Each Subordinated Note will provide that if any Event of Default shall have occurred and be continuing with respect thereto, the holder of such Subordinated Note may at its option, by written notice to the Bank, declare the principal of such Subordinated Note, together with any premium thereon and any unpaid accrued interest thereon, to be due and payable on the 15th day after such declaration is delivered to the Bank, but upon certain conditions such declaration may be annulled and past defaults may be waived by the holder of such Subordinated Note. To the extent then required under or pursuant to applicable capital regulations, no payment may be made on the Subordinated Notes by the Bank in the event of acceleration resulting from an Event of Default without the prior approval of the OCC. **There is no right of acceleration in the case of a default in the payment of principal of, and premium, if any, or interest on the Subordinated Notes or the failure to perform any other obligation of the Bank under the Subordinated Notes.**

Amendments

The Notes and any Receipts and Coupons attached to Definitive Bearer Notes may be amended by the Bank, and the Agency Agreement may be amended by the parties thereto, (i) for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained therein, (ii) to make any further modifications of the terms of the Agency Agreement necessary or desirable to allow for the issuance of any additional Notes (which modification shall not be materially adverse to the holders of outstanding Notes) or (iii) in any manner which the Bank (and, in the case of the Agency Agreement, the parties thereto) may deem necessary or desirable and which shall not materially adversely affect the interests of the holders of the Notes, Receipts and Coupons, to all of which each holder of Notes, Receipts and Coupons shall, by acceptance thereof, be deemed to have consented; *provided, however*, that no such

modification or amendment may, without the consent of the holder of each outstanding Note affected thereby (a) change the Stated Maturity Date with respect to any Note or reduce or cancel the amount payable at Maturity; (b) reduce the amount payable or modify the payment date for any interest with respect to any Note or vary the method of calculating the rate of interest with respect to any Note; (c) reduce any Minimum Interest Rate and/or Maximum Interest Rate with respect to any Note; (d) modify the currency in which payments under any Note and/or Coupons appertaining thereto are to be made; (e) change the obligation of the Bank to pay Additional Amounts with respect to Notes, Receipts and Coupons; or (f) reduce the percentage in principal amount of outstanding Notes the consent of the holders of which is necessary to modify the provisions of the Notes or to waive any future compliance or past default. Any instrument given by or on behalf of any holder of a Note in connection with any consent to any such modification, amendment or waiver will be irrevocable once given and will be conclusive and binding on all subsequent holders of such Note. Any modifications, amendments or waivers to the Agency Agreement or the provisions of the Notes, Receipts and Coupons will be conclusive and binding on all holders of Notes, Receipts and Coupons, whether or not notation of such modifications, amendments or waivers is made upon the Notes, Receipts and Coupons. It will not be necessary for the consent of the holders of Notes to approve the particular form of any proposed amendment, but it shall be sufficient if such consent shall approve the substance thereof.

Notes authenticated and delivered after the execution of any amendment to the Agency Agreement may bear a notation in form approved by the parties thereto as to any matter provided for in such amendment.

New Notes so modified as to conform to any modification contained in any such amendment may be prepared by the Bank, authenticated by the London Issuing Agent or the Registrar, as the case may be, and delivered in exchange for the Notes then outstanding.

In the event that the Bank shall effect any modification or amendment to the provisions of any particular Note as aforesaid, the Bank will have no obligation to effect a similar modification or amendment to any other Note, irrespective of the Series to which such other Note may belong.

Notices

All notices regarding Registered Notes will be mailed to the registered owners thereof (which, in the case of Registered Global Notes, will be DTC or its nominee) as their names appear in the Note Register. In addition, so long as, and to the extent that, the rules of Luxembourg Stock Exchange so require, all notices regarding Registered Notes that are listed on that exchange will be published in a Luxembourg daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*).

All notices regarding Bearer Notes will be published (i) in one leading English language daily newspaper with general circulation in London (which is expected to be the *Financial Times*) and (ii) in respect of any Notes listed on the Luxembourg Stock Exchange and the rules of such exchange so require, in a Luxembourg daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, if in any case this is not practicable, one other English language newspaper with general circulation in Europe as the Bank, in consultation with the London Issuing Agent, shall decide. The Bank will also ensure that notices are duly published in a manner which complies with the rules and regulations of any securities exchange on which the Notes are for the time being listed. Any such notice shall be deemed to have been given on the date of the first publication.

Until such time as any Definitive Bearer Notes are issued, there may, so long as Temporary Global Notes or Permanent Global Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the beneficial owners of interests in the Temporary Global Notes and Permanent Global Notes, as the case may be; *provided, however*, that, so long as the rules of that exchange so require, such publication will nevertheless be made as described in the preceding paragraph in respect of Bearer Notes listed on the Luxembourg Stock Exchange. Any such notice shall be deemed to have been given to the beneficial owners of interests in the Temporary Global Notes and Permanent Global Notes on the seventh day after the day on which said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by a holder of Bearer Notes should be in writing and delivered, together with the related Bearer Note or Notes, to the London Paying Agent. While Notes are represented by a Temporary Global Note or a Permanent

Global Note, such notice may be given by the beneficial owner thereof to the London Paying Agent via Euroclear and/or Clearstream, Luxembourg in such manner as the London Paying Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

Other Agents

The names of the initial Registrar, Paying Agents, London Issuing Agent, Transfer Agent and Listing Agent and their initial specified offices are set out on the inside back cover of this Offering Circular. In acting under the Agency Agreement, the Registrar, the Paying Agents, the London Issuing Agent, the Transfer Agent and the Listing Agent will act solely as agents of the Bank and do not assume any obligations or relationships of agency or trust to, or with, the holders of Notes, Receipts or Coupons, except that (without affecting the obligations of the Bank to the holders of Notes, Receipts and Coupons to repay Notes and pay interests thereon) funds received by the Paying Agents for the payment of the principal of, and premium, if any, or interest on, the Notes shall be held by it in trust for the holders of Notes, Receipts and Coupons. The Agency Agreement contains provisions for the indemnification of the Agents and for relief from responsibility in certain circumstances, and entitles any of them to enter into business transactions with the Bank without being liable to account to any holder of Notes, Receipts or Coupons for any resulting profit.

The Notes will not be issued pursuant to an indenture and, as such, none of the Agents will be obligated to exercise certain responsibilities that may be exercised by an independent trustee in connection with certain other debt offerings. Among the responsibilities that may be exercised by an independent trustee in connection with certain other debt offerings that will not be exercised by the Agents are discretionary actions in connection with Events of Default. Each holder of a Note will therefore be responsible for acting independently with respect to certain matters affecting such holder's Note including, but not limited to, responding to requests for consents or waivers, giving written notice of default in the performance of any agreement contained in the Note and accelerating the Maturity of such Note on the occurrence of an Event of Default. See "—Form of Notes and Registration".

The Bank is entitled to vary or terminate the appointment of any Paying Agent, any Registrar, any London Issuing Agent, any Transfer Agent or any Listing Agent and/or appoint additional or other Paying Agents, Registrars, London Issuing Agents, Transfer Agents or Listing Agents and/or approve any change in the specified office through which any Paying Agent, Registrar, London Issuing Agent, Transfer Agent or Listing Agent acts, provided that:

(i) so long as any Notes are listed on any securities exchange, there will at all times be a Paying Agent, a Registrar, a London Issuing Agent, a Transfer Agent and a Listing Agent with a specified office in each location required by the rules and regulations of the relevant securities exchange, including, so long as any Notes are listed on the Luxembourg Stock Exchange, a Paying Agent, Transfer Agent and a Listing Agent having a specified office in Luxembourg;

(ii) there will at all times be a Paying Agent, a London Issuing Agent and a Transfer Agent with a specified office in a city in Europe; and

(iii) there will at all times be a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of 26th-27th November, 2000 or any law implementing or complying with, or introduced in order to conform to such Directive.

Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days prior notice thereof shall have been given to the holders of the Notes as described herein, provided that no such variation, termination, appointment or change shall take effect (except in the case of insolvency) within 15 days before or after any Interest Payment Date.

Repayment of Monies

Any monies paid by the Bank to a Paying Agent for the payment of principal, premium, if any, or interest with respect to any Registered Notes and remaining unclaimed at the end of two years after the principal of such Registered Notes shall have become due and payable (whether at the Stated Maturity Date or otherwise) and monies sufficient therefor shall have been duly made available for payment shall be repaid, together with any premium or interest made

available for payment thereon, to the Bank, and upon such repayment all liability of the such Paying Agent with respect to such fund shall thereupon cease.

Bearer Notes, Receipts and Coupons will become void unless presented for payment within a period of two years from the date on which related payment of principal or interest shall have become due and payable and monies sufficient therefor shall have been duly made available for payment. Any monies paid by the Bank to a Paying Agent for the payment of principal, premium, if any, or interest with respect to any such Bearer Note, Receipt or Coupon and remaining unclaimed when such Bearer Note, Receipt or Coupon becomes void shall be repaid to the Bank and all liability with respect thereto shall thereupon cease.

Further Issues

The Bank may from time to time without the consent of any holder of Notes issue further Notes so as to form a single Series with an outstanding Series of Notes.

Governing Law

The Agency Agreement will be governed by, and construed in accordance with, the laws of the State of New York, United States of America, and the Notes, the Receipts and the Coupons will be governed by, and construed in accordance with, the laws of the State of New York, United States of America, without regard to the conflicts of law principles thereof.

CURRENCY RISKS

Exchange Rates and Exchange Controls

An investment in Notes that are denominated in, or the payment of which is related to the value of, a Specified Currency other than the currency of the country in which a purchaser is resident or the currency in which a purchaser conducts its business (the “home currency”) entails significant risks that are not associated with a similar investment in a security denominated in the home currency. Such risks include, without limitation, the possibility of significant changes in rates of exchange between the home currency and the Specified Currency and the possibility of the imposition or modification of foreign exchange controls with respect to the Specified Currency. Such risks generally depend on factors over which the Bank has no control, such as economic and political events and the supply of, and demand for, the relevant currencies. In recent years, rates of exchange for certain currencies have been highly volatile, and such volatility may be expected to continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations in such rate that may occur during the term of any Note. Depreciation of the Specified Currency in which a Note is payable against the relevant home currency would result in a decrease in the effective yield of such Note below its stated rate of interest, and in certain circumstances, could result in a loss to an investor on a home currency basis. In addition, depending on the specific terms of a Note, changes in exchange rates relating to any of the currencies involved may result in a decrease in its effective yield and, in certain circumstances, could result in a loss to the investor of all or a substantial portion of the principal of a Note.

Governments have from time to time imposed, and may in the future impose, exchange controls that could affect exchange rates as well as the availability of a Specified Currency on an Interest Payment Date or Maturity with respect to a Note. There can be no assurances that exchange controls will not restrict or prohibit payments of principal or interest in any such currency. Even if there are not actual exchange controls, it is possible that on an Interest Payment Date or Maturity with respect to any particular Note, a Specified Currency for such Note would not be available to the Bank to make payments of interest and principal then due. In that event, the Bank will make required payments in U.S. Dollars on the basis of the Market Exchange Rate on the date of such payment, or if such rate of exchange is not then available, on the basis of the Market Exchange Rate as of the most recent date for which the Market Exchange Rate is available.

This Offering Circular does not describe all the risks of an investment in Notes denominated in, or the payment of which is related to the value of, a currency other than a prospective purchaser’s home currency and the Bank disclaims any responsibility to advise prospective purchasers of such risks as they exist at the date of this Offering Circular or as such risks may change from time to time. Prospective purchasers should consult their own financial, legal and tax advisors as to the risks entailed by an investment in Notes denominated in, or the payment of which is related to the value of, currencies (including composite currencies) other than the particular home currency. Such Notes are not an appropriate investment for persons who are unsophisticated with respect to foreign currency transactions.

Pricing Supplements relating to Notes denominated other than in U.S. Dollars may contain information concerning historical exchange rates for the applicable Specified Currency against the U.S. Dollar, a description of the Specified Currency and any exchange controls affecting such Specified Currency. The information contained therein will constitute a part of this Offering Circular, will be furnished as a matter of information only and should not be regarded as indicative of the range of, or trends in, fluctuations in currency exchange rates that may occur in the future.

Non-U.S. Dollar Judgments

The Notes will be governed by and construed in accordance with the laws of the State of New York, United States of America. Courts in the United States customarily have not rendered judgments for money damages denominated in any currency other than U.S. Dollars. A 1987 amendment to the Judiciary Law of the State of New York provides, however, that an action based upon an obligation denominated in any currency other than U.S. Dollars will be rendered in the foreign currency of the underlying obligation and converted into U.S. Dollars at the rate of exchange prevailing on the date of the entry of the judgment or decree.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

General

The following summary describes the principal United States federal income tax consequences of ownership of Notes. It applies only to Notes held as capital assets, and not with special classes of holders, such as dealers in securities or currencies, traders in securities that elect to mark to market, banks, tax-exempt organizations, life insurance companies, United States holders (as defined below) that hold Notes that are a hedge or that are hedged against currency risks or that are part of a straddle or conversion transaction, or persons whose functional currency is not the U.S. dollar. Moreover, the summary deals only with Notes that are due to mature 30 years or less from the date on which they are issued. The United States federal income tax consequences of ownership of Notes that are due to mature more than 30 years from their date of issue will be discussed in an applicable Pricing Supplement. The summary is based on the Code, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as currently in effect and all subject to change at any time, perhaps with retroactive effect.

Prospective purchasers of Notes should consult their own tax advisors concerning the consequences, in their particular circumstances, under the Code and the laws of any other taxing jurisdiction, of the ownership of Notes.

United States Holders

Payments of Interest

Interest on a Note, whether payable in U.S. dollars or a Specified Currency, other than interest on a “Discount Note” that is not “qualified stated interest” (each as defined below under “Original Issue Discount; General”), will be taxable to a “United States Holder” as ordinary income at the time the interest is received or accrued, depending on the holder’s method of accounting for tax purposes. A “United States Holder” is a beneficial owner that is (i) a citizen or resident of the United States, (ii) a domestic corporation, (iii) an estate the income of which is subject to United States federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust.

If an interest payment is denominated in, or determined by reference to, a Specified Currency, the amount of income recognized by a cash basis United States Holder will be the U.S. dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual basis United States Holder may determine the amount of income recognized with respect to an interest payment denominated in, or determined by reference to, a Specified Currency in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, with respect to an accrual period that spans two taxable years, the part of the period within the taxable year).

Under the second method, the United States Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year. Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period or taxable year, an electing accrual basis United States Holder may instead translate such accrued interest into U.S. dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the United States Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the United States Holder, and will be irrevocable without the consent of the Internal Revenue Service (the “Service”).

Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Note) denominated in, or determined by reference to, a Specified Currency, the United States Holder will recognize ordinary income or loss measured by the difference between (i) the average exchange rate used to accrue interest income, or the exchange rate as determined under the second method described above if the United States Holder elects that method, and (ii) the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

Original Issue Discount

General. Ownership of a Note, other than a Note with a term of one year or less (a “short-term Note”), will be treated as issued at an original issue discount (a “Discount Note”) if the excess of the Note’s “stated redemption price at maturity” over its issue price is more than a “de minimis amount” (as defined below). Generally, the issue price of a Note will be the first price at which a substantial amount of Notes included in the issue of which the Note is a part is sold to other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers. The “stated redemption price at maturity” of a Note is the total of all payments provided by the Note that are not payments of “qualified stated interest”. A “qualified stated interest” payment is generally any one of a series of stated interest payments on a Note that are unconditionally payable at least annually at a single fixed rate (with certain exceptions for lower rates paid during some periods) applied to the outstanding principal amount of the Note. Special rules for “Variable Rate Notes” (as defined below under “Variable Rate Notes”) are described below under “Variable Rate Notes”.

In general, if the excess of a Note’s stated redemption price at maturity over its issue price is less than $\frac{1}{4}$ of 1% of the Note’s stated redemption price at maturity multiplied by the number of complete years to its maturity (the “de minimis amount”), then such excess, if any, constitutes “de minimis original issue discount” and the Note is not a Discount Note. Unless the election described below under “Election to Treat All Interest as Original Issue Discount” is made, a United States Holder of a Note with de minimis original issue discount must include such de minimis original issue discount in income as stated principal payments on the Note are made. The includible amount with respect to each such payment will equal the product of the total amount of the Note’s de minimis original issue discount and a fraction, the numerator of which is the amount of the principal payment made and the denominator of which is the stated principal amount of the Note.

United States Holders of Discount Notes having a maturity of more than one year from their date of issue must, generally, include original issue discount (“OID”) in income calculated on a constant-yield method before the receipt of cash attributable to such income, and generally will have to include in income increasingly greater amounts of OID over the life of the Note. The amount of OID includible in income by a United States Holder of a Discount Note is the sum of the daily portions of OID with respect to the Discount Note for each day during the taxable year or portion of the taxable year on which the United States Holder holds such Discount Note (“accrued OID”). The daily portion is determined by allocating to each day in any “accrual period” a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a Note may be of any length selected by the United States Holder and may vary in length over the term of the Note as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Note occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount Note’s adjusted issue price at the beginning of the accrual period and such Note’s yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Note allocable to the accrual period. The “adjusted issue price” of a Discount Note at the beginning of any accrual period is the issue price of the Note increased by (1) the amount of accrued OID for each prior accrual period and decreased by (2) the amount of any payments previously made on the Note that were not qualified stated interest payments. For purposes of determining the amount of OID allocable to an accrual period, if an interval between payments of qualified stated interest on the Note contains more than one accrual period, the amount of qualified stated interest payable at the end of the interval (including any qualified stated interest that is payable on the first day of the accrual period immediately following the interval) is allocated pro rata on the basis of relative lengths to each accrual period in the interval, and the adjusted issue price at the beginning of each accrual period in the interval must be increased by the amount of any qualified stated interest that has accrued prior to the first day of the accrual period but that is not payable until the end of the interval. The amount of OID allocable to an initial short accrual period may be computed using any reasonable method if all other accrual periods other than a final short accrual period are of equal length. The amount of OID allocable to the final accrual period is the difference between (A) the amount payable at the maturity of the Note (other than any payment of qualified stated interest) and (B) the Note’s adjusted issue price as of the beginning of the final accrual period.

Acquisition Premium. A United States Holder that purchases a Note for an amount less than or equal to the sum of all amounts payable on the Note after the purchase date other than payments of qualified stated interest but in excess of its adjusted issue price (as determined above under “—General”) (any such excess being “acquisition premium”) and that

does not make the election described below under “Election to Treat All Interest as Original Issue Discount” shall reduce the daily portions of OID by a fraction, the numerator of which is the excess of the United States Holder’s adjusted basis in the Note immediately after its purchase over the adjusted issue price of the Note, and the denominator of which is the excess of the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, over the Note’s adjusted issue price.

Pre-Issuance Accrued Interest. If (i) a portion of the initial purchase price of a Note is attributable to pre-issuance accrued interest, (ii) the first stated interest payment on the Note is to be made within one year of the Note’s issue date and (iii) the payment will equal or exceed the amount of pre-issuance accrued interest, then an election may be made to decrease the issue price of the Note by the amount of pre-issuance accrued interest. In that event, a portion of the first stated interest payment will be treated as a return of the excluded pre-issuance accrued interest and not as an amount payable on the Note.

Notes Subject to Contingencies Including Optional Redemption. If a Note provides for an alternative payment schedule or schedules applicable upon the occurrence of a contingency or contingencies (other than a remote or incidental contingency), whether such contingency relates to payments of interest or of principal, if the timing and amount of the payments that comprise each payment schedule are known as of the issue date and if one of such schedules is significantly more likely than not to occur, the yield and maturity of the Note are determined by assuming that the payments will be made according to that payment schedule. If there is no single payment schedule that is significantly more likely than not to occur (other than because of a mandatory sinking fund), the Note will be subject to the general rules that govern contingent payment obligations. These rules will be discussed in an applicable Pricing Supplement.

Notwithstanding the general rules for determining yield and maturity in the case of Notes subject to contingencies, if the Bank or the holder has an unconditional option or options that, if exercised, would require payments to be made on the Note under an alternative payment schedule or schedules, then (i) in the case of an option or options of the Bank, the Bank will be deemed to exercise or not exercise an option or combination of options in the manner that minimizes the yield on the Note and (ii) in the case of an option or options of the holder, the holder will be deemed to exercise or not exercise an option or combination of options in the manner that maximizes the yield on the Note. If both the Bank and the holder have options described in the preceding sentence, those rules apply to such options in the order in which they may be exercised. For purposes of those calculations, the yield on the Note is determined by using any date on which the Note may be redeemed or repurchased as the maturity date and the amount payable on such date in accordance with the terms of the Note as the principal amount payable at maturity.

If a contingency (including the exercise of an option) actually occurs or does not occur contrary to an assumption made according to the above rules (a “change in circumstances”) then, except to the extent that a portion of the Note is repaid as a result of the change in circumstances and solely for purposes of determining the amount and accrual of OID, the yield and maturity of the Note are redetermined by treating the Note as having been retired and reissued on the date of the change in circumstances for an amount equal to the Note’s adjusted issue price on that date.

Election to Treat All Interest as Original Issue Discount. A United States Holder may elect to include in gross income all interest that accrues on a Note using the constant-yield method described above under “—General”, with the modifications described below. For purposes of this election, interest includes stated interest, OID, de minimis original issue discount, market discount, de minimis market discount and unstated interest, as adjusted by any amortizable bond premium (described below under “—Notes Purchased at a Premium”) or acquisition premium.

In applying the constant-yield method to a Note with respect to which this election has been made, the issue price of the Note will equal its cost to the electing United States Holder, the issue date of the Note will be the date of its acquisition by the electing United States Holder, and no payments on the Note will be treated as payments of qualified stated interest. This election will generally apply only to the Note with respect to which it is made and may not be revoked without the consent of the Service. If this election is made with respect to a Note with amortizable bond premium, then the electing United States Holder will be deemed to have elected to apply amortizable bond premium against interest with respect to all debt instruments with amortizable bond premium (other than debt instruments the interest on which is excludible from gross income) held by the electing United States Holder as of the beginning of the taxable year in which the Note with respect to which the election is made is acquired or thereafter acquired. The deemed election with respect to amortizable bond premium may not be revoked without the consent of the Service.

If the election to apply the constant-yield method to all interest on a Note is made with respect to a Market Discount Note, the electing United States Holder will be treated as having made the election discussed below under “—Market Discount” to include market discount in income currently over the life of all debt instruments held or thereafter acquired by such United States Holder.

Variable Rate Notes. A “Variable Rate Note” is a Note that: (i) has an issue price that does not exceed the total noncontingent principal payments by more than the lesser of (a) the product of (1) the total noncontingent principal payments, (2) the number of complete years to maturity from the issue date and (3) .015, or (b) 15 percent of the total noncontingent principal payments, and (ii) does not provide for stated interest other than stated interest compounded or paid at least annually at (A) one or more “qualified floating rates”, (B) a single fixed rate and one or more qualified floating rates, (C) a single “objective rate” or (D) a single fixed rate and a single objective rate that is a “qualified inverse floating rate”.

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a “current value” of that rate. A “current value” of a rate is the value of the rate on any day that is no earlier than 3 months prior to the first day on which that value is in effect and no later than 1 year following that first day.

A variable rate is a “qualified floating rate” if (i) variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Note is denominated or (ii) it is equal to the product of such a rate and either (a) a fixed multiple that is greater than 0.65 but not more than 1.35, or (b) a fixed multiple greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate. If a Note provides for two or more qualified floating rates that are within 0.25 percentage points of each other on the issue date or can reasonably be expected to have approximately the same values throughout the term of the Note, the qualified floating rates together constitute a single qualified floating rate. A rate is not a qualified floating rate, however, if the rate is subject to certain restrictions (including caps, floors, governors, or other similar restrictions) unless such restrictions are fixed throughout the term of the Note or are not reasonably expected to significantly affect the yield on the Note.

An “objective rate” is a rate, other than a qualified floating rate, that is determined using a single, fixed formula and that is based on objective financial or economic information that is not within the control of or unique to the circumstances of the issuer or a related party. A variable rate is not an objective rate, however, if it is reasonably expected that the average value of the rate during the first half of the Note’s term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Note’s term. An objective rate is a “qualified inverse floating rate” if (i) the rate is equal to a fixed rate minus a qualified floating rate, and (ii) the variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the cost of newly borrowed funds.

If interest on a Note is stated at a fixed rate for an initial period of one year or less followed by either a qualified floating rate or an objective rate for a subsequent period and (i) the fixed rate and the qualified floating rate or objective rate have values on the issue date of the Note that do not differ by more than 0.25 percentage points or (ii) the value of the qualified floating rate or objective rate is intended to approximate the fixed rate, the fixed rate and the qualified floating rate or the objective rate constitute a single qualified floating rate or objective rate. Under these rules, ISDA Rate Notes, CMT Rate Notes, Commercial Paper Rate Notes, Eleventh District Cost of Funds Rate Notes, Federal Funds Rate Notes, J.J. Kenny Rate Notes, CD Rate Notes, EURIBOR Notes, LIBOR Notes, Prime Rate Notes and Treasury Rate Notes will generally be treated as Variable Rate Notes.

In general, if a Variable Rate Note provides for stated interest at a single qualified floating rate or objective rate, all stated interest on the Note is qualified stated interest and the amount of OID, if any, is determined by using, in the case of a qualified floating rate or qualified inverse floating rate, the value as of the issue date of the qualified floating rate or qualified inverse floating rate, or, in the case of any other objective rate, a fixed rate that reflects the yield reasonably expected for the Note.

If a Variable Rate Note does not provide for stated interest at a single qualified floating rate or a single objective rate and also does not provide for interest payable at a fixed rate (other than at a single fixed rate for an initial period), the amount of interest and OID accruals on the Note are generally determined by (i) determining a fixed rate substitute for each variable rate provided under the Variable Rate Note (generally, the value of each variable rate as of the issue date

or, in the case of an objective rate that is not a qualified inverse floating rate, a rate that reflects the reasonably expected yield on the Note), (ii) constructing the equivalent fixed rate debt instrument (using the fixed rate substitutes described above), (iii) determining the amount of qualified stated interest and OID with respect to the equivalent fixed rate debt instrument, and (iv) making the appropriate adjustments for actual variable rates during the applicable accrual period. In determining the fixed rate substitute for each variable rate provided under the variable rate note, the value of each variable rate as of the issue date is generally used or, for an objective rate that is not a qualified inverse floating rate, a rate that reflects the reasonably expected yield on the note.

If a Variable Rate Note provides for stated interest either at one or more qualified floating rates or at a qualified inverse floating rate, and in addition provides for stated interest at a single fixed rate (other than at a single fixed rate for an initial period), the amount of interest and OID accruals are determined as in the immediately preceding paragraph with the modification that the Variable Rate Note is treated, for purposes of the first three steps of the determination, as if it provided for a qualified floating rate (or a qualified inverse floating rate, as the case may be) rather than the fixed rate. The qualified floating rate (or qualified inverse floating rate) replacing the fixed rate must be such that the fair market value of the Variable Rate Note as of the issue date would be approximately the same as the fair market value of an otherwise identical debt instrument that provides for the qualified floating rate (or qualified inverse floating rate) rather than the fixed rate.

Short-Term Notes. In general, an individual or other cash basis United States Holder of a short-term Note is not required to accrue OID (as specially defined below for the purposes of this paragraph) for United States federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis United States Holders and certain other United States Holders, including banks, regulated investment companies, dealers in securities, common trust funds, United States Holders who hold Notes as part of certain identified hedging transactions, certain pass-through entities and cash basis United States Holders who so elect, are required to accrue OID on short-term Notes on either a straight-line basis or under the constant-yield method (based on daily compounding), at the election of the United States Holder. In the case of a United States Holder not required and not electing to include OID in income currently, any gain realized on the sale or retirement of the short-term Note will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale or retirement. United States Holders who are not required and do not elect to accrue OID on short-term Notes will be required to defer deductions for interest on borrowings allocable to short-term Notes in an amount not exceeding the deferred income until the deferred income is realized.

For purposes of determining the amount of OID subject to these rules, all interest payments on a short-term Note, including stated interest, are included in the short-term Note's stated redemption price at maturity.

Specified Currency Discount Notes. OID for any accrual period on a Discount Note that is denominated in, or determined by reference to, a Specified Currency will be determined in the Specified Currency and then translated into U.S. dollars in the same manner as stated interest accrued by an accrual basis United States Holder, as described above under "Payments of Interest". Upon receipt of an amount attributable to OID (whether in connection with a payment of interest or the sale or retirement of a Note), a United States Holder may recognize ordinary income or loss.

Market Discount

A Note, other than a short-term Note, will be treated as purchased at a market discount (a "Market Discount Note") if (i) the amount for which a United States Holder purchased the Note is less than the Note's issue price (as determined above under "Original Issue Discount—General") and (ii) the Note's stated redemption price at maturity or, in the case of a Discount Note, the Note's "revised issue price", exceeds the amount for which the United States Holder purchased the Note by at least $\frac{1}{4}$ of 1% of such Note's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Note's maturity. If such excess is not sufficient to cause the Note to be a Market Discount Note, then such excess constitutes "de minimis market discount" and such Note is not subject to the rules discussed in the following paragraphs. The Code provides that, for these purposes, the "revised issue price" of a Note generally equals its issue price, increased by the amount of any OID that has accrued on the Note.

Any gain recognized on the maturity or disposition of a Market Discount Note will be treated as ordinary income to the extent that such gain does not exceed the accrued market discount on such Note. Alternatively, a United States Holder

of a Market Discount Note may elect to include market discount in income currently over the life of the Note. Such an election shall apply to all debt instruments with market discount acquired by the electing United States Holder on or after the first day of the first taxable year to which the election applies. This election may not be revoked without the consent of the Service. A United States Holder of a Market Discount Note that does not elect to include market discount in income currently generally will be required to defer deductions for interest on borrowings allocable to such Note in an amount not exceeding the accrued market discount on such Note until the maturity or disposition of such Note.

Market discount on a Market Discount Note will accrue on a straight-line basis unless the United States Holder elects to accrue such market discount on a constant-yield method. Such an election shall apply only to the Note with respect to which it is made and may not be revoked.

Notes Purchased at a Premium

A United States Holder that purchases a Note for an amount in excess of its principal amount may elect to treat such excess as “amortizable bond premium”, in which case the amount required to be included in the United States Holder’s income each year with respect to interest on the Note will be reduced by the amount of amortizable bond premium allocable (based on the Note’s yield to maturity) to such year. In the case of a Note that is denominated in, or determined by reference to, a Specified Currency, amortizable bond premium will be computed in units of Specified Currency, and amortizable bond premium will reduce interest income in units of the Specified Currency. At the time amortized bond premium offsets interest income, exchange gain or loss (taxable as ordinary income or loss) is realized measured by the difference between exchange rates at that time and at the time of the acquisition of the Notes. Any election to amortize bond premium shall apply to all bonds (other than bonds the interest on which is excludible from gross income) held by the United States Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the United States Holder, and is irrevocable without the consent of the Service. See also “—Original Issue Discount—Election to Treat All Interest as Original Issue Discount” above.

Purchase, Sale and Retirement of the Notes

A United States Holder’s tax basis in a Note will generally be its “U.S. dollar cost” (as defined below), increased by the amount of any OID or market discount included in the United States Holder’s income with respect to the Note and the amount, if any, of income attributable to de minimis original issue discount and de minimis market discount included in the United States Holder’s income with respect to the Note, and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortizable bond premium applied to reduce interest on the Note. The “U.S. dollar cost” of a Note purchased with a Specified Currency will generally be the U.S. dollar value of the purchase price on the date of purchase or, in the case of Notes traded on an established securities market, as defined in the applicable Treasury Regulations, that are purchased by a cash basis United States Holder (or an accrual basis United States Holder that so elects), on the settlement date for the purchase.

A United States Holder will generally recognize gain or loss on the sale or retirement of a Note equal to the difference between the amount realized on the sale or retirement and the tax basis of the Note. The amount realized on a sale or retirement for an amount in Specified Currency will be the U.S. dollar value of such amount on (i) the date payment is received in the case of a cash basis United States Holder, (ii) the date of disposition in the case of an accrual basis United States Holder or (iii) in the case of Notes traded on an established securities market, as defined in the applicable Treasury Regulations, sold by a cash basis United States Holder (or an accrual basis United States Holder that so elects), on the settlement date for the sale. Except to the extent (i) described above under “Original Issue Discount; Short-Term Notes” or “Original Issue Discount; Market Discount”, (ii) amounts are attributable to changes in exchange rates as described in the next succeeding paragraph, (iii) amounts are attributable to accrued but unpaid interest or (iv) that the general rules governing contingent payment obligations provide otherwise, gain or loss recognized on the sale or retirement of a Note will be capital gain or loss. Long-term capital gain of a non-corporate United States Holder is generally subject to a maximum tax rate of 15% where the holder has a holding period greater than one year.

Gain or loss recognized by a United States Holder on the sale or retirement of a Note that is attributable to changes in exchange rates will be treated as ordinary income or loss. However, exchange gain or loss is taken into account only to the extent of total gain or loss realized on the transaction.

Exchange of Amounts in Other Than U.S. Dollars

Specified Currency received as interest on a Note or on the sale or retirement of a Note will have a tax basis equal to its U.S. dollar value at the time such interest is received or at the time of such sale or retirement. Specified Currency that is purchased will generally have a tax basis equal to the U.S. dollar value of the Specified Currency on the date of purchase. Gain or loss recognized on a sale or other disposition of a Specified Currency (including its use to purchase Notes or upon exchange for U.S. dollars) will generally be ordinary income or loss.

Dual Currency Notes, Indexed Notes and Partly Paid Notes

The applicable Pricing Supplement will contain a discussion of any special United States federal income tax rules with respect to Dual Currency Notes, Indexed Notes and Partly Paid Notes.

United States Alien Holders

For purposes of this discussion, a “United States Alien Holder” is any holder of a Note or Coupon who is (i) a nonresident alien individual, (ii) a foreign corporation, (iii) a foreign partnership or (iv) an estate or trust, that in either case is not subject to United States federal income tax on a net income basis in respect of income or gain from a Note or Coupon. This discussion assumes that the Note or Coupon is not subject to the rules of Section 871(h)(4)(A) of the Code (relating to interest payments that are determined by reference to the income, profits, changes in the value of property or other attributes of the debtor or a related party).

Under present United States federal income and estate tax law, and subject to the discussion of backup withholding below:

(i) payments of principal, premium (if any) and interest, including OID, by the Bank or any of the Paying Agents to any holder of a Note or Coupon that is a United States Alien Holder will not be subject to United States federal withholding tax if, in the case of interest or OID.

- (a) the beneficial owner of the Note or Coupon does not actually or constructively own 10% or more of the total combined voting power of all classes of stock of the Bank entitled to vote,
- (b) the beneficial owner of the Note or Coupon is not a controlled foreign corporation that is related to the Bank through stock ownership,
- (c) in the case of a Note other than a bearer note either the U.S. payor does not have actual knowledge or reason to know that a holder is a United States person and

(1) the holder has furnished to the U.S. payor an Internal Revenue Service Form W-8BEN or an acceptable substitute form upon which the holder certifies, under penalties of perjury, that it is a non-United States person,

(2) in the case of payments made outside the United States to an offshore account (generally, an account maintained by a holder at a bank or other financial institution at any location outside the United States), the holder has furnished to the U.S. payor documentation that establishes the holder's identity and status as a non-United States person,

(3) the U.S. payor has received a withholding certificate (furnished on an appropriate Internal Revenue Service Form W-8 or an acceptable substitute form) from a person claiming to be:

(I) a withholding foreign partnership (generally a foreign partnership that has entered into an agreement with the Service to assume primary withholding responsibility with respect to distributions and guaranteed payments it makes to its partners),

(II) a qualified intermediary (generally a non-United States financial institution or clearing organization or a non-United States branch or office of a United States financial institution or clearing organization that is a party to a withholding agreement with the Service), or

(III) a U.S. branch of a non-United States bank or of a non-United States insurance company, and the withholding foreign partnership, qualified intermediary or U.S. branch has received documentation upon which it may rely to treat the payment as made to a non-United States person in accordance with U.S. Treasury regulations (or, in the case of a qualified intermediary, in accordance with its agreement with the Service),

(4) the U.S. payor receives a statement from a securities clearing organization, bank or other financial institution that holds customers' securities in the ordinary course of its trade or business:

(I) certifying to the U.S. payor under penalties of perjury that an Internal Revenue Service Form W-8BEN or an acceptable substitute form has been received from the holder by it or by a similar financial institution between it and the holder, and

(II) to which is attached a copy of the Internal Revenue Service Form W-8BEN or acceptable substitute form, or

(5) the U.S. payor otherwise possesses documentation upon which it may rely to treat the payment as made to a non-United States person in accordance with U.S. Treasury regulations;

(d) in the case of a Bearer Note, the Note is offered, sold and delivered in compliance with the restrictions described above under "Description of Notes—Form of Notes and Registration—Bearer Notes" and payments on the Note are made in accordance with the procedures described above under "Description of Notes—Payment of Principal, Premium and Interest";

(ii) a United States Alien Holder of a Note or Coupon will not be subject to United States federal withholding tax on any gain realized on the sale or exchange of a Note or Coupon; and

(iii) a Note or Coupon held by an individual who at death is not a citizen or resident of the United States will not be includible in the individual's gross estate for purposes of the United States federal estate tax as a result of the individual's death if (a) the individual did not actually or constructively own 10% or more of the total combined voting power of all classes of stock of the Bank entitled to vote and (b) the income on the Note would not have been effectively connected with a United States trade or business of the individual at the individual's death.

Treasury Regulations Requiring Disclosure of Reportable Transactions

Recently-promulgated Treasury regulations require United States taxpayers to report certain transactions that give rise to a loss in excess of certain thresholds (a "Reportable Transaction"). Under these regulations, if the notes are denominated in a foreign currency, a United States holder (or a United States alien holder that holds the notes in connection with a U.S. trade or business) that recognizes a loss with respect to the notes that is characterized as an ordinary loss due to changes in currency exchange rates (under any of the rules discussed above) would be required to report the loss on Internal Revenue Service Form 8886 (Reportable Transaction Statement) if the loss exceeds the thresholds set forth in the regulations. For individuals and trusts, this loss threshold is \$50,000 in any single taxable year. For other types of taxpayers and other types of losses, the thresholds are higher. You should consult with your tax advisor regarding any tax filing and reporting obligations that may apply in connection with acquiring, owning and disposing of notes.

Backup Withholding and Information Reporting

United States Holders

In general, information reporting requirements will apply to payments of principal, any premium and interest on a Note and the proceeds of the sale of a Note before maturity within the United States to, and to the accrual of OID on a Discount Note with respect to, non-corporate United States Holders, and “backup withholding” will apply to such payments and to payments of OID if the United States Holder fails to provide an accurate taxpayer identification number or is notified by the Service that it has failed to report all interest and dividends required to be shown on its federal income tax returns.

United States Alien Holders

In general, payments of principal, premium or interest, including OID, made by the Bank or a Paying Agent to United States Alien Holders will not be subject to backup withholding and information reporting, provided that the certification requirements described above under “—United States Alien Holders” are satisfied or the United States Alien Holder otherwise establishes an exemption. However, the Bank or a Paying Agent are required to report payments of interest on Notes on Internal Revenue Service Form 1042-S even if the payments are not otherwise subject to information reporting requirements. In addition, payment of the proceeds from the sale of Notes effected at a United States office of a broker will not be subject to backup withholding and information reporting provided that: (i) the broker does not have actual knowledge or reason to know that the Holder is a United States person and the holder has furnished to the broker (a) an appropriate Internal Revenue Service Form W-8 or an acceptable substitute form upon which the holder certifies, under penalties of perjury, that the holder is not a United States person, or (b) other documentation upon which it may rely to treat the payment as made to a non-United States person in accordance with U.S. Treasury regulations, or (ii) the holder otherwise establishes an exemption. If a holder fails to establish an exemption and the broker does not possess adequate documentation of the holder’s status as a non-United States person, the payments may be subject to information reporting and backup withholding. However, backup withholding will not apply with respect to payments made to an offshore account maintained by a holder unless the broker has actual knowledge that the holder is a United States person.

In addition, payment of the proceeds from the sale of Notes effected at a foreign office of a broker will be subject to information reporting if the broker is: a United States person, a controlled foreign corporation for United States tax purposes, a foreign person 50% or more of whose gross income is effectively connected with the conduct of a United States trade or business for a specified three-year period, or a foreign partnership, if at any time during its tax year: one or more of its partners are “U.S. persons”, as defined in U.S. Treasury regulations, who in the aggregate hold more than 50% of the income or capital interest in the partnership, or such foreign partnership is engaged in the conduct of a United States trade or business, unless the broker does not have actual knowledge or reason to know that you are a United States person and the documentation requirements described above (relating to a sale of Notes effected at a United States office of a broker) are met or you otherwise establish an exemption. Backup withholding will apply if the sale is subject to information reporting and the broker has actual knowledge that you are a United States person.

LIMITATIONS ON ISSUANCE OF BEARER NOTES

In compliance with United States federal tax laws and regulations, Bearer Notes (including Temporary Bearer Global Notes and Permanent Bearer Global Notes) may not be offered or sold during the restricted period (as defined in United States Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)) within the United States or its possessions or to United States persons (each as defined below) other than to an office located outside the United States or its possessions of a United States financial institution (as defined in Section 1.165-12(c)(1)(v) of the United States Treasury Regulations), purchasing for its own account or for resale or for the account of certain customers, that provides a certificate stating that it agrees to comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Code and the United States Treasury Regulations thereunder, or to certain other persons described in Section 1.163-5(c)(2)(i)(D)(1)(iii)(B) of the United States Treasury Regulations. Moreover, such Bearer Notes may not be delivered in connection with their sale during the restricted period within the United States or its possessions. Any distributor (as defined in Section 1.163-5(c)(2)(i)(D)(4) of the United States Treasury Regulations) participating in the offering or sale of Bearer Notes must covenant that it will not offer or sell during the restricted period any Bearer Notes within the United States or its possessions or to United States persons (other than the persons described above), it will not deliver in connection with the sale of Bearer Notes during the restricted period any Bearer Notes within the United States or its possessions and it has in effect procedures reasonably designed to ensure that its employees and agents who are directly engaged in selling the Bearer Notes are aware of the restrictions on offers and sales described above. No Bearer Note (other than a Temporary Bearer Global Note) may be delivered, nor may interest be paid on any Bearer Note until a certification of non-US beneficial ownership has been received.

As used herein, "United States person" means any citizen or resident of the United States, any corporation, partnership or other entity created or organized in or under the laws of the United States and any estate or trust the income of which is subject to United States federal income taxation regardless of its source, "United States" means the United States of America (including the States thereof and the District of Columbia) and "possessions" of the United States include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

PROPOSED EUROPEAN UNION DIRECTIVE ON TAXATION OF SAVINGS

The European Union has adopted a Directive regarding the taxation of saving income. It is proposed that, subject to a number of important conditions being met, member states of the European Union ("Member States") will be required from a date not earlier than January 1, 2005 to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to an individual resident in that other Member State, except that Belgium, Luxembourg and Austria will instead operate a withholding system for a transitional period in relation to such payments unless during such period they elect otherwise. It is expected that a number of third countries and territories will adopt similar measures with effect from the same date. The terms of the directive will not apply, for a limited period of seven years from January 1, 2005, to:

- (i) negotiable debt securities issued before March 1, 2001;
- (ii) negotiable debt securities issued after March 1, 2001 but before March 1, 2002, which are fungible with securities within (i) above; or
- (iii) negotiable debt securities issued before March 1, 2002 where the original prospectus was approved by the relevant competent authority (or by the responsible authority if approved in a non-Member State) before March 1, 2001.

PLAN OF DISTRIBUTION

Unless otherwise indicated in an applicable Pricing Supplement, the U.S. Distribution Agents shall be Wachovia Capital Markets, LLC, Barclays Capital Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities Inc., Credit Suisse First Boston Corporation and Citigroup Global Markets, Inc., and the European Distribution Agents shall be Wachovia Securities International Limited, Barclays Bank PLC, Merrill Lynch International, J.P. Morgan Securities Ltd., Credit Suisse First Boston (Europe) Limited and Citigroup Global Markets Limited. Wachovia Capital Markets, LLC is an indirect, wholly-owned subsidiary of the Corporation. The Corporation conducts its investment banking, institutional and capital markets businesses through its various bank, broker-dealer and nonbank subsidiaries under the trade name "Wachovia Securities". Under the terms of a Distribution Agreement, dated November 7, 2001 (the "Distribution Agreement"), among the Bank and the Distribution Agents, the Bank may sell Notes to a Distribution Agent, acting as principal, for resale to one or more investors and other purchasers at varying prices related to prevailing market prices at the time of resale, as determined by any such purchasing Distribution Agent. Unless otherwise indicated in an applicable Pricing Supplement, any Note sold to a Distribution Agent as principal will be purchased by such Distribution Agent at a price equal to 100% of the principal amount thereof, less a percentage not to exceed the maximum commission applicable to an agency sale of such a Note.

The Notes may also be offered by the Bank through the Distribution Agents, which have agreed to use their reasonable efforts to solicit offers to purchase the Notes, on an agency basis. When the Bank has sold Notes through a Distribution Agent on an agency basis it will pay such Distribution Agent a commission (or grant a discount) as agreed by the Bank and such Distribution Agent in an amount from (unless otherwise agreed to by the Bank and such Distribution Agent) 0.05% to 1.50% of the principal amount of each Note sold through such Distribution Agent. Any Distribution Agent will have the right, in its discretion, to reject any offer to purchase Notes received by such Distribution Agent.

The Bank has reserved the right to sell Notes directly to investors on its own behalf in those jurisdictions where it is authorized to do so. No selling commission will be payable nor will a selling discount be allowed on any sales made directly by the Bank. The Bank will have the sole right to accept offers to purchase Notes issued by the Bank and may reject any such offer, in whole or in part.

A Distribution Agent may sell Notes it has purchased from the Bank as principal to other broker dealers for resale to investors, and may allow any portion of the discount received in connection with such purchases from the Bank to such dealers. After the initial offering of the Notes, the offering price (in the case of Notes to be resold on a fixed offering price basis), the concession and the discount may be changed.

The Bank reserves the right to withdraw, cancel or modify the offer made hereby without notice and may reject orders in whole or in part whether placed directly with the Bank or with a Distribution Agent. No termination date has been established for the offering of the Notes.

Unless otherwise indicated in the applicable Pricing Supplement, payment of the purchase price of the Notes will be required to be made in funds immediately available in The City of New York.

The Bank has agreed to indemnify the Distribution Agents against, and contribute toward, certain liabilities, including liabilities under the United States federal securities laws. The Bank has also agreed to pay certain expenses of the Distribution Agents.

Wachovia Capital Markets, LLC is an affiliate of the Bank and the participation of Wachovia Capital Markets, LLC in the offer and sale of the Notes will comply with the requirements of Rule 2720 of the Conduct Rules of the National Association of Securities Dealers, Inc. (the "NASD"). No NASD member participating in offers and sales of the Notes may execute a transaction in the Notes in a discretionary account without the prior specific written approval of such member's customer.

Wachovia Securities International Limited is an indirect subsidiary of the Bank and upon receiving all necessary governmental approvals may participate in the offer and sale of the Notes.

Each Distribution Agent may from time to time purchase and sell Notes in the secondary market, but no Distribution Agent is obligated to do so. From time to time, a Distribution Agent may make a market in the Notes, but no Distribution Agent is obligated to do so and may discontinue any market-making activity at any time.

Application has been made to list certain of the Notes which may be issued pursuant to the Program during the twelve-month period following the date of this Offering Circular on the Luxembourg Stock Exchange. Notes may also be listed on such other or additional securities exchanges on which the Bank and the initial purchaser(s) may agree in relation to each issuance. The Bank may also issue unlisted Notes. There can be no assurance that the Notes offered by this Offering Circular will be sold or that there will be a secondary market for the Notes (or liquidity in such secondary market, if one develops).

Certain of the Distribution Agents and their affiliates may be customers of, and borrowers from, the Bank and its affiliates. In addition, certain of the Distribution Agents and their affiliates may engage in transactions with, and may perform services for, the Bank and its affiliates, including the Corporation.

In order to facilitate the sale of Notes, the Distribution Agents have reserved the right to appoint one of them to act as the Stabilizing Agent. Such appointment will be disclosed in the relevant Pricing Supplement. In connection with the issue of any Tranche, the Stabilizing Agent or any person acting for him may over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period. However, there is no obligation on the Stabilizing Agent or any agent of his to do this. Such stabilizing, if commenced, may be discontinued at any time, and must be brought to an end after a limited period. Finally, with respect to Notes distributed on a syndicated basis, the syndicate may reclaim selling concessions allowed for distributing the Notes, if the syndicate repurchases previously distributed Notes in transactions to cover syndicate short positions, in stabilization transactions or otherwise. Any of these activities may stabilize or maintain the market price of the Notes above independent market levels. The Distribution Agents are not required to engage in these activities, and may end any of these activities at any time.

This Offering Circular and related Pricing Supplements (in some cases along with the original offering circular used in connection with the initial offering of such notes) may be used by Wachovia Capital Markets, LLC, an affiliate of the Bank, in connection with offers and sales related to market-making transactions in the Notes and similar notes previously issued by the Bank and outstanding as of September 30, 2003, in an aggregate principal amount of US\$8,946,866,000, as described below. Wachovia Capital Markets, LLC may act as principal or agent in such transactions. Such sales will be made at negotiated prices relating to prevailing market prices at the time of sale or otherwise. Previous issuances of the Bank to which the foregoing relates, and the aggregate principal amounts outstanding as of September 30, 2003, of each, are as follows:

SUBORDINATED BANK NOTE LONG TERM FIXED RATE:

<u>Maturity Date</u>	<u>Par Amount</u>	<u>Rate</u>	<u>Payment Frequency</u>	<u>Issue Date</u>
3/22/2004	50,000,000	5.680	Semi	3/22/1999
7/20/2004	50,000,000	6.350	Semi	7/20/1999
9/15/2006	150,000,000	7.800	Semi	9/15/1997
10/15/2006	300,000,000	7.125	Semi	10/16/1996
10/17/2008	250,000,000	7.000	Annual	10/17/1996
12/1/2008	400,000,000	5.800	Semi	11/30/1998
2/15/2010	350,000,000	7.875	Semi	2/11/2000
8/18/2010	1,000,000,000	7.800	Semi	8/18/2000
8/15/2015	500,000,000	5.000	Semi	7/25/2003
12/1/2028	150,000,000	6.500	Semi	11/30/1998
2/15/2036	300,000,000	6.180	Semi	2/22/1996
12/15/2036	50,000,000	6.919	Semi	12/23/1996
Total:	<u>3,550,000,000</u>			

SUBORDINATED BANK NOTE FIXED/VARIABLE RATE:

<u>Maturity Date</u>	<u>Par Amount</u>	<u>Rate</u>	<u>Payment Frequency</u>	<u>Issue Date</u>
8/1/2010	\$300,000,000	7.70	Semi	7/31/2000

	<u>Index</u>	<u>Spread</u>	<u>Payment Frequency</u>
*On 08/01/05 the rate changes:	1 Mo Libor	0.109	Monthly
Total:	300,000,000		

MEDIUM TERM BANK NOTE VARIABLE RATE:

<u>Maturity Date</u>	<u>Par Amount</u>	<u>Index</u>	<u>Spread</u>	<u>Payment Frequency</u>	<u>Issue Date</u>
10/1/2003	56,000,000	3 Mo Libor	0.100	Quarterly	9/30/1998
8/3/2038	25,000,000	3 Mo Libor	-0.250	Quarterly	8/3/1998
11/4/2038	64,000,000	3 Mo Libor	-0.250	Quarterly	11/4/1998
5/21/2039	19,160,000	3 Mo Libor	-0.250	Quarterly	5/21/1999
3/27/2040	43,706,000	3 Mo Libor	-0.250	Quarterly	3/27/2000
11/27/2040	25,000,000	3 Mo Libor	-0.200	Quarterly	11/27/2000
Total:	<u>232,866,000</u>				

GLOBAL MEDIUM TERM BANK NOTE FIXED RATE:

<u>Maturity Date</u>	<u>Par Amount</u>	<u>Rate</u>	<u>Payment Frequency</u>	<u>Issue Date</u>
7/30/2007	500,000,000	4.850	Semi	6/10/2002
8/25/2006	25,000,000	3.000	Semi	8/26/2003
Total:	<u>525,000,000</u>			

GLOBAL MEDIUM-TERM BANK NOTE VARIABLE RATE:

<u>Maturity Date</u>	<u>Par Amount</u>	<u>Index</u>	<u>Spread</u>	<u>Payment Frequency</u>	<u>Issue Date</u>
12/11/2003	22,000,000	3 Mo Libor	0.200	Quarterly	12/11/2000
2/20/2004	100,000,000	3 Mo Libor	0.240	Quarterly	2/22/2001
3/16/2004	135,000,000	3 Mo Libor	0.240	Quarterly	3/16/2001
4/19/2004	200,000,000	FedFunds	0.110	Quarterly	10/18/2002
4/22/2004	25,000,000	Prime	-2.910	Quarterly	10/22/2002
5/19/2004	37,000,000	1 Mo Libor	0.130	Monthly	5/5/1999
5/19/2004	45,000,000	3 Mo Libor	0.130	Quarterly	5/5/1999
5/19/2004	100,000,000	3 Mo Libor	0.140	Quarterly	5/7/1999
6/3/2004	100,000,000	3 Mo Libor	0.180	Quarterly	6/3/1999
6/3/2004	100,000,000	3 Mo Libor	0.180	Quarterly	6/3/1999
6/4/2004	45,000,000	1 Mo Libor	0.180	Monthly	6/4/1999
6/4/2004	75,000,000	3 Mo Libor	0.180	Quarterly	6/9/1999
6/8/2004	20,000,000	3 Mo Libor	0.170	Quarterly	6/8/1999
6/10/2004	30,000,000	3 Mo Libor	0.170	Quarterly	6/10/1999
6/10/2004	25,000,000	3 Mo Libor	0.170	Quarterly	6/10/1999
6/14/2004	20,000,000	1 Mo Libor	0.180	Monthly	6/14/1999
6/14/2004	105,000,000	3 Mo Libor	0.180	Quarterly	6/14/1999
6/14/2004	20,000,000	3 Mo Libor	0.180	Quarterly	6/14/1999
6/16/2004	50,000,000	3 Mo Libor	0.170	Quarterly	6/16/1999
6/18/2004	25,000,000	3 Mo Libor	0.170	Quarterly	6/18/1999
6/21/2004	12,000,000	3 Mo Libor	0.170	Quarterly	6/21/1999
6/24/2004	25,000,000	3 Mo Libor	0.170	Quarterly	6/24/1999
6/24/2004	40,000,000	1 Mo Libor	0.180	Monthly	6/24/1999
7/30/2004	165,000,000	3 Mo Libor	0.300	Quarterly	7/30/1999
7/30/2004	30,000,000	3 Mo Libor	0.300	Quarterly	7/30/1999
11/5/2004	30,000,000	3 Mo Libor	0.150	Quarterly	11/5/1999
8/22/2005	25,000,000	3 Mo Libor	0.300	Quarterly	1/16/2001
8/31/2005	40,000,000	1 Mo Libor	0.240	Monthly	8/31/2000
9/6/2005	230,000,000	1 Mo Libor	0.240	Monthly	9/6/2000
9/8/2005	25,000,000	1 Mo Libor	0.240	Monthly	9/8/2000
9/27/2005	250,000,000	3 Mo Libor	0.050	Quarterly	9/27/2002
10/12/2005	100,000,000	3 Mo Libor	0.225	Quarterly	10/12/2000
10/13/2005	147,000,000	1 Mo Libor	0.240	Monthly	10/13/2000
10/18/2004	100,000,000	Fedeff	0.190	Quarterly	10/18/2002

GLOBAL MEDIUM-TERM BANK NOTE VARIABLE RATE:

<u>Maturity Date</u>	<u>Par Amount</u>	<u>Index</u>	<u>Spread</u>	<u>Payment Frequency</u>	<u>Issue Date</u>
10/21/2004	57,000,000	Fedeff	0.190	Quarterly	10/21/2002
10/21/2004	120,000,000	3 Mo Libor	0.030	Quarterly	10/21/2002
10/25/2004	10,000,000	Fedeff	0.190	Quarterly	10/24/2002
10/29/2004	125,000,000	1 Mo Libor	0.050	Monthly	10/29/2002
11/15/2004	225,000,000	FedFunds	0.150	Quarterly	11/15/2002
11/15/2004	351,000,000	Fedeff	0.170	Quarterly	11/15/2002
11/16/2005	25,000,000	1 Mo Libor	0.250	Monthly	11/16/2000
12/19/2005	50,000,000	3 Mo Libor	0.050	Quarterly	12/18/2002
12/27/2005	100,000,000	3 Mo Libor	0.350	Quarterly	12/27/2000
1/17/2006	20,000,000	6 Mo Libor	0.350	Semi	1/16/2001
2/13/2006	75,000,000	1 Mo Libor	0.370	Monthly	2/13/2001
3/6/2006	150,000,000	3 Mo Libor	0.350	Quarterly	3/6/2001
3/15/2006	125,000,000	1 Mo Libor	0.370	Monthly	3/12/2001
6/7/2006	358,000,000	1 Mo Libor	0.300	Monthly	6/7/2001
1/9/2008	50,000,000	1 Mo Libor	0.160	Monthly	1/9/2003
Total:	<u>4,339,000,000</u>				

Sales Restrictions

General

No action has been taken by the Bank that would permit a public offering of the Notes or possession or distribution of this Offering Circular, including any supplements thereto, or any other offering material in any jurisdiction outside the United States where action for that purpose is required other than as described below. Accordingly, each Distribution Agent has represented, warranted and agreed, and each other distribution agent will be required to represent, warrant and agree, that it will comply with all applicable laws and regulations in force in any such jurisdiction in which it purchases, offers or sells Notes or possesses or distributes this Offering Circular, including any supplements thereto, or any other offering material and will obtain any consent, approval or permission required by it for the purchase, offer or sale by it of Notes under the laws and regulations in force in any such jurisdiction to which it is subject or in which it makes such purchases, offers or sales and the Bank shall have no responsibility therefor.

With regard to each Note, the relevant purchaser will be required to comply with such restrictions as the Bank and the relevant purchaser shall agree and as shall be set out in the applicable Pricing Supplement.

United States Law

The Notes have not been, and are not required to be, registered with the Commission under the Securities Act. The Notes are exempt from registration with the Commission pursuant to an exemption contained in Section 3(a)(2) of the Securities Act and, with respect to any Notes with a maturity of less than 270 days, pursuant to the exemption contained in Section 3(a)(3) of the Securities Act as well. The Notes are being offered and sold pursuant to exemptions from registration with the OCC set forth in Part 16 of the OCC's regulations (12 C.F.R. Part 16). To qualify for these exemptions from registration with the OCC, among other things, the Notes must be offered and sold (i) only to "accredited investors" (as defined in Rule 501(a) pursuant to the Securities Act) and must be sold in minimum denominations of US\$250,000 or the equivalent thereof in other currencies (and not be exchangeable for Notes in smaller denominations) (and, in the case of Notes with a maturity of less than 270 days sold pursuant to Section 16.5(a) of Part 16 of the OCC's Regulations (as it relates to Section 3(a)(3) of the Securities Act), only to such "accredited investors" who are institutional investors or other entities or individuals who normally purchase commercial paper in large denominations) or (ii) to non-U.S. persons in offshore transactions in accordance with Regulation S under the Securities Act. Each Distribution Agent has severally agreed, and each other distribution agent shall be required to agree, with the Bank that in any initial offering hereunder, in relation to Notes to be issued and sold in reliance upon Section 16.5(a) or Section 16.6(a) of Part 16, such Distribution Agent, and such other distribution agent, shall only offer and sell Notes to, or accept offers to purchase Notes from, persons it reasonably believes are accredited investors (as defined in Rule 501(a) under the Securities Act) in minimum denominations of not less than US\$250,000 and that, in relation to Notes to be issued and sold in reliance upon Section 16.5(g) of Part 16, such Distribution Agent, or such other distribution agent, shall offer or sell Notes only to non-U.S. persons in offshore transactions in accordance with Regulation S under the Securities Act.

With respect to Notes offered and sold pursuant to Regulation S (Category 3) (as incorporated into 12 C.F.R. 16.5(g) of the OCC's regulations), each Distribution Agent has agreed, and each other distribution agent will be required to agree with the Bank, that, except as permitted by the Distribution Agreement, it will not offer or sell Notes of any Tranche issued in reliance on Regulation S within the United States or to or for the account or benefit of U.S. persons (i) as part of its distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes of such Tranche (as determined and certified to the Bank by each Distribution Agent, and such other distribution agent, as to Notes purchased by or through it, in which case the Bank shall notify such Distribution Agent, or such other distribution agent, when all Distribution Agents, including all other distribution agents, have so certified), only in accordance with Rule 903 of Regulation S under the Securities Act (as such rule is incorporated into the OCC's regulations by 12 C.F.R. 16.5(g)). Accordingly, each Distribution Agent represents and agrees that neither it, its affiliates (if any) nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts with respect to the Notes, and that it, its affiliates (if any) and any person acting on its or their behalf has complied and will comply with the offering restriction requirements of Regulation S (as they are incorporated into the OCC's regulations by 12 C.F.R. 16.5(g)). Each Distribution Agent represents and agrees that, at or prior to confirmation of the sale of the Notes of any such Series, it will have sent to each distributor, dealer, agent or person receiving a selling concession, fee or other remuneration that purchases Notes of such Series from it or through it during the restricted period a confirmation or notice substantially to the following effect:

"The Notes covered hereby have not been registered under the United States Securities Act of 1933, as amended (the "Securities Act") or under the regulations of the U.S. Comptroller of the Currency ("Comptroller's Regulations") relating to securities offering by national banks (12 C.F.R. Part 16) and the Notes covered hereby may not be offered or sold within the United States or to or for the account or benefit of U.S. persons (i) as part of their distribution at any time or (ii) otherwise until forty days after the completion of the distribution of the Tranche represented by the Notes as determined and certified by the Distribution Agents, except in either case in accordance with Regulation S under the Securities Act (without regard to the exemption from the registration requirements provided by Section 3(a)(2) of the Securities Act), as such Regulation is incorporated into the Comptroller's Regulation by 12 C.F.R. Section 16.5(g). Terms used above have the meanings given to them by Regulation S."

In addition, until 40 days after the commencement of the offering of any Series of such Notes, an offer or sale of such Series within the United States by a dealer or agent may violate the requirements of Regulation S.

Bearer Notes are subject to United States tax law requirements and may not be offered, sold, resold or delivered, directly or indirectly, within the United States or its possessions or to a U.S. person, except in certain transactions permitted by United States tax regulations. Any underwriters, distribution agents and dealers participating in the offering of Bearer Notes, directly or indirectly, will be required to agree that they will not, in connection with the original issuance of any Bearer Notes or during the restricted period offer, sell, resell or deliver, directly or indirectly, any Bearer Notes in the United States or its possessions or to United States persons (other than as permitted by the applicable United States tax regulations). In addition, any such underwriters, agents and dealers will be required to have procedures reasonably designed to ensure that their employees or agents who are directly engaged in selling Bearer Notes are aware of the above restrictions on the offering, sale, resale or delivery of Bearer Notes. Terms used in this paragraph have the meaning given to them by the Code.

United Kingdom

Each Distribution Agent has represented and agreed, and each other distribution agent will be required to represent and agree, that:

- with respect to Notes which have a maturity of one year or more, it has not offered or sold and will not offer or sell any such Notes to persons in the United Kingdom prior to the expiring of a period of six months from the issue date of such Notes except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995;
- it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Bank; and
- it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been, and will not be, registered under the Securities and Exchange Law of Japan. Accordingly, each Distribution Agent has represented and agreed, and each other distribution agent or dealer will be required to represent and agree, that, in connection with the Notes, it has not, directly or indirectly, offered, sold or delivered and will not, directly or indirectly, offer, sell or deliver any Notes in Japan or to residents of Japan or for the benefit of any Japanese person (which term as used herein means any person resident in Japan including any corporation or other entity organized under the laws of Japan) or to others for re-offering, resale or delivery, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan or to any Japanese person except in compliance with any applicable laws and regulations of Japan taken as a whole. Each Distribution Agent agrees to provide any necessary information on Notes denominated or payable in Yen to the Bank (which shall not include the names of clients) so that the Bank may make any required reports to the Ministry of Finance through its designated agent.

In connection with an issuance of Notes denominated or payable in Yen, the Bank will be required to comply with all applicable laws, regulations and guidelines, as amended from time to time, of the Japanese government and regulatory authorities.

Germany

No selling prospectus (*Verkausprospekt*) within the meaning of the German Securities Prospectus Act (*Wertpapier-Verkaufsprospektgesetz*) of December 13, 1990 (as amended) has been and will be registered or published within the Federal Republic of Germany. The Notes have not been offered or sold and will not be offered or sold in the Federal Republic of Germany otherwise than in accordance with the provisions of the Securities Prospectus Act.

France

This Offering Circular has not been submitted to the French *Commission des opérations de bourse* for approval and the Notes have not and will not be offered or sold, directly or indirectly, to the public in France. Accordingly, each Distribution Agent has agreed that it will only offer Notes in France to qualified investors (*investisseurs qualifiés*), as defined under article L. 411-2 of the Code Monétaire et Financier and décret no. 98-880 of October 1, 1998; provided, in this case, that it shall have obtained a certificate from the investor providing an acknowledgement that: (i) the offering is a private placement in France and no prospectus has been submitted to the *Commission des opérations de bourse*, (ii) the investor is an “*investisseur qualifié*” within the meaning of article L. 411-2 of the Code Monétaire et Financier and décret no. 98-880 of October 1, 1998, (iii) the investor is investing for his own account, and (iv) the investor will not resell the Notes in violation of French securities laws and regulations.

Switzerland

Each Distribution Agent has represented and agreed, and each other distribution agent will be required to represent and agree, that the issue of any Notes denominated in Swiss Francs or carrying a Swiss Franc-related element will be effected in compliance with the relevant regulations of the Swiss National Bank, which currently require that such issues have a maturity of more than one year, to be effected through a bank domiciled in Switzerland that is regulated under the Swiss Federal Law on Banks and Savings Banks of 1934 (as amended) (which includes a branch or subsidiary located in Switzerland of a foreign bank) or through a securities dealer which has been licensed as a securities dealer under the Swiss Federal Law on Stock Exchanges and Securities Trading of 1995 (except for issues of Notes denominated in Swiss Francs on a syndicated basis, where only the lead manager need be a bank domiciled in Switzerland). The relevant Distribution Agent must report certain details of the relevant transaction to the Swiss National Bank no later than the time of delivery of the Notes.

The Netherlands

Each Distribution Agent represented and agreed, and each other Distribution Agent will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell in the The Netherlands any Notes with a denomination of less than €50,000 (or its foreign currency equivalent) other than to persons who trade or invest in securities in the conduct of a profession or business (which includes banks, stockbrokers, insurance companies, pension funds, other institutional investors and finance companies and treasury departments of large enterprises) unless one of the other exemptions or exceptions to the prohibition contained in Article 3 of the Dutch Securities Transactions Supervision Act 1995 (*Wet toezicht effectenverkeer 1995*) is applicable and the conditions attached to such exemption or exception are complied with.

GENERAL INFORMATION

Listing

Application has been made to list certain of the Notes which may be issued pursuant to the Program during the twelve-month period following the date of this Offering Circular on the Luxembourg Stock Exchange. The Luxembourg Stock Exchange has allocated to the Program the number 12211 for listing purposes. Prior to the listing of any such Notes, the institutional documents of the Bank and the legal notice relating to the issue will be registered with the Registre de Commerce et des Sociétés à Luxembourg (“the Luxembourg Trade and Companies’ Register), where copies of these documents may be obtained upon request.

However, Notes may be issued pursuant to the Program which will not be listed on the Luxembourg Stock Exchange or which will be listed on such securities exchange as the Bank and the relevant Distribution Agent(s) may agree.

Authorization

The Program has been established and updated and Notes will be issued thereunder pursuant to authority granted by the Board of Directors of the Bank on October 1, 2001, as such authority may be supplemented from time to time.

Material Change

As of the date of this Offering Circular, there has been no adverse change in the financial position of the Bank and its consolidated subsidiaries which is material in the context of the Program or the issue and offering of Notes thereunder since December 31, 2002, except as disclosed herein or in the documents incorporated herein by reference. See “Available Information and Incorporation of Certain Documents by Reference”.

Litigation

As of the date of this Offering Circular, there are no litigation, arbitration or administrative proceedings relating to claims or amounts which are material in the context of the Program or the issue of Notes thereunder to which the Bank or any of its subsidiaries is a party nor, to the best knowledge and belief of the Bank, as of the date of this Offering Circular, are there any threatened litigation, arbitration or administrative proceedings relating to claims or amounts which are material in the context of the Program or the issue of Notes thereunder which would jeopardize its ability to discharge its obligations in respect of the Program or of Notes issued thereunder.

Clearance Systems

The Notes have been accepted for clearance through the DTC, Euroclear and Clearstream, Luxembourg systems. The appropriate CUSIP, Common Code and ISIN for each Tranche of Notes to be held through DTC and/or Euroclear and/or Clearstream, Luxembourg will be contained in the applicable Pricing Supplement.

Documents Available

Copies of the Articles of Association and Bylaws of the Bank, the Distribution Agreement, any Pricing Supplement to this Offering Circular, the Agency Agreement, which includes the forms of the Notes and any or all of the documents incorporated by reference herein (other than exhibits to such documents, unless such exhibits are incorporated by reference therein) will be available for inspection during normal business hours on any day (except Saturdays, Sundays and public holidays) at the offices of the Listing Agent specified on the inside back cover of this Offering Circular. As long as any Notes remain outstanding, copies of the latest Call Report of the Bank, including any non-consolidated financial statements, as at December 31 in each year, the quarterly Call Reports as of March 31, June 30 and September 30 in each year and any Pricing Supplement of this Offering Circular may be obtained (free of charge) at the offices of the Listing Agent specified on the inside back cover of this Offering Circular and at the specified offices of the Paying Agents. Other than Call Reports, the Bank does not publish interim financial statements.

VALIDITY OF THE NOTES

The validity of the Notes offered hereby has been passed upon for the Bank by Ross E. Jeffries, Senior Vice President and Assistant General Counsel of the Corporation, and for the Distribution Agents by Sullivan & Cromwell LLP, New York, New York. Sullivan & Cromwell LLP will rely as to all matters of North Carolina law on the opinion of Ross E. Jeffries, and Mr. Jeffries will rely as to all matters of New York law on the opinion of Sullivan & Cromwell LLP. The opinions of Mr. Jeffries and Sullivan & Cromwell LLP, may be conditioned upon, and subject to certain assumptions regarding, future action required to be taken by the Bank in connection with the issuance and sale of any particular Note, the specific terms of the Notes and other matters which may affect the validity of the Notes but which cannot be ascertained on the date of such opinions. The opinion of Sullivan & Cromwell LLP will also be conditioned upon, and subject to the assumptions that, the Bank has been duly organized and is a national banking association validly existing and in good standing under the laws of the United States. Mr. Jeffries owns shares of the Corporation's common stock and holds options to purchase additional shares of such common stock. Sullivan & Cromwell LLP regularly performs legal services for the Corporation and its subsidiaries. Certain members of Sullivan & Cromwell LLP performing these legal services own shares of the Corporation's common stock.

FORM OF PRICING SUPPLEMENT

PRICING SUPPLEMENT DATED _____,

(to be read in conjunction with the Offering Circular dated November 21, 2003)

Wachovia Bank, National Association

(a National Banking Association Organized Pursuant to the Laws of the United States)

Global Bank Notes

This Pricing Supplement should be read in conjunction with the accompanying Offering Circular, dated November 21, 2003 (the "Offering Circular"), relating to the US\$45,000,000,000 Global Bank Note Program of Wachovia Bank, National Association. Unless otherwise defined herein, terms used herein shall have the meanings ascribed to them in the Offering Circular.

[Include whichever of the following apply]

DESCRIPTION OF THE NOTES

1. Specified Currency and Principal Amount:
2. Senior or Subordinated:
3. Original Issue Date:
4. Stated Maturity Date:
5. Issue Price:
6. (a) Authorized Denomination(s):
(b) Redenomination (Yes/No): _____ [If yes, give details]
7. Form of Note (Registered or Bearer):
8. (a) Series Number:
(b) If forming part of an existing Series (Yes/No): _____ [If yes, give details]
9. Interest Period:
 - One Month
 - Three Months
 - Six Months
 - Twelve Months
 - Other (Specify Number of Months): _____
10. Interest Payment Date(s):
11. Record Dates (for Registered Notes with Maturities Greater than One Year):
12. Exchange Rate Agent (Registered Notes and Dual Currency Notes):
13. Default Rate (if other than Interest Rate): _____ % per annum

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

FIXED RATE NOTES

14. Interest Rate: _____ % per annum

15. Day Count Convention:

- 30/360 for the period from _____ to _____
- Actual/360 for the period from _____ to _____
- Actual/Actual for the period from _____ to _____
- Other (specify convention and applicable period):

FLOATING RATE NOTES

16. Interest Rate Determination:

- ISDA Rate
- Reference Rate Determination

17. Calculation Agent, if not the Bank:

18. Maximum Interest Rate: % per annum

19. Minimum Interest Rate: % per annum

20. Day Count Convention:

- 30/360 for the period from _____ to _____
- Actual/360 for the period from _____ to _____
- Actual/Actual for the period from _____ to _____
- Other (specify convention and applicable period):

ISDA RATE

21. Margin: [+/-] % per annum

22. Floating Rate Option:

23. Designated Maturity:

24. Reset Date:

REFERENCE RATE DETERMINATION

25. Initial Interest Rate:

26. Index Maturity:

27. Interest Rate Basis or Bases:

If CMT Rate: Designated CMT Telerate Page:

Designated CMT Maturity Index:

- If LIBOR: LIBOR Telerate
 LIBOR Reuters

28. Index Currency:

29. Spread: [+/-] % per annum
30. Spread Multiplier:
31. Initial Interest Reset Date:
32. Interest Reset Period:
33. Interest Reset Dates:
34. Interest Calculation:
- Regular Floating Rate Note
- Floating Rate/Fixed Rate Note
- Fixed Rate Commencement Date:
- Fixed Interest Rate: % per annum
- Inverse Floating Rate Note:
- Fixed Interest Rate: % per annum

PROVISIONS REGARDING REDEMPTION/REPAYMENT

35. Initial Redemption Date:
36. Initial Redemption Percentage:
37. Annual Redemption Percentage Reduction:
38. Holder's Optional Repayment Date(s):

DISCOUNT NOTES (INCLUDING ZERO COUPON NOTES)

39. Discount Note (Yes/No):
- If Yes: Total Amount of OID:
- Yield to Maturity:
- Initial Accrual Period: %
- Issue Price:

INDEXED NOTES

40. Index: [give details]
41. Formula:
42. Agent, if any, responsible for calculating the principal and/or interest payable:
43. Provisions where calculation by reference to Index and/or Formula is impossible or impracticable:

DUAL CURRENCY NOTES

44. Dual Currency Notes (Yes/No):
- If Yes: Face Amount:
- Face Amount Currency:
- Optional Payment Currency:
- Option Election Dates: [give details]
45. Designated Exchange Rate:
46. Option Value Calculation Agent:
47. Agent, if any, responsible for calculating the principal and/or interest payable:

INSTALLMENT NOTES

48. Additional provisions relating to Installment Notes:

PARTLY PAID NOTES

49. Additional provisions relating to Partly Paid Notes:

GENERAL PROVISIONS

50. Additional or different Paying Agents:

51. Additional or different Registrars:

52. Additional or different London Issuing Agents:

53. Additional or different Transfer Agents:

54. "Business Day" definition (if other than as defined in the Offering Circular):

55. Cost, if any, to be borne by Noteholders in connection with exchanges for Definitive Bearer Notes:

56. Talons for future Coupons or Receipts to be attached to Definitive Bearer Notes (Yes/No) and dates on which such Talons mature:

[If yes, give details]

57. Additional selling restrictions: [give details]

58. CUSIP:

ISIN:

Common Code:

Other (specify):

59. Details of additional/alternative clearance system approved by the Bank:

60. Notes to be listed (Yes/No):

If Yes, securities exchange(s):

61. Syndicated Issue (Yes/No):

If Yes, names of managers and details of relevant stabilizing manager, if any:

62. Clearance System(s):

DTC only

Euroclear and Clearstream, Luxembourg only

DTC, and Euroclear and Clearstream, Luxembourg through DTC

DTC, Euroclear and Clearstream, Luxembourg

Other:

63. Name(s) of relevant Distribution Agent(s):

64. Other terms or special conditions:

65. Tax considerations:

66. Discount or Commission per Note:

67. Basis for exemption from registration with the OCC:

- Section 16.5(a) of Part 16 of the OCC's regulations (12 C.F.R Part 16)
(as it relates to Section 3(a)(3) of the Securities Act)
- Section 16.5(g) of Part 16 of the OCC's regulations (12 C.F.R Part 16)
(as it relates to Regulation S under the Securities Act)
- Section 16.6(a) of Part 16 of the OCC's regulations (12 C.F.R Part 16)

INDEX OF CERTAIN DEFINED TERMS

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ISSUER

Wachovia Bank, National Association
One Wachovia Center
Charlotte, North Carolina 28288-0013
United States of America

**UNITED STATES REGISTRAR AND
DOMESTIC PAYING AGENT**

Wachovia Bank, National Association
One Wachovia Center
Charlotte, North Carolina 28288-0600
United States of America

**LONDON PAYING AGENT
AND LONDON ISSUING AGENT**

Citibank, N.A.
P.O. Box 18055
5 Carmelite Street,
London EC4Y 0PA

**LUXEMBOURG PAYING AGENT,
LISTING AGENT
AND TRANSFER AGENT**

Dexia Banque Internationale à Luxembourg
69, route d'Esch
L-2953 Luxembourg

LEGAL ADVISORS

To the Bank

As to United States Law:

Mark Treanor
Executive Vice President, Secretary and
General Counsel
Wachovia Corporation
One Wachovia Center
Charlotte, North Carolina 28288-0013
United States of America

To the Distribution Agents

As to United States Law:

Sullivan & Cromwell LLP
125 Broad Street
New York, New York 10004
United States of America

No agent, salesman or any other person has been authorized to give any information or to make any representations other than those contained in this Offering Circular, any Pricing Supplement hereto or the documents referred to under "Incorporation of Certain Documents by Reference" in connection with the offer contained in this Offering Circular and any Pricing Supplement hereto and, if given or made, such information or representations must not be relied upon as having been authorized by the Bank, the Corporation or the Distribution Agents. Neither the delivery of this Offering Circular, any Pricing Supplement hereto or the documents referred to under "Incorporation of Certain Documents by Reference" nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Bank or the Corporation since the dates as of which information is given in this Offering Circular. This Offering Circular and any Pricing Supplement hereto do not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

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US\$45,000,000,000



WACHOVIA

**Wachovia Bank,
National Association**

(a National Banking Association Organized Pursuant to the Laws of the United States)

**Global Bank Note Program
for the Issue of
Senior and Subordinated Notes
Due 7 Days or More
from Date of Issue**

OFFERING CIRCULAR

**Wachovia Securities
Wachovia Securities International Ltd.
Barclays Capital
Citigroup Global Markets
Credit Suisse First Boston
JPMorgan
Merrill Lynch & Co.
Merrill Lynch International**

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