



Corporate Governance Guidelines

Updated April 17, 2007

Introduction

Wachovia's vision is to be the best, most trusted and admired company in the financial services industry. This vision is consistent with Wachovia's ultimate goal of maximizing stockholder value over the long-term. Ultimately, Wachovia recognizes that its ability to achieve its vision and goal is dependent upon our dedicated and passionate service to our stockholders, customers, employees and the communities where we conduct business, as well as our commitment to sound corporate governance principles.

Over the years Wachovia has developed, and operated under, corporate governance policies and practices that are designed to (i) ensure that Wachovia's business and affairs are managed by Wachovia's management to meet its stated vision and goals, (ii) align the interests of the Board and management with those of Wachovia's stockholders, and (iii) promote the highest ethical conduct among Wachovia's directors and employees. The Board, which is elected by the stockholders, recognizes the importance of clearly communicating these corporate governance principles to Wachovia stockholders. Accordingly, Wachovia has formally adopted the written corporate governance policies, principles and guidelines outlined below (the "Guidelines"). These Guidelines, however, are not intended to be a static statement of Wachovia's policies, principles and guidelines, but will be subject to continual assessment and refinement as the Board may determine advisable or necessary in view of the best interests of Wachovia and its stockholders.

A. Responsibilities of the Board of Directors

Wachovia's business is managed under the direction and oversight of the Board of Directors. The Board appoints Wachovia's Chief Executive Officer and its senior management team who are responsible for the day-to-day conduct of Wachovia's business. The Board's primary responsibilities, thereafter, are to oversee management, and to exercise its business judgment to act in good faith and in what each director reasonably believes to be in the best interests of Wachovia. In addition, in fulfilling its responsibilities, Wachovia expects that the Board of Directors will:

- Represent the collective interests of all of Wachovia's stockholders;
- Demonstrate objectivity and the highest degree of integrity on an individual and collective basis;
- Promote Wachovia's vision and values, and adopt and follow Wachovia's code of conduct and ethics, as well as promote Wachovia's other policies regarding compliance with applicable laws, regulations, and ethical standards;

- Apply themselves to understanding Wachovia’s business, and the significant risks facing Wachovia;
- Review and monitor the long-term business strategies, plans, goals and business objectives of Wachovia as presented by Wachovia’s senior management;
- Evaluate on a regular basis Wachovia’s financial performance;
- Ensure that processes, controls and procedures are in place to assure the maintenance and integrity of Wachovia’s accounting and financial records and statements;
- Conduct objective and thorough reviews and assessments of the Chief Executive Officer’s performance, and, with the assistance of the Chief Executive Officer, other members of senior management;
- Devote adequate time to Board and committee matters;
- Attend the Annual Meeting of Stockholders;
- Conduct management succession planning and review; and
- Evaluate the overall performance and effectiveness of the Board.

B. Board Structure, Qualifications and Other Board Membership Issues

1. Size of the Board

Wachovia’s Articles of Incorporation and Bylaws provide that the number of directors shall be determined by the Board and may not be less than nine or more than 30. The Board believes that the preferable size of the Board is in the range of 11 to 18 members. The Board expects that the number of directors will vary from time to time within such range depending upon various circumstances, including retirements and the availability of desirable and qualified candidates.

2. Qualification and Selection of Board Members

Independence

The Board believes that a substantial majority of the Board should consist of directors who are “independent” under the applicable rules of the New York Stock Exchange, Inc. (the “NYSE”), as determined by the Board in its business judgment. The Board, with the assistance of the Corporate Governance & Nominating Committee, will determine at least on an annual basis whether each director is “independent” based on the applicable NYSE requirements and an evaluation of all of the relevant facts and circumstances. The Board may adopt guidelines to assist the Board in its “independence” determinations. Although the Board recognizes the valuable and extensive contributions of directors who do not meet the foregoing independence requirements, the Board expects that, absent special circumstances, (i) all future non-

employee candidates for director will satisfy such independence requirements, and (ii) the Board will not have more than 2 management directors on the Board.

Other Skills and Characteristics of Directors

The Board requires that each of its directors possess unquestionable integrity and character. The Corporate Governance & Nominating Committee will assist the Board in identifying other appropriate skills and characteristics required for the Board as a whole and its individual members in order for Wachovia to fulfill its vision, goals and responsibility to its stockholders. In evaluating current members and new candidates, the Corporate Governance & Nominating Committee and the Board considers the needs of the Board and Wachovia in light of the current mix of director skills and attributes, and will consider and assess issues and factors regarding an individual's education, business experience, accounting and financial expertise, age, diversity, reputation, civic and community relationships, and knowledge and experience in matters impacting financial institutions such as Wachovia. The Corporate Governance & Nominating Committee also takes into consideration the Board's policies outlined in these Guidelines, including those relating to the Board's retirement policy, the ability of directors to devote adequate time to Board and committee matters, and the Board's belief that a substantial majority of the Board should consist of independent directors. When the Corporate Governance & Nominating Committee is considering current Board members for nomination for reelection, the Corporate Governance & Nominating Committee also considers prior Board contributions and performance, as well as meeting attendance records.

Nominations and Selection

As stated in the Corporate Governance & Nominating Committee's charter, and subject to any nominating provisions contained in Wachovia's Articles of Incorporation or Bylaws (or other similar contractual obligations), the Corporate Governance & Nominating Committee, which may seek the input of the Chief Executive Officer, Chairman of the Board and other directors, is responsible for recommending any changes in Board membership and identifying and recommending director prospects for nomination to the Board annually or as vacancies occur. The Corporate Governance & Nominating Committee will consider recommendations by Wachovia stockholders of qualified director candidates for possible nomination by the Board. The Board is ultimately responsible for nominating individuals for election to the Board.

Voting for Directors

As provided in Wachovia's articles of incorporation, a nominee for director in an uncontested election (as defined in Wachovia's articles of incorporation) shall be elected to the Board of Directors if the votes cast for such nominee's election exceed the votes cast against such nominee's election. In the event that votes cast for an incumbent nominee's election are equal to or less than the votes cast against such nominee's election in an uncontested election, the Board of Directors may decrease the number of directors, fill any vacancy, or take other appropriate action, taking into

account the recommendation of the Corporate Governance & Nominating Committee. The Board will act on the Corporate Governance & Nominating Committee's recommendation not later than 90 days following the date of the stockholders' meeting at which the election occurred, and will promptly disclose its decision in a Form 8-K filed with the Securities and Exchange Commission. To the extent practicable and as permitted by North Carolina law, any director who fails to receive the required majority vote will not participate in the Corporate Governance & Nominating Committee's recommendation or the Board's consideration of the matter.

Orientation and Continuing Education

Senior management, working with the Board, will provide an orientation process for new directors in order to assist them in fulfilling their duties and responsibilities. The orientation process will include providing directors with financial and other background information regarding Wachovia, including its risk profile, these Guidelines, Wachovia's code of conduct and ethics, and other relevant policies and procedures, as well as access to Wachovia management. Management will conduct additional presentations or educational sessions for directors from time to time regarding Wachovia.

3. Lead Independent Director

The Board recognizes the benefits of designating a lead independent director. The independent directors will elect the lead independent director. The lead independent director will assist the Chairman of the Board with board-related matters, including meeting agendas and schedules, and will act, as necessary, as a liaison between the independent directors and the Chairman of the Board. The lead independent director also will preside at any meetings of non-employee or independent directors and at any meeting of the Board at which the Chairman of the Board is not present.

4. Chairman of the Board and Chief Executive Officer

Given the existence of a lead independent director and Wachovia's overall governance profile, as well as the Board's belief that it should maintain the flexibility to determine the leadership of Wachovia, the Board does not have a fixed policy regarding the separation of the offices of the Chairman of the Board and the Chief Executive Officer. The Board believes that the Board should select the Chairman of the Board and the Chief Executive Officer based on criteria that it deems to be in the best interests of Wachovia and its stockholders.

5. Retirement Policy – Age/Change of Job Responsibilities; Failure to Attend Meetings

Directors will be expected to retire from the Board, or not to stand for reelection, at the Annual Meeting of Stockholders next following the director's reaching the age of 70 years. Directors also will be expected to retire from the Board at the Annual Meeting of Stockholders next following the director's retirement from, or substantially changing, the active business, business affiliation or professional pursuits engaged in by the director at

the time of his or her initial election as a member of the Board. Directors who are employees of Wachovia will be expected to resign from the Board upon their resignation, removal or retirement as an officer of Wachovia. Any director who fails to attend at least 75% of the meetings of the Board and the committees on which they serve for a period of two consecutive years will also be expected to retire from the Board at the Annual Meeting of Stockholders next following such occurrence. There may be circumstances where the Corporate Governance & Nominating Committee, with the approval of the Board, believes that it is in the best interests of Wachovia and its stockholders that a director impacted by the foregoing policies not retire or resign from the Board.

6. Term Limits

The Board does not believe that it should limit the number of terms for which an individual may serve as a director. The Board believes that directors who have served on the Board for an extended period of time have gained valuable experiences, insights and historical perspectives regarding Wachovia that would not be easily replaced. Rather, the Board believes that its self-evaluation and nomination process described in these Guidelines can ensure that the Board continues to benefit from the fresh viewpoints of its membership.

7. Limitations on other Board Service

Given the significant responsibilities of directors, each director must be ready, willing and able to devote sufficient time to carrying out their responsibilities effectively. The Board believes that in connection with the Board's overall evaluation of director and Board performance, it is appropriate for the Board, with the assistance of the Corporate Governance & Nominating Committee, to review on an individual basis the number of other public company boards on which a director serves to ensure that such other board service does not impair the director's service to Wachovia. Directors should advise the Chair of the Corporate Governance & Nominating Committee and the General Counsel in advance of accepting membership on any other public company board and before accepting membership on the audit committee of any other public company board.

C. Board Meetings; Executive Sessions; Access to Management

1. Board Meetings, Agenda and Advance Distribution of Materials

The Board meets in formal sessions at least six times each year. Directors are expected to participate in all Board meetings and meetings of committees on which they serve, and to spend sufficient time to prepare for meetings. The Chairman of the Board and the Chief Executive Officer, taking into account the views of the lead independent director, as well as any other members of the Board, will prepare the agenda for each Board meeting. In preparing the agenda and scheduling Board and committee meetings, the Board believes that in addition to carrying out the responsibilities described in these Guidelines, sufficient time should be specifically devoted during the course of each year to strategic discussions and planning, economic and industry

reviews, valuation analysis of Wachovia and consideration of investor perceptions, and special educational sessions, events and matters of interest.

The agenda and as much information, presentation materials and data as is relevant and practical to the Board's understanding of the matters to be discussed at an upcoming Board meeting should be distributed to all members of the Board in advance of the meeting. In addition, senior management is expected to update the Board on any significant developments or matters between Board meetings. The Board recognizes that the Board's proceedings and deliberations, including those of its committees, are confidential, and that each director shall maintain the confidentiality of information received in connection with his or her service as a director.

2. Executive Sessions of Non-Employee Directors and Independent Directors

The non-management directors will meet in a scheduled executive session (no management directors or management present) at least three times each year. It is expected that executive sessions will occur at the end of regularly scheduled Board meetings. The lead independent director or, in the absence of the lead independent director, the Chair of the Corporate Governance & Nominating Committee, will chair the executive sessions. In addition, the independent directors may meet in executive session from time to time.

3. Meetings with Senior Management and Access to Management

The Board will meet in executive session with the Chief Executive Officer at least two times each year to discuss strategic or other key issues regarding Wachovia, and may contact the Chief Executive Officer at any other time to discuss Wachovia's business. In addition, the Board welcomes the regular attendance of senior management at Board meetings, and the Chief Executive Officer is encouraged to invite any other employees to Board and committee meetings who can provide additional insight and expertise into matters being discussed by the Board. The Board has open and complete access to other senior managers, and may arrange to meet with senior managers without senior management present.

D. Committee Matters

1. Board Committees and Charters

The Board has established the following committees to assist the Board in fulfilling its responsibilities: (i) Audit Committee, (ii) Corporate Governance & Nominating Committee, (iii) Management Resources & Compensation Committee, (iv) Risk Committee, and (v) Executive Committee. Subject to the requirements of the NYSE, the Board may establish additional or different committees from time to time. Each committee will operate under its own written charter, which will contain the committee's duties and responsibilities, as well as qualifications for committee membership, as appropriate.

2. Qualifications of Committee Members

Each of the members of the Audit Committee, Corporate Governance & Nominating Committee, and Management Resources & Compensation Committee will be independent directors under the applicable NYSE and Securities and Exchange Commission rules. Members of the Audit Committee will also satisfy any additional legal or NYSE requirements regarding financial literacy and expertise.

3. Committee Assignments and Chairs

The Corporate Governance & Nominating Committee, which may seek the input of the Chief Executive Officer and Chairman of the Board, is responsible for recommending to the Board the assignment of directors to the Board's committees and the committee chairpersons. Although committee members and chairs may be rotated periodically, the Board does not have a policy of mandatory rotation of committee assignments or chairs.

4. Committee Meetings and Agenda

Committee meetings will generally be held on the same day as Board meetings. However, during the course of each year some committee meetings may be held on the day prior to Board meetings in order to permit additional time for Board discussions. The chairperson of each committee, who may seek the input of the Chief Executive Officer, the Chairman of the Board and other Board members, will work with senior management in developing the agenda for each committee meeting. The committee chairpersons will report on the activities of the committee to the Board following each meeting of the committee.

E. Compensation of the Board and Stock Ownership Requirements

The Board believes that the directors' overall compensation arrangements (i) should be competitive with comparable companies of similar size and scope, (ii) should align directors' interests with those of Wachovia's stockholders, and (iii) should not be set at a level that would question the Board's objectivity. The Management Resources & Compensation Committee will be responsible for periodically reviewing and recommending to the Board compensation to non-employee directors, including an appropriate mix of cash and common stock or common stock equivalents. The Board strongly encourages directors to own a meaningful number of shares of Wachovia common stock and common stock equivalents, and in this regard the Board has adopted a policy requiring each director to own, or acquire within three years from the adoption of such policy or of first becoming a director, shares of Wachovia common stock (including common stock equivalents) having a value equal to 5 times the director's annual cash retainer.

F. Conflicts of Interest

As provided in Wachovia's code of conduct and ethics, directors are expected to avoid actual or potential conflicts of interest. If a director, whether directly or indirectly, is involved or may become involved in any transaction or relationship that reasonably

could be expected to give rise to a conflict of interest or potential conflict of interest, the director should promptly report the matter to the Chief Executive Officer and the General Counsel (provided such persons are not involved in the transaction or relationship) who, together with the Corporate Governance & Nominating Committee or the Audit Committee, will evaluate the matter and work to resolve ethically such conflict or potential conflict. If a director has a personal interest in a matter before the Board, the director shall disclose the interest to the Board, excuse himself or herself from participation in the discussion, and shall not vote on the matter.

G. Compensation Review of Senior Management and Succession Planning

1. Evaluation and Compensation of Senior Management

The Board, acting through the Management Resources & Compensation Committee, will evaluate the performance of the Chief Executive Officer and, with the assistance of the Chief Executive Officer, senior management based on corporate and individual performance and accomplishments, the achievement of goals and objectives, and other appropriate qualitative and quantitative factors. The Management Resources & Compensation Committee will approve the Chief Executive Officer's compensation and will approve or make recommendations to the Board regarding the compensation for other members of senior management.

2. Succession Planning

At least annually, the non-management directors, with the assistance of the Management Resources & Compensation Committee, will review with the Chief Executive Officer a plan for management succession and development, including plans for interim succession in the event of an emergency.

H. Board Evaluation

The Corporate Governance & Nominating Committee will be responsible for conducting an annual survey and self-evaluation by the directors of the Board's performance and will report and discuss its findings and conclusions with the Board.

I. Board's Interaction with Other Constituencies

The Board believes that management should speak for Wachovia. Individual Board members may, from time to time at the request of management, meet or communicate with other constituencies on behalf of Wachovia.

J. Access to Outside Advice

The Board and each of its committees will have the authority to retain and approve the fees and retention of outside legal, financial or other professional advisors for the Board or such committee.