

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE WACHOVIA PREFERRED SECURITIES
AND BOND/NOTES LITIGATION

Master File No. 09 Civ. 6351 (RJS)

ECF Case

NOTICE OF (I) PENDENCY OF CLASS ACTION; (II) PROPOSED SETTLEMENTS AND PLAN OF ALLOCATION; (III) SETTLEMENT FAIRNESS HEARING; AND (IV) MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

NOTICE OF PENDENCY OF CLASS ACTION: Please be advised that your rights may be affected by the above-captioned class action lawsuit pending in this Court (the "Action") if you purchased or otherwise acquired any of following securities (the "Bond Class Securities") issued by Wachovia Corporation ("Wachovia" or the "Company") or its affiliates from the dates they were first offered to the public for sale through and including February 27, 2009 (the "Settlement Class Period"), and were damaged thereby:¹

6.375% Wachovia Capital Trust IV Trust Preferred Securities (CUSIP 92978U207)	Three-Month LIBOR Floating Rate Subordinated Notes Due October 15, 2016 (CUSIP 929903CJ9)
6.375% Wachovia Capital Trust IX Trust Preferred Securities (CUSIP 92978X201)	Three-Month LIBOR Floating Rate Senior Notes Due December 1, 2009 (CUSIP 92976WBC9)
7.85% Wachovia Capital Trust X Trust Preferred Securities (CUSIP 92979K208)	Three-Month LIBOR Floating Rate Notes Due April 23, 2012 (CUSIP 929903DF6)
8.00% Non-Cumulative Perpetual Class A Preferred Stock, Series J (CUSIP 929903276)	Three-Month LIBOR Floating Rate Notes Due June 15, 2017 (CUSIP 929903DU3)
Fixed-to-Floating Rate Non-Cumulative Perpetual Class A Preferred Stock, Series K (CUSIP 929403243, later denominated 929903EF5)	5.75% Notes Due June 15, 2017 (CUSIP 929903DT6)
7.50% Non-Cumulative Perpetual Convertible Class A Preferred Stock, Series L (CUSIP 929903219)	Three-Month LIBOR Floating Rate Notes Due July 26, 2010 (CUSIP 92976WBD7)
Three-Month LIBOR Floating Rate Notes Due August 1, 2013 (CUSIP 92976WBB1)	Three-Month LIBOR Floating Rate Notes Due August 20, 2009 (CUSIP 929903EC2)
5.70% Notes Due August 1, 2013 (CUSIP 92976WBA3)	Three-Month LIBOR Floating Rate Notes Due November 24, 2009 (CUSIP 92976WBG0)
Three-Month LIBOR Floating Rate Notes Due October 15, 2011 (CUSIP 929903CG5)	5.75% Notes Due February 1, 2018 (CUSIP 92976WBH8)
5.30% Notes Due October 15, 2011 (CUSIP 929903CF7)	5.50% Fixed Rate Notes Due May 1, 2013 (CUSIP 92976WBJ4)
5.625% Subordinated Notes Due October 15, 2016 (CUSIP 929903CH3)	Three-Month LIBOR Floating Rate Notes Due May 1, 2013 (CUSIP 92976WBK1)

Please note that the Bond Class Securities do not include Wachovia common stock or any other securities that are not listed above. Wachovia common stock is the subject of a separate class action suit, *In re Wachovia Equity Securities Litigation*, No. 08 Civ. 6171 (RJS) (S.D.N.Y.), which is not part of the Settlements described in this Notice.

NOTICE OF SETTLEMENTS: Please also be advised that the Court-appointed Lead Bond/Notes Plaintiffs, Orange County Employees' Retirement System ("Orange County"), Louisiana Sheriffs' Pension and Relief Fund ("Louisiana Sheriffs"), and Southeastern Pennsylvania Transportation Authority ("SEPTA"), on behalf of themselves and the Settlement Class (as defined in paragraph 32 below), have reached agreements to settle the Action for settlement payments totaling \$627 million in cash, plus interest thereon, consisting of: (i) a \$590 million cash settlement with the Wachovia Defendants (identified in paragraph 1 below) (the "Wachovia Settlement"); and (ii) a \$37 million cash settlement with defendant KPMG LLP ("KPMG") (the "KPMG Settlement") (collectively, the "Settlements").² If the Settlements are approved by the Court, all claims in the Action by the Settlement Class Members (defined in paragraph 32 below) against the Settling Defendants, as well as other Released Defendant Persons, identified in paragraph 73 below, will be resolved.

PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have, including the possible receipt of cash from the Settlements. If you are a member of the Settlement Class, your legal rights will be affected whether or not you act.

¹ Any capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings ascribed to them in the Stipulation and Agreements of Settlement dated August 5, 2011 (the "Stipulation"), which is available on the website established for the Settlements at www.WachoviaBondLitigation.com.

² The Wachovia Defendants and KPMG are collectively referred to herein as the "Settling Defendants."

1. **Overview of the Action and the Settlement Class:** This Notice relates to the proposed Settlements of the claims in a pending class action lawsuit brought by investors alleging that they suffered damages as a result of material misrepresentations and omissions in the offering materials for each of the Bond Class Securities in violation of the federal Securities Act of 1933. A more detailed description of the Action is set forth in paragraphs 14-31 below. The “Defendants” in the Action are: (a) Wachovia, Wachovia Capital Trust IV, Wachovia Capital Trust IX, Wachovia Capital Trust X, Wachovia Capital Markets, LLC, Wells Fargo Securities, LLC, A.G. Edwards & Sons, Inc., Wells Fargo & Company (“Wells Fargo”) (as successor-in-interest to Wachovia), G. Kennedy Thompson, Peter M. Carlson, Ross E. Jeffries, Jr., David M. Julian, Mark C. Treanor, Donald K. Truslow, Thomas J. Wurtz, John D. Baker, II, Robert J. Brown, Peter C. Browning, John T. Casteen, III, Jerome A. Gitt, William H. Goodwin, Jr., Maryellen C. Herringer, Robert A. Ingram, Donald M. James, Mackey J. McDonald, Joseph Neubauer, Timothy D. Proctor, Ernest S. Rady, Van L. Richey, Ruth G. Shaw, Lanty L. Smith, John C. Whitaker, Jr., and Dona Davis Young (collectively, the “Wachovia Defendants”); (b) the Underwriter Defendants³; and (c) KPMG.

The proposed Wachovia Settlement provides for the release of claims against the Wachovia Defendants and the Underwriter Defendants, as well as other parties related to the Wachovia Defendants and the Underwriter Defendants, as specified in the Stipulation.⁴ The proposed KPMG Settlement provides for the release of claims against Defendant KPMG, as well as parties related to KPMG, as also specified in the Stipulation. All persons and entities who purchased or otherwise acquired Bond Class Securities during the Settlement Class Period and were damaged thereby, except for certain persons and entities who are excluded from the Settlement Class by definition (see paragraph 32 below) or persons and entities who validly elect to exclude themselves from the Settlement Class (see paragraphs 81-83 below) will be affected by the Settlements, if they are approved by the Court, and may be eligible to receive a payment from the Settlements.

2. **Statement of the Settlement Class’s Recovery:** Subject to approval by the Court, and as described more fully below, Lead Bond/Notes Plaintiffs, on behalf of themselves and the Settlement Class, have agreed to settle all claims asserted against the Defendants in the Action in exchange for a total of \$627 million in cash. Lead Bond/Notes Plaintiffs have agreed to settle with the Wachovia Defendants, and to include the Underwriter Defendants as released parties, for \$590 million in cash (the “Wachovia Settlement Amount”), and have agreed to settle with KPMG for \$37 million in cash (the “KPMG Settlement Amount,” and together with the Wachovia Settlement Amount, the “Settlement Amounts”). The Settlement Amounts will be deposited into an interest-bearing escrow account for the benefit of the Settlement Class Members. The Settlement Amounts together with all interest earned thereon while on deposit in the escrow account are referred to as the “Settlement Fund”. The “Net Settlement Fund” (the Settlement Fund less any Taxes, any Notice and Administration Costs and any attorneys’ fees and Litigation Expenses awarded by the Court) will be distributed in accordance with the plan of allocation that is approved by the Court, which will determine how the Net Settlement Fund shall be allocated among Settlement Class Members who are eligible to participate in the distribution of the Net Settlement Fund and who submit a timely and valid Proof of Claim and Release form (a “Claim Form”). The proposed plan of allocation (the “Plan of Allocation”) is included in this Notice at pages 10-14 below.

3. **Estimate of Average Amount of Recovery Per Share or Note:** Based on Lead Bond/Notes Plaintiffs’ damages expert’s estimates of the number of Bond Class Securities purchased during the Settlement Class Period that may have been affected by the conduct at issue in the Action and assuming that all Settlement Class Members elect to participate in the Settlements and that both the Wachovia Settlement and KPMG Settlement are approved, the estimated average recovery per eligible share or note (before the deduction of any Court-approved fees, expenses and costs as described herein)⁵ would be approximately \$0.92 per share of 6.375% Wachovia Capital Trust IV Trust Preferred Securities; \$1.07 per share of 6.375% Wachovia Capital Trust IX Trust Preferred Securities; \$0.59 per share of 7.85% Wachovia Capital Trust X Trust Preferred Securities; \$0.98 per share of 8.00% Non-Cumulative Perpetual Class A Preferred Stock, Series J; \$31.02 per share of Fixed-to-Floating Rate Non-Cumulative Perpetual Class A Preferred Stock, Series K; \$53.40 per share of 7.50% Non-Cumulative Perpetual Convertible Class A Preferred Stock, Series L; \$7.84 per \$1,000 face value of Three-Month LIBOR Floating Rate Notes Due August 1, 2013; \$13.64 per \$1,000 face value of 5.70% Notes Due August 1, 2013; \$3.86 per \$1,000 face value of Three-Month LIBOR Floating Rate Notes Due October 15, 2011; \$6.52 per \$1,000 face value of

³ The “Underwriter Defendants” are: Banc of America Securities LLC, Barclays Capital Inc., BB&T Capital Markets, Citigroup Global Markets, Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Goldman, Sachs & Co., Guzman & Company, Jackson Securities, LLC, Loop Capital Markets, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co., Incorporated, M.R. Beal & Company, Muriel Siebert & Co., Inc., Samuel A. Ramirez & Company, Inc., Sandler O’Neill & Partners, L.P., UBS Securities LLC, The Williams Capital Group, L.P., ABN AMRO Inc., Bank of America Corp. (as successor-in-interest to Countrywide Securities Corp.), B.C. Ziegler and Company, Bear, Stearns & Co., Inc., BNP Paribas Securities Corp., Cabrera Capital Markets, LLC, CastleOak Securities, L.P., Charles Schwab & Co., Inc., C.L. King & Associates, Inc., Comerica Securities, Inc., Countrywide Securities Corp., D.A. Davidson & Co., Davenport & Company LLC, E*TRADE Securities LLC, Ferris, Baker Watts, Inc. (n/k/a RBC Capital Markets Corporation), Fidelity Capital Markets Services (a division of National Financial Services LLC), Fifth Third Securities, Inc., Fixed Income Securities, L.P., FTN Financial Securities Corp., Greenwich Capital Markets, Inc., Howe Barnes Hoefler & Arnett, Inc., H&R Block Financial Advisors, Inc. (n/k/a Ameriprise Advisor Services, Inc.), HSBC Securities (USA) Inc., Janney Montgomery Scott LLC, J.B. Hanauer & Co, Jefferies & Company, Inc., J.J.B. Hilliard, W.L. Lyons, Inc., JPMorgan Chase (as successor-in-interest to Bear, Stearns & Co., Inc.), J.P. Morgan Securities LLC f/k/a JP Morgan Securities Inc. (as successor-in-interest to Bear, Stearns & Co., Inc.), JVB Financial Group, LLC, Keefe, Bruyette & Woods, Inc., KeyBanc Capital Markets Inc., Mesirow Financial, Inc., Morgan Keegan & Company, Inc., NatCity Investments, Inc., Oppenheimer & Co. Inc., PNC Investments, LLC (as successor-in-interest to NatCity Investments, Inc.), Pershing LLC, Piper Jaffray & Co., Popular Securities, Inc., RBC Capital Markets Corporation, RBC Dain Rauscher Inc. (n/k/a RBC Capital Markets Corporation), Raymond James & Associates, Inc., Robert W. Baird & Co. Inc., Ross, Sinclair & Associates, LLC, Ryan Beck & Co., Inc., Sterne, Agee & Leach, Inc., Stifel, Nicolaus & Company, Inc., SunTrust Capital Markets, Inc. (n/k/a SunTrust Robinson Humphrey, Inc.), TD Ameritrade, Inc., Toussaint Capital Partners, LLC, Utendahl Capital Partners, L.P., Wedbush Morgan Securities Inc., and William Blair & Company, LLC.

⁴ The Wachovia Settlement will not release any claims against any Underwriter Defendant, or any party related to such Underwriter Defendant, if the applicable Underwriter Defendant does not provide to Lead Bond/Notes Counsel, by the date that is five business days prior to the date of the Settlement Hearing, a signed release of any and all of its claims against the Bond/Notes Plaintiff-Related Releasees, as defined in paragraph 74 below, that is equivalent in scope to the release being provided by the Settling Defendants pursuant to the Stipulation.

⁵ An allegedly damaged share or note may have been traded more than once during the Settlement Class Period, and the average recovery per share or note represents the total for all purchasers of that share or note.

5.30% Notes Due October 15, 2011; \$9.72 per \$1,000 face value of 5.625% Subordinated Notes Due October 15, 2016; \$13.84 per \$1,000 face value of Three-Month LIBOR Floating Rate Subordinated Notes Due October 15, 2016; \$3.69 per \$1,000 face value of Three-Month LIBOR Floating Rate Senior Notes Due December 1, 2009; \$10.27 per \$1,000 face value of Three-Month LIBOR Floating Rate Notes Due April 23, 2012; \$13.85 per \$1,000 face value of Three-Month LIBOR Floating Rate Notes Due June 15, 2017; \$4.87 per \$1,000 face value of 5.75% Notes Due June 15, 2017; \$0.19 per \$1,000 face value of Three-Month LIBOR Floating Rate Notes Due July 26, 2010; \$2.25 per \$1,000 face value of Three-Month LIBOR Floating Rate Notes Due August 20, 2009; \$0.48 per \$1,000 face value of Three-Month LIBOR Floating Rate Notes Due November 24, 2009; \$8.81 per \$1,000 face value of 5.75% Notes due February 1, 2018; \$14.65 per \$1,000 face value of 5.50% Fixed Rate Notes Due May 1, 2013; and \$8.82 per \$1,000 face value of Three-Month LIBOR Floating Rate Notes due May 1, 2013. Settlement Class Members should note, however, that these are only estimates based on the overall number of potentially affected shares and notes. Some Settlement Class Members may recover more or less than these estimated amounts depending on, among other factors, when and at what prices they purchased/acquired or sold their Bond Class Securities, and the total number of valid Claim Forms submitted.

4. **Average Amount of Damages Per Share or Note:** The parties do not agree on the average amount of damages per share or note that would be recoverable if Lead Bond/Notes Plaintiffs were to prevail in the Action. The Settling Defendants deny that any Bond Class Securities were damaged as Lead Bond/Notes Plaintiffs have alleged. The Settling Defendants also deny that any of the offering materials for the Bond Class Securities contained any material misrepresentations or omissions, and they assert that they were prepared to establish that the prices of the Bond Class Securities declined in value for reasons not related to the disclosure of any allegedly false or misleading statements in the offering materials for the securities. The parties also disagree on the appropriate methodology for determining damages, if liability were established.

5. **Attorneys' Fees and Expenses Sought:** Bond/Notes Plaintiffs' Counsel, who have been prosecuting the Action on a wholly contingent basis since its inception in 2009, have not received any payment of attorneys' fees for their representation of the Settlement Class and they have advanced the funds to pay expenses necessarily incurred to prosecute this Action. Lead Bond/Notes Counsel will apply to the Court for an award of attorneys' fees for all Bond/Notes Plaintiffs' Counsel in an amount not to exceed 17.5% of the Settlement Fund. In addition, Lead Bond/Notes Counsel will apply for reimbursement of Litigation Expenses paid or incurred in connection with the institution, prosecution and resolution of the claims against the Defendants, in an amount not to exceed \$1.8 million (which may include an application for reimbursement of the reasonable costs and expenses incurred by Bond/Notes Plaintiffs directly related to their representation of the Settlement Class), plus interest on such expenses at the same rate as earned on the Settlement Amounts. Any fees and expenses awarded by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses. If both the Wachovia Settlement and KPMG Settlement are approved by the Court, and Lead Bond/Notes Counsel's fee and expense application is granted, and assuming that all Settlement Class Members elect to participate in the Settlements, the average cost per share or note will be approximately \$0.16 per share of 6.375% Wachovia Capital Trust IV Trust Preferred Securities; \$0.19 per share of 6.375% Wachovia Capital Trust IX Trust Preferred Securities; \$0.11 per share of 7.85% Wachovia Capital Trust X Trust Preferred Securities; \$0.17 per share of 8.00% Non-Cumulative Perpetual Class A Preferred Stock, Series J; \$5.52 per share of Fixed-to-Floating Rate Non-Cumulative Perpetual Class A Preferred Stock, Series K; \$9.50 per share of 7.50% Non-Cumulative Perpetual Convertible Class A Preferred Stock, Series L; \$1.39 per \$1000 face value of Three-Month LIBOR Floating Rate Notes Due August 1, 2013; \$2.43 per \$1,000 face value of 5.70% Notes Due August 1, 2013; \$0.69 per \$1,000 face value of Three-Month LIBOR Floating Rate Notes Due October 15, 2011; \$1.16 per \$1,000 face value of 5.30% Notes Due October 15, 2011; \$1.73 per \$1,000 face value of 5.625% Subordinated Notes Due October 15, 2016; \$2.46 per \$1,000 face value of Three-Month LIBOR Floating Rate Subordinated Notes Due October 15, 2016; \$0.66 per \$1,000 face value of Three-Month LIBOR Floating Rate Senior Notes Due December 1, 2009; \$1.83 per \$1,000 face value of Three-Month LIBOR Floating Rate Notes Due April 23, 2012; \$2.46 per \$1,000 face value of Three-Month LIBOR Floating Rate Notes Due June 15, 2017; \$0.87 per \$1,000 face value of 5.75% Notes Due June 15, 2017; \$0.03 per \$1,000 face value of Three-Month LIBOR Floating Rate Notes Due July 26, 2010; \$0.40 per \$1,000 face value of Three-Month LIBOR Floating Rate Notes Due August 20, 2009; \$0.08 per \$1,000 face value of Three-Month LIBOR Floating Rate Notes Due November 24, 2009; \$1.57 per \$1,000 face value of 5.75% Notes due February 1, 2018; \$2.61 per \$1,000 face value of 5.50% Fixed Rate Notes Due May 1, 2013; and \$1.57 per \$1000 face value of Three-Month LIBOR Floating Rate Notes due May 1, 2013.⁶

6. **Identification of Attorneys' Representatives:** Lead Bond/Notes Plaintiffs and the Settlement Class are represented by the law firms of Bernstein Litowitz Berger & Grossmann LLP, Kessler Topaz Meltzer & Check, LLP and Robbins Geller Rudman & Dowd LLP, the Court-appointed Co-Lead Counsel in the Action ("Lead Bond/Notes Counsel"). Any questions regarding the Settlements should be directed to:

William C. Fredericks, Esq., Bernstein Litowitz Berger & Grossmann LLP, 1285 Avenue of the Americas, New York, NY 10019, (800) 380-8496, blbg@blbglaw.com;

David Kessler, Esq., Kessler Topaz Meltzer & Check, LLP, 280 King of Prussia Road, Radnor, PA 19087, (610) 667-7706, info@ktmc.com; or

Rick Nelson, c/o Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, (800) 449-4900, rickn@rgrdlaw.com.

Please do not contact any representative of the Defendants or the Court with questions about the Settlements.

7. **Reasons for the Settlements:** Lead Bond/Notes Plaintiffs' principal reasons for entering into the Settlements are the substantial benefits payable to the Settlement Class now, without further risk or the delays inherent in further litigation. The significant

⁶ Should the Court approve only the Wachovia Settlement or only the KPMG Settlement, attorneys' fees will be paid only on the approved Settlement. The Litigation Expenses approved by the Court will be paid from the Settlement Fund created by the approved Settlement.

cash benefits under the Settlements must be considered against the significant risk that a smaller recovery – or indeed no recovery at all – might be achieved after contested motions, a contested trial and likely appeals, a process that could be expected to last several years into the future. For the Settling Defendants, who deny all allegations of wrongdoing or liability whatsoever (and also deny all allegations that any conduct on their part caused any Settlement Class Members to suffer any damages), the principal reason for entering into their respective Settlements is to eliminate the expense, risks, and uncertainty of further litigation.

YOUR LEGAL RIGHTS AND OPTIONS IN THESE SETTLEMENTS:

SUBMIT A CLAIM FORM BY DECEMBER 28, 2011.	This is the only way to be eligible to get a payment from the Settlements. If you are a Settlement Class Member and you remain in the Settlement Class, you will be bound by the Settlements as approved by the Court and you will give up any “Released Bond/Notes Claims” (as defined below) that you have against the Settling Defendants and the other “Released Defendant Persons” (as defined below). If you remain in the Settlement Class, it is likely in your interest to submit a Claim Form.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS RECEIVED NO LATER THAN OCTOBER 25, 2011.	If you exclude yourself from the Settlement Class, you will not be eligible to receive any payment from the Settlement Fund. This is the only option that allows you ever to be part of any other lawsuit against any of the Settling Defendants or the other Released Defendant Persons concerning the Released Bond/Notes Claims.
OBJECT TO THE SETTLEMENTS BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN OCTOBER 25, 2011.	If you do not like any aspect of the proposed Wachovia Settlement and/or the proposed KPMG Settlement, the proposed Plan of Allocation, or the request for attorneys’ fees and reimbursement of Litigation Expenses, you may write to the Court and explain why you do not like them. You cannot object to the Settlements, the Plan of Allocation or the fee and expense request unless you are a Settlement Class Member and do not exclude yourself from the Settlement Class.
GO TO A HEARING ON NOVEMBER 14, 2011 AT 4:00 P.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN OCTOBER 25, 2011.	Filing a written objection and notice of intention to appear by October 25, 2011 allows you to speak in Court about the fairness of the Settlements, the Plan of Allocation, and/or the request for attorneys’ fees and reimbursement of Litigation Expenses. If you submit a written objection, you may (but you do not have to) attend the hearing and speak to the Court about your objection.
DO NOTHING.	If you are a member of the Settlement Class and you do not submit a Claim Form by December 28, 2011, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Settlement Class, which means that you give up your right to sue about the claims that are resolved by the Settlements and you will be bound by any judgments or orders entered by the Court in the Action.

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WHY DID I GET THIS NOTICE?

8. This Notice is being sent to you pursuant to an Order of the United States District Court for the Southern District of New York because you or someone in your family or an investment account for which you serve as a custodian may have purchased or otherwise acquired Bond Class Securities (defined on page 1) during the Settlement Class Period. The Court has directed us to send you this Notice because, as a potential Settlement Class Member, you have a right to know about your options before the Court rules on the proposed Settlements. Additionally, you have the right to understand how this class action lawsuit may generally affect your legal rights. If the Court approves the Settlements and the Plan of Allocation (or some other plan of allocation), the claims administrator selected by Lead Bond/Notes Plaintiffs and approved by the Court will make payments pursuant to the Stipulation and the Court-approved plan of allocation after any objections and appeals are resolved.

9. In a class action lawsuit, the court appoints one or more people, known as class representatives, to sue on behalf of all people with similar claims, commonly known as the class or the class members. In this Action, the Court has appointed Orange County Employees’ Retirement System, Louisiana Sheriffs’ Pension and Relief Fund, and Southeastern Pennsylvania Transportation Authority to serve as “Lead Bond/Notes Plaintiffs” under a federal law governing lawsuits such as this one, and the Court has approved Lead

Bond/Notes Plaintiffs' selection of the law firms of Bernstein Litowitz Berger & Grossmann LLP, Kessler Topaz Meltzer & Check, LLP, and Robbins Geller Rudman & Dowd LLP to serve as Co-Lead Counsel in the Action. A class action is a type of lawsuit in which the claims of a number of individuals are resolved together, thereby allowing for the efficient and consistent resolution of the claims of all class members in a single proceeding. Once the class is certified, the court must resolve all issues on behalf of the class members, except for any persons or entities who choose to exclude themselves from the class. (For more information on excluding yourself from the Settlement Class, please read "What If I Do Not Want To Participate In The Settlements? How Do I Exclude Myself?," on page 16 below.)

10. The court in charge of this case is the United States District Court for the Southern District of New York, and the case is known as *In re Wachovia Preferred Securities and Bond/Notes Litigation*, Master File No. 09 Civ. 6351 (RJS). The Judge presiding over this case is the Hon. Richard J. Sullivan, United States District Judge. The persons or entities that are suing are called plaintiffs, and those who are being sued are called defendants. If both the Wachovia Settlement and KPMG Settlement are approved, they will resolve all claims in the Action by Settlement Class Members against all of the Defendants, and will bring the Action to an end.

11. This Notice explains the lawsuit, the Settlements, your legal rights, what benefits are available, who is eligible for them, and how to get them. The purpose of this Notice is to inform you of the existence of this case, that it is a class action, how you might be affected, and how to exclude yourself from the Settlement Class if you wish to do so. It is also being sent to inform you of the terms of the proposed Settlements, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlements, the proposed Plan of Allocation and the motion by Lead Bond/Notes Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses (the "Settlement Hearing").

12. The Settlement Hearing will be held on November 14, 2011 at 4:00 p.m., before the Hon. Richard J. Sullivan at the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, Courtroom 21C, New York, NY 10007-1312, to determine:

- (a) whether the proposed Settlements are fair, reasonable and adequate, and should be approved by the Court;
- (b) whether all claims asserted in the Action against the Released Defendants should be dismissed with prejudice, and whether all Released Bond/Notes Claims against the Released Defendant Persons should be released as set forth in the Stipulation;
- (c) whether the proposed Plan of Allocation is fair and reasonable, and should be approved by the Court; and
- (d) whether Lead Bond/Notes Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses should be approved.

13. This Notice does not express any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve each of the Settlements. If the Court approves either the Wachovia Settlement or the KPMG Settlement (or both) and a plan of allocation, then payments to Authorized Claimants will be made after any appeals are resolved and after the completion of all claims processing. Please be patient, as this process can take some time to complete.

WHAT IS THE CASE ABOUT? WHAT HAS HAPPENED SO FAR?

14. The Action is a class action alleging violations of the Securities Act of 1933 (the "Securities Act") by various persons, including the Wachovia Defendants, the Underwriter Defendants, and KPMG.

15. Beginning on December 19, 2008, three related putative class actions alleging claims under the Securities Act relating to one or more preferred stock, bonds or notes offerings issued by Wachovia and/or certain of its affiliates, beginning with *Swiskay, et al. v. Wachovia Corp., et al.*, No. 09 Civ. 6457 (S.D.N.Y.) (RJS), and followed by *Miller v. Wachovia Corp., et al.*, No. 09 Civ. 6351 (S.D.N.Y.) (RJS), and *Orange County Employees' Retirement System, et al. v. Carlson, et al.*, No. 09 Civ. 6374 (S.D.N.Y.) (RJS) (collectively, the "Bond/Notes Actions"), were filed in the Superior Court of the State of California, Alameda County (the "California Court").

16. On January 29, 2009, the California Court ordered the consolidation of the Bond/Notes Actions under the caption *In re Wachovia Preferred Securities and Bond/Notes Litigation*, No. RG 08426378, and appointed the law firms of Bernstein Litowitz Berger & Grossmann LLP ("Bernstein Litowitz"), Barroway Topaz Kessler Meltzer & Check, LLP, now known as Kessler Topaz Meltzer & Check, LLP ("Kessler Topaz"), and Coughlin Stoia Geller Rudman & Robbins, now known as Robbins Geller Rudman & Dowd LLP ("Robbins Geller"), as Co-Lead Counsel for the putative class (collectively, "Lead Bond/Notes Counsel"). The consolidated Bond/Notes Actions were thereafter removed from the California Court to the U.S. District Court for the Northern District of California, which thereafter (by Order dated June 22, 2009) transferred these matters to the U.S. District Court for the Southern District of New York (the "Court").

17. By Order dated August 20, 2009, the Court (i) consolidated the Bond/Notes Actions under the caption *In re Wachovia Preferred Securities and Bond/Notes Litigation*, Master File No. 09 Civ. 6351 (S.D.N.Y.) (RJS) (the "Bond/Notes Action" or the "Action"); (ii) appointed Orange County, Louisiana Sheriffs, and SEPTA as Co-Lead Plaintiffs in the Action; (iii) affirmed the California Court's prior appointment of Lead Bond/Notes Counsel as Co-Lead Counsel; and (iv) ordered that the Bond/Notes Action be coordinated for pre-trial purposes with certain separate actions brought solely on behalf of investors in Wachovia equity securities that were also pending before the Court (and which were captioned *In re Wachovia Equity Securities Litigation*, No. 08 Civ. 6171 (S.D.N.Y.) (RJS), *Stichting Pensioenfonds ABP, et al. v. Wachovia Corp., et al.*, 09 Civ. 04473 (S.D.N.Y.) (RJS) and *FC Holdings AB, et al. v. Wells Fargo & Co., et al.*, No. 09 Civ. 5466 (S.D.N.Y.) (RJS) (collectively, the "Equity Actions").⁷

⁷ The Wachovia and KPMG Settlements described in this Notice do not affect any claims that Settlement Class Members may have in their capacity as purchasers of Wachovia equity securities (common stock), including any such claims that may have been brought on their behalf in the separate Equity Actions.

18. On September 4, 2009, Lead Bond/Notes Plaintiffs filed their Consolidated Class Action Complaint (the “First Consolidated Bond/Notes Complaint”), on behalf of themselves and all persons and entities, except the Defendants and their affiliated or related persons and entities, who purchased or otherwise acquired Bond Class Securities in or traceable to publicly registered offerings (the “Offerings”) conducted between July 31, 2006 and May 29, 2008 (the “Offering Period”) pursuant to one of five separate shelf registration statements, which each allegedly incorporated by reference the prospectus and certain other materials for each given Offering (collectively, the “Offering Materials”), and which were filed with the Securities and Exchange Commission (“SEC”). The First Consolidated Bond/Notes Complaint asserted claims under Sections 11, 12(a)(2) and 15 of the Securities Act against (a) the Wachovia Defendants (including Wells Fargo, in its capacity as successor-in-interest to the outstanding debts and pre-merger liabilities of Wachovia (which merged with and into Wells Fargo, with Wells Fargo surviving the merger, on December 31, 2008)); (b) the Underwriter Defendants, which consist of certain non-Wachovia underwriters who underwrote all or portions of the Offerings; and (c) KPMG, Wachovia’s outside auditor which certified Wachovia’s 2006 and 2007 annual financial statements which were incorporated into the Offering Materials for a majority of the Offerings at issue.

19. On November 3, 2009, the Wachovia Defendants, the Underwriter Defendants and KPMG each filed a separate motion to dismiss the First Consolidated Bond/Notes Complaint and comprehensive briefs and numerous exhibits in support thereof. Lead Bond/Notes Plaintiffs filed their similarly comprehensive papers in opposition to these motions on December 18, 2009, and the various Defendants filed their respective reply papers on February 4, 2010.

20. Based on additional information uncovered by Lead Bond/Notes Counsel’s investigation since the filing of their initial consolidated complaint, and with the permission of the Court, on May 28, 2010 (and before the Court had ruled on the pending motions to dismiss), Lead Bond/Notes Plaintiffs and the Additional Bond Notes Plaintiffs⁸ (collectively, the “Bond/Notes Plaintiffs”) filed their Amended Consolidated Class Action Complaint (the “Amended Bond/Notes Complaint”).

21. In their Amended Bond/Notes Complaint, Lead Bond/Notes Plaintiffs re-pled their previously asserted claims under the Securities Act against the Defendants, and also supplemented their prior allegations with (among other things) the statements of numerous additional confidential witnesses. The Amended Bond/Notes Complaint alleged that the Offering Materials materially misstated and failed to disclose the true nature and quality of Wachovia’s mortgage loan portfolio, and materially misled investors as to Wachovia’s exposure to tens of billions of dollars of losses on mortgage-related assets. The Amended Bond/Notes Complaint (like its predecessor complaint) alleged that, among other things, the Offering Materials contained material misstatements – and omitted to state facts necessary to make the representations contained in the Offering Materials not materially misleading – concerning, among other things, the risk profile and quality of Wachovia’s \$120 billion Pick-A-Pay option adjustable rate residential mortgage loan portfolio (the “Pick-A-Pay Portfolio”); the nature and quality of the in-house appraisals and underwriting processes used in underwriting Wachovia’s Pick-A-Pay Portfolio; Wachovia’s publicly reported loan-to-value ratios for the Pick-A-Pay Portfolio; the adequacy of Wachovia’s reported loan loss reserves; the valuation of Wachovia’s holdings of collateralized debt obligations and subprime residential mortgage backed securities; the valuation of the goodwill that Wachovia carried as an asset on its financial statements in connection with its 2006 acquisition of Golden West Financial Corporation (whose primary asset, in turn, was the Pick-A-Pay Portfolio); Wachovia’s stated net income, total assets and Tier 1 capital; and Wachovia’s compliance with Generally Accepted Accounting Principles (“GAAP”).

22. On July 14, 2010, the Wachovia Defendants, the Underwriter Defendants and KPMG each filed a separate motion to dismiss the Amended Bond/Notes Complaint, together with their comprehensive briefs and exhibits in support thereof. Lead Bond/Notes Plaintiffs filed their consolidated papers in opposition to these motions on August 13, 2010, and the various Defendants filed reply briefs in support of their motions on September 15, 2010.

23. In November 2010, counsel for the Wachovia Defendants and counsel for Lead Bond/Notes Plaintiffs commenced a preliminary dialogue to explore the possibility of commencing settlement discussions under the auspices of an experienced mediator. Lead Bond/Notes Plaintiffs and the Wachovia Defendants thereafter eventually agreed to retain Judge Daniel Weinstein (ret.) (“Judge Weinstein” or the “Mediator”) to assist them in exploring a potential negotiated resolution of the claims against the Wachovia Defendants, and met and exchanged certain information under the auspices of the Mediator in March 2011 (including a two-day, face-to-face mediation session held in New York City). As a result of these discussions and separate, one-on-one communications with the Mediator, both sides concluded that enough progress and serious interest in exploring a *bona fide* and fair, reasonable and adequate settlement had been made to warrant a further set of meetings under the auspices of the Mediator to be held in April 2011. However, no settlement was reached during March 2011, as Lead Bond/Notes Plaintiffs and the Wachovia Defendants remained far apart.

24. On March 31, 2011, the Court entered its Opinion and Order on the various motions to dismiss that had been filed in both the Bond/Notes Action and in each of the separate Equity Actions. See *In re Wachovia Equity Sec. Litig.*, 753 F. Supp. 2d. 326, 2011 U.S. Dist. LEXIS 36129 (S.D.N.Y. March 31, 2011) (RJS) (the “March 31 Opinion”). The March 31 Opinion dismissed in their entirety the claims asserted in the various Equity Actions, but denied in substantial part each of the motions to dismiss the Amended Bond/Notes Complaint filed by the various Defendants in the Action.

25. On April 14, 2011, KPMG (a) filed a motion requesting that the Court reconsider its March 31 Opinion and that the Court, upon reconsideration, grant KPMG’s earlier motion to dismiss all claims asserted against it, and (b) filed a letter with the Court requesting permission to file an interlocutory (*i.e.*, immediate) appeal of the Court’s March 31 Opinion.

⁸ The “Additional Bond/Notes Plaintiffs” are the Hawaii Sheet Metal Workers Pension Fund, Iron Workers Locals 40, 361 & 417 Union Security Funds, Norman Levin, City of Livonia Employees’ Retirement System, Arlette Miller, Michael Swiskay, Michael Swiskay, as trustee of the Judith R. Swiskay Irrevocable Trust U/A 7/16/2007, Michael Swiskay, as trustee of the Trust U/W/O Hanan Swiskay FBO Jeffrey Swiskay, and Michael Swiskay, as trustee of the Trust U/W/O Hanan Swiskay.

26. Meanwhile, also during April 2011, the Wachovia Defendants and Lead Bond/Notes Plaintiffs engaged in further separate one-on-one oral and written communications with the Mediator to discuss (among other things) their respective views on the impact of the Court's March 31 Opinion on the Bond/Notes Action, and to determine whether continuation of their earlier settlement discussions from March was warranted and/or likely to be productive. Judge Weinstein, as Mediator, thereafter recommended that both sides meet again under his auspices in New York on April 28, 2011 to attempt to reach a settlement.

27. With the assistance of Judge Weinstein, and after face-to-face and arm's-length negotiation, counsel for the Wachovia Defendants and Lead Bond/Notes Plaintiffs entered into a binding term sheet to settle and release all claims asserted against the Wachovia Defendants and the Underwriter Defendants (but not KPMG) for \$590 million, all cash, subject to certain terms and conditions and the execution of a customary "long form" stipulation and agreement of settlement and related papers. The settlement with the Wachovia Defendants left KPMG as the only non-settling Defendant in this Action.

28. In early May 2011, promptly after reaching their agreement to settle with the Wachovia Defendants, Lead Bond/Notes Counsel contacted KPMG's counsel to explore the possibility of commencing settlement discussions. On May 5, 2011, counsel for both KPMG and Lead Bond/Notes Plaintiffs jointly requested, and the Court granted, a 45-day extension of all pending litigation deadlines to allow these parties a reasonable opportunity to explore possible settlement discussions. Initial settlement discussions revealed that Lead Bond/Notes Plaintiffs' and KPMG's settlement positions were far apart; however, rather than abandon further discussions, later that month Lead Bond/Notes Plaintiffs and KPMG agreed to retain Judge Weinstein (who had mediated the successful settlement negotiations with the Wachovia Defendants) to try to facilitate the negotiation process. Lead Bond/Notes Plaintiffs and KPMG thereafter exchanged comprehensive mediation briefs and other materials during late May and early June 2011, and participated in multiple face-to-face mediation sessions under the auspices of Judge Weinstein. Eventually, but only after the conclusion of these face-to-face and arm's-length negotiation sessions and numerous separate one-on-one communications between the Mediator and counsel for Lead Bond/Notes Plaintiffs and KPMG, respectively, on June 28, 2011, counsel for KPMG and Lead Bond/Notes Plaintiffs entered into a binding term sheet to settle and release all claims asserted against KPMG for \$37 million (all cash) subject to certain terms and conditions and the execution of a customary "long form" stipulation and agreement of settlement and related papers.

29. Before agreeing to the Settlements, Lead Bond/Notes Counsel conducted an extensive pre-filing investigation relating to the claims and the underlying events and transactions alleged in the Amended Bond/Notes Complaint. For example, Lead Bond/Notes Counsel (a) identified, interviewed and analyzed the statements of well over 200 confidential witnesses, (b) collected, reviewed and analyzed hundreds of SEC filings, press releases, news articles and analyst reports concerning Wachovia and the events and circumstances at issue in this Action, and (c) thoroughly researched the applicable law with respect to the claims of Bond/Notes Plaintiffs and the Settlement Class against the Settling Defendants, including the Defendants' defenses thereto. In addition, in the period immediately following the Court's denial (in substantial part) of the Defendants' respective motions to dismiss, and pursuant to Lead Bond/Notes Counsel's specific requests, the Wachovia Defendants produced to Lead Bond/Notes Counsel, and Lead Bond/Notes Counsel have undertaken the process of reviewing and analyzing, more than 9 million pages of internal Wachovia and Wells Fargo documents concerning the matters alleged in the Amended Bond/Notes Complaint. In addition, since the Courts' March 31 Opinion, the Wachovia Defendants have made available to Lead Bond/Notes Counsel, and Lead Bond/Notes Counsel have interviewed, approximately fifteen current Wells Fargo and/or Wachovia personnel (including former Wachovia personnel now employed by Wells Fargo) who have knowledge of the matters alleged in the Amended Bond/Notes Complaint. Similarly, pursuant to Lead Bond/Notes Counsel's specific requests, KPMG has produced to Lead Bond/Notes Counsel, and Lead Bond/Notes Counsel have undertaken the process of reviewing and analyzing, over 285,000 pages of internal KPMG documents (including the relevant portions of KPMG's work papers) concerning the matters alleged in the Amended Bond/Notes Complaint against KPMG. In addition, KPMG has made available to Lead Bond/Notes Counsel, and Lead Bond/Notes Counsel have interviewed (or are scheduled to interview), a number of current KPMG personnel who have knowledge of the matters alleged in the Amended Bond/Notes Complaint that are the subject of Bond/Notes Plaintiffs' claims against KPMG (including matters concerning the nature, scope and content of KPMG's annual audits of Wachovia's financial statements).

30. Based upon Lead Bond/Notes Counsel's extensive pre-filing investigatory efforts, their extensive and careful review of the applicable law, their analysis of the arguments raised by the Defendants both in the two prior rounds of motion to dismiss briefing as well as the multiple rounds of negotiating sessions held under the auspices of Judge Weinstein, and their review and analysis of the extensive post-motion to dismiss discovery that they obtained and/or conducted in this Action, Lead Bond/Notes Counsel have a thorough understanding of the strengths and weakness of the Bond/Notes Plaintiffs' and the respective Defendants' positions in the Action. Lead Bond/Notes Plaintiffs and Lead Bond/Notes Counsel believe that both the Wachovia Settlement and the KPMG Settlement are fair, reasonable and adequate, and are in the best interests of the Settlement Class.

31. On August 5, 2011, the parties entered into the Stipulation setting forth the terms and conditions of the proposed Settlements. On August 9, 2011, the Court entered an Order Preliminarily Approving Proposed Settlements and Providing for Notice, which preliminarily approved both Settlements, authorized this Notice be sent to potential Settlement Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval to the Settlements.

HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENTS?

32. If you are a member of the Settlement Class, you are subject to the Settlements, unless you timely request to be excluded. The Settlement Class consists of:

All Persons who purchased or otherwise acquired Bond Class Securities during the time period from the first date on which any of the Bond Class Securities were offered through and including February 27, 2009 ("Settlement Class Period"), and were damaged thereby.

Excluded from the Settlement Class are all Defendants in the Action and their respective current or former Section 16 Officers, directors, partners, Immediate Family members, affiliates, legal representatives, heirs, successors or assigns, and any entity in which any Defendant has or had a controlling interest, and any Person who has entered into a tolling agreement in connection with this Action and his, her or its respective current or former Section 16 Officers, directors, partners, Immediate Family members, affiliates, legal representatives, heirs, successors or assigns, and any entity in which any such Person has or had a controlling interest, provided that any Investment Vehicle shall not be deemed an excluded Person by definition. Also excluded from the Settlement Class are any persons or entities who exclude themselves by submitting a request for exclusion in accordance with the requirements set forth in the Notice. See "What if I Do Not Want to Participate in the Settlements? How Do I Exclude Myself," on page 16 below.

"Settlement Class Member" means a Person that is a member of the Settlement Class and does not exclude himself, herself or itself by submitting a request for exclusion in accordance with the requirements set forth in this Notice.

PLEASE NOTE: RECEIPT OF THIS NOTICE DOES NOT MEAN THAT YOU ARE A SETTLEMENT CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE PROCEEDS FROM EITHER OF THE SETTLEMENTS. IF YOU ARE A SETTLEMENT CLASS MEMBER AND YOU WISH TO BE ELIGIBLE TO PARTICIPATE IN THE DISTRIBUTION OF PROCEEDS FROM THE SETTLEMENTS, YOU ARE REQUIRED TO SUBMIT THE CLAIM FORM THAT IS BEING DISTRIBUTED WITH THIS NOTICE AND THE REQUIRED SUPPORTING DOCUMENTATION AS SET FORTH THEREIN POSTMARKED NO LATER THAN DECEMBER 28, 2011.

WHAT ARE LEAD BOND/NOTES PLAINTIFFS' REASONS FOR THE SETTLEMENTS?

33. Lead Bond/Notes Plaintiffs and Lead Bond/Notes Counsel believe that the claims asserted against the Defendants in this Action have substantial merit, and that their legal advocacy and diligent factual investigation have led to Settlements that reflect an exceptionally significant recovery.

34. Lead Bond/Notes Plaintiffs and Lead Bond/Notes Counsel recognize, however, the expense and length of continued proceedings necessary to pursue their claims against the Defendants through trial and appeals, as well as the inherent risks in establishing liability for violations of the federal securities laws. For example, certain claims relating to what the Amended Bond/Notes Complaint alleged were inaccurate statements concerning the nature and quality of the underwriting of the residential mortgages contained in Wachovia's "Pick-A-Pay" loan portfolio were found to be not actionable as a matter of law by the Court's March 31 Opinion, and the impact of this aspect of the Court's ruling on Lead Bond/Notes Plaintiffs' claims was uncertain. Similarly, KPMG had filed a motion to reconsider and/or for immediate appeal on issues relating to the actionability of certain other statements, including whether inaccurate statements concerning a company's loan loss reserves and certain asset valuations are "opinions" for which there is no liability unless the Defendants did not actually believe in the truth of those statements. If this view had prevailed, either on reconsideration by the Court or on appeal, it would have greatly increased the risk that Lead Bond/Notes Plaintiffs would have been unable to establish liability on their core claims as to either KPMG or the Wachovia Defendants. In addition, Lead Bond/Notes Plaintiffs' proofs (and the Defendants' responses thereto) on the types of complex accounting and valuation issues at issue in this case would have inevitably boiled down to a "battle of the experts." Although Lead Bond/Notes Plaintiffs were confident that they would have been able to support their claims with qualified and persuasive expert testimony, jury reactions to competing experts are inherently difficult to predict, and the Defendants would have almost certainly retained highly experienced experts to argue their various defenses to liability, including their arguments that they made timely disclosures in their successive Offering Materials as soon as they became aware of additional information relating to (among other things) expected losses in the Pick-A-Pay portfolio and the declining value of Wachovia's CDO holdings.

35. In addition, even if the Defendants' liability could otherwise be established, Lead Bond/Notes Plaintiffs faced serious arguments by the Defendants that any losses suffered by Settlement Class Members on their investments in Bond Class Securities were attributable to factors other than the alleged wrongdoing. For example, the Defendants argued that any losses suffered by Settlement Class Members here were caused primarily – if not entirely – by the "financial tsunami" and related financial and liquidity crisis of 2008, and not by any alleged misrepresentations concerning Wachovia's Pick-A-Pay portfolio or the other matters alleged in the Amended Bond/Notes Complaint. As with contested liability issues, issues relating to loss causation and damages would also have likely come down to an inherently unpredictable and hotly disputed "battle of the experts." Accordingly, even if liability were established, there was a real risk that, after a trial of the Action, the Settlement Class would have recovered an amount significantly less than the Settlement Amounts – or even nothing at all.

36. In agreeing to the terms of each Settlement, Lead Bond/Notes Plaintiffs and Lead Bond/Notes Counsel weighed the magnitude of the benefits (totaling \$627,000,000) against the risks that the claims asserted in the Amended Bond/Notes Complaint might have been dismissed (either in whole or in substantial part) upon reconsideration by the Court, or upon interlocutory appellate review, or following completion of discovery in response to the Defendants' anticipated motions for summary judgment. They have also considered the nature of the various issues that would have been decided by a jury in the event of a trial of the Action, including all of the risks of litigation discussed above.

37. Finally, Lead Bond/Notes Plaintiffs and Lead Bond/Notes Counsel have also considered the fact that any recoveries obtained from a favorable verdict after a trial would still be in jeopardy on appeal, and, even if a favorable verdict were ultimately sustained on appeal, it would likely take additional years before the case was finally resolved, absent a settlement.

38. In light of the amount of the Wachovia Settlement, the KPMG Settlement and the Settlements as a whole, and the benefits of immediate and certain recovery to the Settlement Class as compared to the risks and uncertainties of ever obtaining a superior recovery at some indeterminate date in the future, Lead Bond/Notes Plaintiffs and Lead Bond/Notes Counsel strongly believe that each

of the proposed Settlements is fair, reasonable, adequate, and in the best interests of the Settlement Class. Indeed, they respectfully submit that the Settlements achieved represent a truly outstanding result for the Settlement Class.

39. The Defendants have vigorously denied the claims asserted against them in the Action and vigorously deny having engaged in any wrongdoing or violation of law of any kind whatsoever. The Settling Defendants state that they have agreed to enter into their respective Settlements solely to eliminate the burden and expense of continued litigation, and the Stipulation they have agreed to provides that the Settlements shall not be construed as an admission of any wrongdoing by any of the Settling Defendants, any of the other Released Defendant Persons, or counsel for the Settling Defendants.

WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENTS?

40. If there were no Settlements and Lead Bond/Notes Plaintiffs failed to establish any essential legal or factual element of their claims against the Defendants, neither they nor the other members of the Settlement Class would recover anything from any of the Defendants. Also, if the Defendants were successful in proving any of their defenses, the Settlement Class could recover substantially less than the amounts provided in the Settlements, or nothing at all.

HOW MUCH WILL MY PAYMENT BE?

41. At this time, it is not possible to make any determination as to how much a Settlement Class Member may receive from the Settlements.

42. Pursuant to the Wachovia Settlement, the Wachovia Defendants have agreed to pay \$590 million in cash, and pursuant to the KPMG Settlement, KPMG has agreed to pay \$37 million in cash, for an aggregate total of \$627 million. The Settlement Amounts will be deposited into an interest-bearing escrow account. If only the Wachovia Settlement is approved, the "Settlement Fund" will consist of the Wachovia Settlement Amount plus interest earned thereon. If only the KPMG Settlement is approved, the "Settlement Fund" will consist of the KPMG Settlement Amount plus interest earned thereon. If both are approved, the "Settlement Fund" will consist of both Settlement Amounts plus interest earned thereon. If either the Wachovia Settlement, KPMG Settlement or both are approved by the Court, the "Net Settlement Fund" (*i.e.*, the Settlement Fund less (a) all federal, state and local taxes on any income earned by the Settlement Fund and the reasonable costs incurred in connection with determining the amount of and paying taxes owed by the Settlement Fund (including reasonable expenses of tax attorneys and accountants); (b) the costs and expenses incurred in connection with providing Notice to Settlement Class Members and administering the Settlements on behalf of Settlement Class Members; and (c) any attorneys' fees and expenses awarded by the Court) will be distributed to Settlement Class Members as set forth in the proposed Plan of Allocation or such other plan as the Court may approve.

43. After approval of the Settlements by the Court and upon satisfaction of the other conditions to the Settlements, the Net Settlement Fund will be distributed to Authorized Claimants in accordance with the plan of allocation approved by the Court. The Net Settlement Fund will not be distributed until the Court has approved a plan of allocation, and the time for any petition for rehearing, appeal or review, whether by certiorari or otherwise, has expired.

44. Neither the Defendants nor any other person or entity that paid any portion of the Settlement Amounts on any of their behalves are entitled to get back any portion of the Settlement Fund once the Court's Order or Judgment approving the relevant Settlement becomes Final. The Defendants shall not have any liability, obligation or responsibility for the administration of the Settlements or disbursement of the Net Settlement Fund or the Plan of Allocation.

45. Approval of the Settlements is independent from approval of the plan of allocation. Any determination with respect to the plan of allocation will not affect the Settlements, if approved.

46. Only those Settlement Class Members who purchased or otherwise acquired Bond Class Securities during the Settlement Class Period **AND WERE DAMAGED AS A RESULT OF SUCH PURCHASES OR ACQUISITIONS**, will be eligible to share in the distribution of the Net Settlement Fund. Each person or entity wishing to participate in the distribution must timely submit a valid Claim Form establishing membership in the Settlement Class, and including all required documentation, postmarked on or before December 28, 2011 to the address set forth in the Claim Form that accompanies this Notice.

47. Unless the Court otherwise orders, any Settlement Class Member who fails to submit a Claim Form postmarked on or before December 28, 2011 shall be forever barred from receiving payments pursuant to the Settlements but will in all other respects remain a Settlement Class Member and be subject to the provisions of the Stipulation and each Settlement that is approved, including the terms of any judgments entered and releases given. This means that each Settlement Class Member releases the Released Bond/Notes Claims (as defined in paragraph 73 below) against the applicable Released Defendant Persons (as defined in paragraph 73 below) and will be enjoined and prohibited from filing, prosecuting, or pursuing any of the Released Bond/Notes Claims against any of the applicable Released Defendant Persons regardless of whether or not such Settlement Class Member submits a Claim Form.

48. *Information Required on the Claim Form:* Among other things, each Claim Form must state and provide sufficient documentation for each Claimant's transactions in Bond Class Securities during the Settlement Class Period and their closing positions on the dates specified in the Claim Form.

49. The Court has reserved jurisdiction to allow, disallow or adjust the Claim of any Settlement Class Member on equitable grounds.

50. Each Claimant shall be deemed to have submitted to the jurisdiction of the United States District Court for the Southern District of New York with respect to his, her or its Claim Form.

51. Persons and entities that are excluded from the Settlement Class by definition or that exclude themselves from the Settlement Class will not be eligible to receive a distribution from the Net Settlement Fund and should not submit Claim Forms.

PROPOSED PLAN OF ALLOCATION

52. The objective of the Plan of Allocation is to equitably distribute the settlement proceeds to those Settlement Class Members who suffered losses as a result of the conduct alleged in the Amended Bond/Notes Complaint. The calculations made pursuant to the Plan of Allocation, which has been developed by Lead Bond/Notes Plaintiffs' damages expert, are not intended to be estimates of, nor indicative of, the amounts that Settlement Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Settlement Class Members pursuant to the Settlements. The computations under the Plan of Allocation are only a method to weigh the claims of Settlement Class Members against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

53. Pursuant to the Wachovia Settlement, the Wachovia Defendants have agreed to pay or cause to be paid the Wachovia Settlement Amount of \$590 million and, pursuant to the KPMG Settlement, KPMG has agreed to pay or cause to be paid the KPMG Settlement Amount of \$37 million. The claims asserted against the Wachovia Defendants relate to each of the public offerings of Bond Class Securities that occurred during the Settlement Class Period (the "Offerings"). In contrast, the claims asserted against KPMG relate only to that subset of the Offerings that incorporated Wachovia's KPMG-audited financial statements for the years ended December 31, 2006 and/or December 31, 2007. Therefore, only those Settlement Class Members who purchased or otherwise acquired Bond Class Securities that were first offered to the public on or after April 23, 2007 (the "KPMG Bond Class Securities")⁹ will be eligible to participate in the distribution of the portion of the Net Settlement Fund created by the KPMG Settlement.

54. Consistent with the foregoing, and as detailed below, the Net Settlement Fund will be allocated as follows: the portion of the Net Settlement Fund created by the Wachovia Settlement (the "Wachovia Fund") will be distributed on a *pro rata* basis to all eligible Authorized Claimants based on net recognized losses calculated on their Settlement Class Period purchases/acquisitions of all of the Bond Class Securities, while the portion of the Net Settlement Fund created by the KPMG Settlement (the "KPMG Fund") will be distributed on a *pro rata* basis to all eligible Authorized Claimants based on net recognized losses calculated on their Settlement Class Period purchases/acquisitions, if any, of the KPMG Bond Class Securities.¹⁰

CALCULATION OF SPECIFIC RECOGNIZED LOSS OR GAIN AMOUNTS

55. A "Recognized Loss Amount" or "Recognized Gain Amount" will be calculated as set forth below for each purchase or other acquisition of the Bond Class Securities during the Settlement Class Period (*i.e.*, from the first day on which the security was offered for sale to the public through and including February 27, 2009) that is listed in the Claim Form and for which adequate documentation is provided. The calculation of Recognized Loss or Gain Amounts will depend upon several factors, including (i) which Bond Class Securities were purchased or otherwise acquired, and in what amounts; (ii) when the Bond Class Securities were purchased or otherwise acquired; and (iii) whether the securities were sold, and if so, when they were sold, and in what amounts.

56. **Wachovia 8.00% Non-Cumulative Perpetual Class A Preferred Stock, Series J ("Series J"), Fixed-to-Floating Rate Non-Cumulative Perpetual Class A Preferred Stock, Series K ("Series K"), and 7.50% Non-Cumulative Perpetual Convertible Class A Preferred Stock, Series L ("Series L"):** For each share of Wachovia Series J, Series K or Series L Preferred Stock purchased or otherwise acquired during the time period from the initial offering of the security through and including the close of trading on December 31, 2008,¹¹ and:

- (a) Sold at a loss¹² prior to the close of trading on December 31, 2008, a Recognized Loss Amount shall be calculated, which shall be *the lesser of*:
 - (x) the purchase/acquisition price *minus* the sale price; or

⁹ The KPMG Bond Class Securities are a subset of the Bond Class Securities, and consist of (A) the following Wachovia-issued preferred securities: 6.375% Wachovia Capital Trust IX Trust Preferred Securities (CUSIP 92978X201); 7.85% Wachovia Capital Trust X Trust Preferred Securities (CUSIP 92979K208); Wachovia 8.00% Non-Cumulative Perpetual Class A Preferred Stock, Series J (CUSIP 929903276); Wachovia Fixed-to-Floating Rate Non-Cumulative Perpetual Class A Preferred Stock, Series K (CUSIP 929903EF5); and Wachovia 7.50% Non-Cumulative Perpetual Convertible Class A Preferred Stock, Series L (CUSIP 929903219), together with (B) the following Wachovia-issued notes: Three-Month LIBOR Floating Rate Notes Due April 23, 2012 (CUSIP 929903DF6); Three-Month LIBOR Floating Rate Notes Due June 15, 2017 (CUSIP 929903DU3); 5.75% Notes Due June 15, 2017 (CUSIP 929903DT6); Three-Month LIBOR Floating Rate Notes Due July 26, 2010 (CUSIP 92976WBD7); Three-Month LIBOR Floating Rate Notes Due August 20, 2009 (CUSIP 929903EC2); 5.70% Notes Due August 1, 2013 (CUSIP 92976WBA3); Three-Month LIBOR Floating Rate Notes Due November 24, 2009 (CUSIP 92976WBG0); 5.75% Notes due February 1, 2018 (CUSIP 92976WBH8); 5.50% Fixed Rate Notes Due May 1, 2013 (CUSIP 92976WB4); and Three-Month LIBOR Floating Rate Notes due May 1, 2013 (CUSIP 92976WBK1).

¹⁰ The 5.70% Notes Due August 1, 2013 were offered to the public pursuant to two Settlement Class Period offerings: the initial public offering on July 31, 2006 (as to which claims were not asserted against KPMG) and a substantially smaller supplemental offering on November 14, 2007 (as to which claims were asserted against KPMG). To be eligible for a distribution from the KPMG Fund, a purchase/acquisition of the 5.70% Notes Due August 1, 2013 must have occurred on or within seven days following the November 14, 2007 supplemental offering date (*i.e.*, during the period from November 14, 2007 through and including the close of trading on November 21, 2007).

¹¹ On December 31, 2008, all shares of Wachovia Series J, Series K and Series L Preferred Stock were converted into shares of Wells Fargo Series J, Series K and Series L Preferred Stock, respectively. Under the Plan of Allocation, no Recognized Loss or Recognized Gain Amounts shall be recognized or calculated with respect to any purchase/acquisition of the Series J, K or L Preferred Stock made on or after the close of trading on the December 31, 2008 conversion date, nor shall the December 31, 2008 conversion be considered a purchase/acquisition or sale.

¹² "Sold at a loss" means the purchase/acquisition price is greater than the sale price.

- (y) the issue price (the "Issue Price") of the security as set forth on Table A attached to this Notice ("Table A") *minus* the sale price, but in no event shall the Recognized Loss Amount under this subparagraph (y) be less than zero.
- (b) Sold for a gain¹³ prior to the close of trading on December 31, 2008, a Recognized Gain Amount shall be calculated, which shall be the sale price *minus* the purchase/acquisition price.
- (c) Held as of the close of trading on December 31, 2008 and converted into shares of Wells Fargo Series J, Series K or Series L Preferred Stock, a Recognized Loss or Recognized Gain Amount shall be calculated as follows:
 - (i) if sold at a loss prior to the close of trading on January 21, 2009, a Recognized Loss Amount shall be calculated, which shall be *the lesser of*:
 - (x) the purchase/acquisition price *minus* the sale price of the converted shares; or
 - (y) the Issue Price of the security as set forth on Table A *minus* the sale price of the converted shares, but in no event shall the Recognized Loss Amount under this subparagraph (y) be less than zero.
 - (ii) if sold for a gain prior to the close of trading on January 21, 2009, a Recognized Gain Amount shall be calculated, which shall be the sale price of the converted shares *minus* the purchase/acquisition price.
 - (iii) if sold at a loss during the time period from the close of trading on January 21, 2009 through and including the close of trading on August 4, 2011, a Recognized Loss Amount shall be calculated, which shall be *the lesser of*:
 - (x) the purchase/acquisition price *minus* the greater of (i) the sale price or (ii) the closing price of the converted security on January 21, 2009 as set forth on Table A, but in no event shall the Recognized Loss Amount under this subparagraph (x) be less than zero; or
 - (y) the Issue Price of the security as set forth on Table A *minus* the greater of (i) the sale price or (ii) the closing price of the converted security on January 21, 2009 as set forth on Table A, but in no event shall the Recognized Loss Amount under this subparagraph (y) be less than zero.
 - (iv) if sold for a gain during the time period from the close of trading on January 21, 2009 through and including the close of trading on August 4, 2011, a Recognized Gain Amount shall be calculated, which shall be the sale price *minus* the purchase/acquisition price.
 - (v) if held as of the close of trading on August 4, 2011, and the purchase/acquisition price is greater than the closing price of the converted security on January 21, 2009, a Recognized Loss Amount shall be calculated, which shall be *the lesser of*:
 - (x) the purchase/acquisition price *minus* the closing price of the converted security on January 21, 2009 as set forth on Table A; or
 - (y) the Issue Price of the security as set forth on Table A *minus* the closing price of the converted security on January 21, 2009 as set forth on Table A, but in no event shall the Recognized Loss Amount under this subparagraph (y) be less than zero.
 - (vi) if held as of the close of trading on August 4, 2011, and the purchase/acquisition price is less than or equal to the closing price of the converted security on January 21, 2009, a Recognized Gain Amount shall be calculated, which shall be the closing price of the converted security on January 21, 2009 *minus* the purchase/acquisition price.

57. **Bond Class Securities other than Series J, Series K and Series L Preferred Stock:** For each Bond Class Security purchased or otherwise acquired during the time period from the initial offering of the security¹⁴ through and including the close of trading on February 27, 2009, and:

- (a) Sold at a loss prior to the close of trading on January 21, 2009, a Recognized Loss Amount shall be calculated, which shall be *the lesser of*:
 - (x) the purchase/acquisition price *minus* the sale price; or
 - (y) the Issue Price¹⁵ of the security as set forth on Table A *minus* the sale price, but in no event shall the Recognized Loss Amount under this subparagraph (y) be less than zero.

¹³ "Sold for a gain" means the purchase/acquisition price is less than or equal to the sale price.

¹⁴ For Wachovia preferred stock, each "security" (lower case) is one share of preferred stock. For Wachovia notes, each "security" is a note with \$1,000 face value.

¹⁵ Certain Bond Class Securities were issued pursuant to multiple offerings during the Settlement Class Period. For the 5.70% Notes Due August 1, 2013 (CUSIP 92976WBA3), Three-Month LIBOR Floating Rate Notes Due October 15, 2011 (CUSIP 929903CG5), 5.30% Notes Due October 15, 2011 (CUSIP 929903CF7), Three-Month LIBOR Floating Rate Notes Due April 23, 2012 (CUSIP 929903DF6), and 5.50% Fixed Rate Notes Due May 1, 2013 (CUSIP 92976WBJ4) – each of which was issued pursuant to an initial public offering and one supplemental offering during the Settlement Class Period, the Issue Price shall be determined as follows: (xx) for purchases/acquisitions that occurred prior to the supplemental offering date, the Issue Price shall

- (b) Sold for a gain prior to the close of trading on January 21, 2009, a Recognized Gain Amount shall be calculated, which shall be the sale price *minus* the purchase/acquisition price.
- (c) Sold at a loss during the time period from the close of trading on January 21, 2009 through and including the close of trading on August 4, 2011, a Recognized Loss Amount shall be calculated, which shall be *the lesser of*:
 - (x) the purchase/acquisition price *minus* the greater of (i) the sale price or (ii) the closing price of the security on January 21, 2009 as set forth on Table A, but in no event shall the Recognized Loss Amount under this subparagraph (x) be less than zero; or
 - (y) the Issue Price¹⁶ of the security as set forth on Table A *minus* the greater of (i) the sale price or (ii) the closing price of the security on January 21, 2009 as set forth on Table A, but in no event shall the Recognized Loss Amount under this subparagraph (y) be less than zero.
- (d) Sold for a gain during the time period from the close of trading on January 21, 2009 through and including the close of trading on August 4, 2011, a Recognized Gain Amount shall be calculated, which shall be the sale price *minus* the purchase/acquisition price.
- (e) Held as of the close of trading on August 4, 2011, and the purchase/acquisition price is greater than the closing price of the security on January 21, 2009, a Recognized Loss Amount shall be calculated, which shall be *the lesser of*:
 - (x) the purchase/acquisition price *minus* the closing price of the security on January 21, 2009 as set forth on Table A; or
 - (y) the Issue Price¹⁷ of the security as set forth on Table A *minus* the closing price of the security on January 21, 2009 as set forth on Table A, but in no event shall the Recognized Loss Amount under this subparagraph (y) be less than zero.
- (f) Held as of the close of trading on August 4, 2011, and the purchase/acquisition price is less than or equal to the closing price of the security on January 21, 2009, a Recognized Gain Amount shall be calculated, which shall be the closing price of the security on January 21, 2009 *minus* the purchase/acquisition price.

58. Any Recognized Loss or Gain Amounts calculated based on purchases/acquisitions of Bond Class Securities made on or after September 29, 2008 – the date on which it was publicly announced that the federal government had brokered a proposed agreement under which Wachovia would be sold to Citigroup for \$1 per share and the government would guarantee Wachovia loan losses to the extent they exceeded \$42 billion – shall be discounted by 90% to reflect that Settlement Class Members who purchased/acquired these securities subsequent to that announcement were likely no longer relying on any alleged misstatements and omissions in the Offering Materials at issue in this matter. In addition, any Recognized Loss or Gain Amounts resulting from purchases/acquisitions of any of the Bond Class Securities that were required to be dismissed from the Action by the Court based on its March 31, 2011 Opinion (*i.e.*, Three-Month LIBOR Floating Rate Notes due August 1, 2013 (CUSIP 92976WBB1), Three-Month LIBOR Floating Rate Notes Due October 15, 2011 (CUSIP 929903CG5), Three-Month LIBOR Floating Rate Subordinated Notes due October 15, 2016 (CUSIP 929903CJ9), Three-Month LIBOR Floating Rate Notes Due June 15, 2017 (CUSIP 929903DU3), Three-Month LIBOR Floating Rate Notes Due July 26, 2010 (CUSIP 92976WBD7), Three-Month LIBOR Floating Rate Notes due August 20, 2009 (CUSIP 929903EC2), and Three-Month LIBOR Floating Rate Notes Due November 24, 2009 (CUSIP 92976WBG0)), shall be discounted by 50% to reflect the difficulty that Bond/Notes Plaintiffs would have faced in obtaining a reversal of the relevant portion of the Court’s March 31, 2011 Opinion (and in obtaining any recovery from the Defendants with respect to these securities) had the litigation continued against the Defendants.¹⁸

59. For purposes of allocating the Wachovia Fund, for each Claimant, a “Wachovia Recognized Loss” or “Wachovia Recognized Gain” will be calculated by (1) totaling all Recognized Loss Amounts resulting from his, her or its purchases/acquisitions of the Bond Class Securities during the Settlement Class Period, and (2) subtracting from that amount the total of all Recognized Gain Amounts resulting from his, her or its purchases/acquisitions of the Bond Class Securities during the Settlement Class Period. If the calculation from the preceding sentence results in a positive number, that figure will be the Claimant’s “Wachovia Recognized Loss”; if, however,

be the offering price of the initial public offering (the “IPO price”), as shown on Table A; (yy) for purchases/acquisitions that occurred on or within seven days following the supplemental offering date, the Issue Price shall be the offering price of the supplemental offering (the “supplemental offering price”), as shown on Table A; and (zz) for purchases/acquisitions that occurred after the seven day period following the supplemental offering date, the Issue Price shall be the weighted average offering price of the IPO price and the supplemental offering price, as shown on Table A. For the Wachovia 5.75% Notes Due June 15, 2017 (CUSIP 929903DT6), which was issued pursuant to an initial public offering and two supplemental offerings during the Settlement Class Period, the applicable Issue Price shall be determined as follows: (aa) for purchases/acquisitions that occurred prior to the first supplemental offering date, the Issue Price shall be the IPO price, as shown on Table A; (bb) for purchases/acquisitions that occurred on or within seven days following either the first or second supplemental offering date, the Issue Price shall be the offering price of the applicable supplemental offering, as shown on Table A; (cc) for purchases/acquisitions that occurred after the seven day period following the first supplemental offering date but prior to the second supplemental offering date, the Issue Price shall be the weighted average offering price of the IPO price and the first supplemental offering price, as shown on Table A; and (dd) for purchases/acquisitions that occurred after the seven day period following the second supplemental offering date, the Issue Price shall be the weighted average offering price of the IPO price, the first supplemental offering price, and the second supplemental offering price, as shown on Table A.

¹⁶ The Issue Price shall be determined in accordance with footnote 15 above.

¹⁷ The Issue Price shall be determined in accordance with footnote 15 above.

¹⁸ The 50% discount applicable to purchases/acquisitions of the Bond Class Securities that were required to be dismissed from the Action under the Court’s March 31, 2011 Opinion shall apply in addition to the 90% discount for purchases/acquisitions occurring on or after September 29, 2008 (the date of the announcement that the federal government had brokered a proposed agreement under which Wachovia would be sold to Citigroup for \$1 per share); accordingly, purchases/acquisitions that fall under both these categories shall be discounted by 95%.

the calculation results in a negative number (or zero), that figure will be the Claimant's "Wachovia Recognized Gain". If a Claimant has a Wachovia Recognized Loss, that loss amount will be used to determine the Claimant's *pro rata* share of the Wachovia Fund in accordance with paragraph 63 below; if, however, a Claimant has a Wachovia Recognized Gain, then the Claimant will not be eligible to recover from the Wachovia Fund.

60. Similarly, for purposes of allocating the KPMG Fund, for each Claimant that purchased/acquired KPMG Bond Class Securities during the Settlement Class Period, a "KPMG Recognized Loss" or "KPMG Recognized Gain" will be calculated by (1) totaling all Recognized Loss Amounts resulting from his, her or its purchases/acquisitions of the KPMG Bond Class Securities during the Settlement Class Period, and (2) subtracting from that amount the total of all Recognized Gain Amounts resulting from his, her or its purchases/acquisitions of the KPMG Bond Class Securities during the Settlement Class Period. If the calculation from the preceding sentence results in a positive number, that figure will be the Claimant's "KPMG Recognized Loss"; if, however, the calculation results in a negative number (or zero), that figure will be the Claimant's "KPMG Recognized Gain." If a Claimant has a KPMG Recognized Loss, that loss amount will be used to determine the Claimant's *pro rata* share of the KPMG Fund in accordance with paragraph 63 below; if, however, a Claimant has a KPMG Recognized Gain, then the Claimant will not be eligible to recover from the KPMG Fund.

61. Alternatively – to avoid penalizing Claimants that would have suffered a greater net loss, or a net loss instead of a net gain, had the Settlement Class Period ended as of the close of trading on September 28, 2008 – if a Claimant's combined Wachovia Recognized Loss and KPMG Recognized Loss (or net combined loss after netting any Wachovia Recognized Gain against a KPMG Recognized Loss, or after netting any KPMG Recognized Gain against a Wachovia Recognized Loss) would be greater if they were both calculated without taking into consideration any gains or losses on purchases/acquisitions of Bond Class Securities that were made after the close of trading on September 28, 2008, then that Claimant's Recognized Loss and Recognized Gain Amounts shall be calculated using the methodology set forth in ¶¶ 55-60 above but without considering any gains or losses on any such post-September 28, 2008 purchases/acquisitions.

ADDITIONAL PROVISIONS

62. The Net Settlement Fund will be allocated among all Authorized Claimants whose Distribution Amount (defined in paragraph 64 below) is \$10.00 or greater.

63. Each Authorized Claimant with a Wachovia Recognized Loss shall receive a *pro rata* share of the Wachovia Fund, which shall be the Authorized Claimant's Wachovia Recognized Loss divided by the sum total of the Wachovia Recognized Losses of all Authorized Claimants, multiplied by the total amount in the Wachovia Fund. Likewise, each Authorized Claimant with a KPMG Recognized Loss shall receive a *pro rata* share of the KPMG Fund, which shall be the Authorized Claimant's KPMG Recognized Loss divided by the sum total of the KPMG Recognized Losses of all Authorized Claimants, multiplied by the total amount in the KPMG Fund.

64. The "Distribution Amount" paid to an Authorized Claimant will be the sum of (i) his, her or its *pro rata* share, if any, of the Wachovia Fund; and (ii) his, her or its *pro rata* share, if any, of the KPMG Fund. If an Authorized Claimant's Distribution Amount calculates to less than \$10.00, no distribution will be made to that Authorized Claimant.

65. If a Settlement Class Member has more than one purchase/acquisition or sale of Bond Class Securities during the Settlement Class Period, all purchases/acquisitions and sales of like securities shall be matched on a First In, First Out ("FIFO") basis, such that sales will be matched against purchases/acquisitions of the same security in chronological order, beginning with the earliest purchase/acquisition made during the Settlement Class Period. With respect to the Series J, K and L Preferred Stock securities (which were converted to Wells Fargo securities on the December 31, 2008 conversion date), each such security shall be deemed to be the same (or "like") security as its respective predecessor or successor security, and the conversion shall not be deemed as converting them into "different" securities.

66. Purchases or acquisitions and sales of Bond Class Securities shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. The receipt or grant by gift, inheritance or operation of law of Bond Class Securities during the Settlement Class Period shall not be deemed a purchase, acquisition or sale of Bond Class Securities for the calculation of an Authorized Claimant's Recognized Loss or Gain Amounts, nor shall such receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of any Bond Class Securities unless (i) the donor or decedent purchased or otherwise acquired such Bond Class Securities during the Settlement Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such Bond Class Securities; and (iii) it is specifically so provided in the instrument of gift or assignment.

67. The date of covering a "short sale" is deemed to be the date of purchase or acquisition of Bond Class Securities. The date of a "short sale" is deemed to be the date of sale of Bond Class Securities. Under the Plan of Allocation, however, the Recognized Loss Amount and Recognized Gain Amount on all "short sales" is zero. In the event that there is an opening short position in any Bond Class Security, the earliest Settlement Class Period purchases/acquisitions of like security shall be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

68. Option contracts are not securities eligible to participate in the Settlements. With respect to Bond Class Securities purchased or sold through the exercise of an option, the purchase/sale date of the Bond Class Security is the exercise date of the option and the purchase/sale price of the Bond Class Security is the exercise price of the option.

69. If any funds remain in the Net Settlement Fund because of uncashed distributions or other reasons, then, after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants cash their distribution checks, any balance remaining in the Net Settlement Fund one (1) year after the initial distribution of such funds shall be redistributed to Authorized Claimants who have cashed their initial distribution and who would receive at least \$10.00 from such redistribution, after payment of

any unpaid costs or fees incurred in administering the funds, including for such redistribution. Additional redistributions to Authorized Claimants who have cashed their prior distribution checks and who would receive at least \$10.00 on such additional redistributions, subject to the conditions previously noted, may occur thereafter if Lead Bond/Notes Counsel, in consultation with the Claims Administrator, determine that additional redistribution, after the deduction of any additional fees and expenses that would be incurred with respect to such redistributions, is cost-effective. At such time as it is determined that the redistribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance of the Net Settlement Fund shall be contributed to non-sectarian, not-for-profit organizations designated by Lead Bond/Notes Counsel.

70. Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, shall be conclusive against all Authorized Claimants. No person shall have any claim against Bond/Notes Plaintiffs, Bond/Notes Plaintiffs' Counsel, Settling Defendants and their respective counsel or any of the other Released Defendant Persons, or the Claims Administrator or other agent designated by Lead Bond/Notes Counsel arising from distributions made substantially in accordance with the Stipulation, the plan of allocation approved by the Court, or further Orders of the Court. Bond/Notes Plaintiffs, the Settling Defendants and their respective counsel, and all other Released Defendant Persons shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Fund, the plan of allocation, or the determination, administration, calculation, or payment of any Claim Form or nonperformance of the Claims Administrator, the payment or withholding of taxes owed by the Settlement Fund, or any losses incurred in connection therewith.

71. The Plan of Allocation set forth herein is the plan that is being proposed to the Court for its approval by Lead Bond/Notes Plaintiffs and Lead Bond/Notes Counsel after consultation with their damages expert. The Court may approve this plan as proposed or it may modify the Plan of Allocation without further notice to the Settlement Class. Any Orders regarding any modification of the Plan of Allocation will be posted on the settlement website, www.WachoviaBondLitigation.com.

WHAT RIGHTS AM I GIVING UP BY REMAINING IN THE SETTLEMENT CLASS?

72. If you remain in the Settlement Class, you will be bound by any orders issued by the Court. For example, if the Wachovia Settlement, the KPMG Settlement or both are approved, the Court will enter a judgment (the "Judgment"). For each Settlement that is approved, the Judgment will dismiss with prejudice the claims against the applicable Defendants and will provide that, upon the Effective Date of each such Settlement, Lead Bond/Notes Plaintiffs, Additional Bond/Notes Plaintiffs and each of the other Settlement Class Members, on behalf of themselves, their heirs, executors, administrators, predecessors, successors, affiliates and assigns, shall be deemed to have, and by operation of law and of the Judgment shall have, fully, finally and forever compromised, settled, released, resolved, relinquished, waived, discharged and dismissed each and every Released Bond/Notes Claim (as defined in paragraph 73 below) as against all of the applicable Released Defendant Persons (as defined in paragraph 73 below), and shall forever be enjoined from prosecuting any or all of the Released Bond/Notes Claims against any of the applicable Released Defendant Persons (provided, however, that the releases provided for in the Judgment shall not apply to any Person who validly opts-out of the Settlement Class and nothing in the Stipulation shall preclude any Person from opting out of the Settlement Class in accordance with the instructions set forth in paragraph 81 below).

73. As described in more detail below, the Released Bond/Notes Claims are any and all claims that (a) were asserted in the Action; or (b) could have been asserted in the Action relating to the allegations in the Amended Bond/Notes Complaint and that arise out of the purchase or other acquisition or sale of the Bond Class Securities during the Settlement Class Period.

"Released Bond/Notes Claims" means any and all claims and any and all causes of action of every nature and description, including both known claims and Unknown Claims, whether based on federal, state, local or foreign statutory law or common law, rule or regulation, whether fixed or contingent, foreseen or unforeseen, matured or unmatured, accrued or unaccrued, liquidated or unliquidated, existing now or to be created in the future, whether direct, representative, class or individual in nature, that Lead Bond/Notes Plaintiffs or any other member of the Settlement Class (a) asserted in the Bond/Notes Action, or (b) could have asserted in any forum that arise out of, are based upon or are related to the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Amended Bond/Notes Complaint and that arise out of or are based upon the purchase or other acquisition or sale of the Bond Class Securities during the Settlement Class Period.¹⁹

"Unknown Claims" means any Released Bond/Notes Claims which Lead Bond/Notes Plaintiffs or any other Settlement Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Defendant Persons, and any Released Defendant Persons' Claims which any Released Defendant Person does not know or suspect to exist in his, her, or its favor at the time of the release of the Bond/Notes Plaintiff-Related Releasees, which, if known by him, her or it, might have affected his, her or its decision(s) with respect to the applicable Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that,

(i) upon the Effective Date as to the Wachovia Settlement, Lead Bond/Notes Plaintiffs and each of the Wachovia Defendants shall expressly waive, and each of the other Settlement Class Members and each of the other Wachovia Releasees shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, and

¹⁹ Released Bond/Notes Claims do not include, release, bar, waive, impair or otherwise impact (i) any claims asserted in the actions styled *In re Wachovia Equity Securities Litigation*, No. 08 Civ. 6171 (RJS), *Stichting Pensioenfonds ABP, et al. v. Wachovia Corp., et al.*, 09 Civ. 04473 (RJS), and *FC Holdings AB, et al. v. Wells Fargo & Co., et al.*, No. 09 Civ. 5466 (RJS); or (ii) any claims of any Settlement Class Member against any Non-Settling Defendants. Additionally, Released Bond/Notes Claims do not include claims relating to the enforcement of the Settlements and do not include any claims against any Underwriter Defendant that does not provide to Lead Bond/Notes Counsel a signed Underwriter Defendant Release by the date that is five (5) business days prior to the date of the Settlement Hearing.

(ii) upon the Effective Date as to the KPMG Settlement, Lead Bond/Notes Plaintiffs and KPMG shall expressly waive, and each of the other Settlement Class Members and each of the other KPMG Releasees, shall be deemed to have waived, and by operation of the Judgment shall have expressly waived,

any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Lead Bond/Notes Plaintiffs and each of the Wachovia Defendants acknowledge, and each of the other Settlement Class Members and each of the other Wachovia Releasees shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Wachovia Settlement; and Lead Bond/Notes Plaintiffs and KPMG acknowledge, and each of the other Settlement Class Members and each of the other KPMG Releasees shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the KPMG Settlement.

“Released Defendant Persons” means, with respect to the Wachovia Settlement, the “Wachovia Releasees” (as defined below), and with respect to the KPMG Settlement, the “KPMG Releasees” (as defined below).

“Wachovia Releasees” means the Wachovia Defendants and the Underwriter Defendants, their respective present and former direct and/or indirect parents, subsidiaries, divisions and affiliates and their respective present and former employees, members, partners, principals, Section 16 Officers, directors, agents, attorneys, advisors, administrators, representatives, accountants, auditors, insurers, and agents; the predecessors, successors, estates, heirs, executors, trusts, trustees, administrators, and assigns of each of them, in their capacity as such; and any firm, trust, corporation or other entity in which any Wachovia Defendant or Underwriter Defendant has or had a controlling interest, and the Immediate Family members of the Individual Defendants. The term Wachovia Releasees, however, shall not include any Underwriter Defendant which does not provide to Lead Bond/Notes Counsel a signed Underwriter Defendant Release by the date that is five (5) business days prior to the date of the Settlement Hearing; in such cases, any such Underwriter Defendant(s) and their respective related Persons shall not be a Wachovia Releasee under the terms of the Stipulation or otherwise be entitled to any of the rights and benefits of the Stipulation, including, without limitation, the Releases provided for therein. In addition, and notwithstanding the foregoing, Wachovia Releasees also do not include any of the KPMG Releasees.

“KPMG Releasees” means KPMG and its present and former parents, subsidiaries, divisions and affiliates and their respective present and former employees, members, partners, principals, Section 16 Officers, directors, agents, attorneys, advisors, administrators, representatives, accountants, auditors, insurers, and agents; the predecessors, successors, estates, heirs, executors, administrators, and assigns of each of them in their capacity as such, and any firm, trust, corporation, or other entity in which KPMG has or had a controlling interest. Notwithstanding the foregoing, KPMG Releasees do not include any of the Wachovia Releasees.

74. The Judgment will also provide that, upon the Effective Date of each Settlement that is approved by the Court, each of the applicable Defendant(s) and each of the other applicable Released Defendant Persons, on behalf of themselves, their heirs, executors, administrators, predecessors, successors, affiliates and assigns, shall be deemed to have, and by operation of law and of the Judgment shall have, fully, finally and forever compromised, settled, released, resolved, relinquished, waived, discharged and dismissed any and all claims, and any and all causes of action of every nature and description, including both known claims and Unknown Claims, whether based on federal, state, local or foreign statutory law or common law, rule or regulation, whether fixed or contingent, foreseen or unforeseen, matured or unmatured, accrued or unaccrued, liquidated or unliquidated, existing now or to be created in the future, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims by Lead Bond/Notes Plaintiffs, the Settlement Class and their counsel, including Lead Bond/Notes Counsel, against the applicable Defendant(s) and the other applicable Releasees, except for claims relating to the enforcement of the applicable Settlement, and shall forever be enjoined from prosecuting any such claims, against Bond/Notes Plaintiffs and all other Settlement Class Members, and Bond/Notes Plaintiffs’ Counsel and each of their heirs, executors, administrators, predecessors, successors and assigns (the “Bond/Notes Plaintiff-Related Releasees”) (provided, however, that the releases provided for in the Judgment shall not apply to any Person who validly opts-out of the Settlement Class and nothing in the Stipulation shall preclude any Person from opting out of the Settlement Class in accordance with the instructions set forth in paragraph 81 below).

75. In addition, the proposed Judgment provides for a “Bar Order” that will bar certain claims for indemnity and contribution by or against the Released Defendant Persons. The specific terms of the proposed Bar Order are set forth in the Stipulation. The proposed Judgment further provides that if the Settlement Class or any Settlement Class Member later obtains a judgment against a person subject to the Bar Order, such judgment shall be reduced by the greater of (i) an amount that corresponds to the percentage of responsibility of the Settling Defendants for the loss to the Settlement Class or the Settlement Class Member or (ii) the amount paid by or on behalf of the Settling Defendants to the Settlement Class or the Settlement Class Member for common damages.

WHAT PAYMENT ARE THE ATTORNEYS FOR THE SETTLEMENT CLASS SEEKING? HOW WILL THE LAWYERS BE PAID?

76. Bond/Notes Plaintiffs’ Counsel have not received any payment for their services in pursuing claims against the Defendants on behalf of the Settlement Class, nor have they been reimbursed for their out-of-pocket expenses. Prior to the Settlement Hearing (see paragraph 12 above), Lead Bond/Notes Counsel will apply to the Court for an award of attorneys’ fees on behalf of Bond/Notes Plaintiffs’ Counsel in an amount not to exceed 17.5% of the Settlement Fund. In addition, Lead Bond/Notes Counsel will apply for

reimbursement of Litigation Expenses paid or incurred in connection with the institution, prosecution and resolution of the claims against Defendants, in an amount not to exceed \$1,800,000 (which may include an application for reimbursement of the reasonable costs and expenses incurred by the Bond/Notes Plaintiffs themselves that relate directly to their representation of the Settlement Class), plus interest on such expenses at the same rate as earned on the Settlement Amounts. Should the Court approve only one of the two Settlements, attorneys' fees will be paid only on the approved Settlement and the Litigation Expenses approved by the Court will be paid from the Settlement Fund created by the approved Settlement.

HOW DO I PARTICIPATE IN THE SETTLEMENTS? WHAT DO I NEED TO DO?

77. To be eligible for a payment from the proceeds of the Settlements, you must be a member of the Settlement Class and you must timely complete and return the Claim Form with adequate supporting documentation postmarked no later than December 28, 2011. A Claim Form is included with this Notice, or you may obtain one from the website maintained by the Claims Administrator for the Settlements, www.WachoviaBondLitigation.com, or you may request that a Claim Form be mailed to you by calling the Claims Administrator toll free at 1-888-624-6713. If you request exclusion from the Settlement Class or do not submit a timely and valid Claim Form, you will not be eligible to share in the Net Settlement Fund. Please retain all records of your ownership of and transactions in Bond Class Securities, as they may be needed to document your Claim.

78. As a Settlement Class Member you are represented by Lead Bond/Notes Plaintiffs and Lead Bond/Notes Counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf and must serve copies of his or her appearance on the attorneys listed in the section entitled, "When and Where Will the Court Decide Whether to Approve the Settlements?," below.

79. If you are a Settlement Class Member and do not wish to remain a Settlement Class Member, you may exclude yourself from the Settlement Class by following the instructions in the section entitled, "What If I Do Not Want to Participate in the Settlements? How Do I Exclude Myself?," below.

80. If you are a Settlement Class Member and you wish to object to any aspect of the Wachovia Settlement or the KPMG Settlement (or both), to the Plan of Allocation, or to Lead Bond/Notes Counsel's application for attorneys' fees and reimbursement of Litigation Expenses, and if you do not exclude yourself from the Settlement Class, you may present your objections by following the instructions in the section entitled, "When and Where Will the Court Decide Whether to Approve the Settlements?," below.

WHAT IF I DO NOT WANT TO PARTICIPATE IN THE SETTLEMENTS? HOW DO I EXCLUDE MYSELF?

81. Each Settlement Class Member will be bound by all determinations and judgments in this lawsuit, whether favorable or unfavorable, unless such person or entity mails or delivers a written Request for Exclusion from the Settlement Class, addressed to *In re Wachovia Preferred Securities and Bond/Notes Litigation*, EXCLUSIONS, c/o The Garden City Group, Inc., P.O. Box 9804, Dublin, Ohio 43017-5704. The exclusion request must be received no later than October 25, 2011. You will not be able to exclude yourself from the Settlement Class after that date. Each Request for Exclusion must (a) state the name, address and telephone number of the person or entity requesting exclusion; (b) state that such person or entity "requests exclusion from the Settlement Class in *In re Wachovia Preferred Securities and Bond/Notes Litigation*, Master File No. 09 Civ. 6351 (RJS)"; (c) state the number of each Bond Class Security (in terms of shares or face value of notes) that the person or entity requesting exclusion purchased/acquired during the Settlement Class Period (*i.e.*, from the dates the securities were first offered through and including February 27, 2009), as well as any sales/dispositions during the Settlement Class Period or thereafter through the close of trading on August 4, 2011, as well as the dates and prices of each such purchase/acquisition and sale; and (d) be signed by such person or entity requesting exclusion or an authorized representative. A Request for Exclusion shall not be valid and effective unless it provides all the information called for in this paragraph and is received within the time stated above, or is otherwise accepted by the Court.

82. If you do not want to be part of the Settlement Class, you must follow these instructions for exclusion even if you have pending, or later file, another lawsuit, arbitration, or other proceeding relating to any Released Bond/Notes Claim against any of the Released Defendant Persons.

83. If you ask to be excluded from the Settlement Class, you will not be eligible to receive any payment out of the Net Settlement Fund, or any other benefit provided for in the Stipulation. If you ask to be excluded from the Settlement Class, you will be excluded from participation in the Settlements as a whole, including both the Wachovia Settlement and the KPMG Settlement; in other words, you cannot exclude yourself from only one of the Settlements.

84. The Wachovia Defendants and KPMG, respectively, have the right to terminate the Wachovia Settlement and the KPMG Settlement, respectively, if valid requests for exclusion are received from persons and entities entitled to be members of the Settlement Class in an amount that exceeds an amount agreed to by Lead Bond/Notes Plaintiffs and the applicable Settling Defendants.

WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENTS? DO I HAVE TO COME TO THE HEARING? MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENTS?

85. **Settlement Class Members do not need to attend the Settlement Hearing. The Court will consider any submission made in accordance with the provisions below even if the Settlement Class Member does not attend the hearing. You can participate in the Settlements without attending the Settlement Hearing.**

86. The Settlement Hearing will be held on November 14, 2011 at 4:00 p.m. before the Hon. Richard J. Sullivan, at the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street,

Courtroom 21C, New York, NY 10007-1312. The Court reserves the right to approve the Settlements at or after the Settlement Hearing without further notice to the members of the Settlement Class.

87. Any Settlement Class Member who does not request exclusion may object to any aspect of the Wachovia Settlement or the KPMG Settlement (or both), the proposed Plan of Allocation or Lead Bond/Notes Counsel's request for an award of attorneys' fees and reimbursement of Litigation Expenses. Objections must be in writing. You must file any written objection, together with copies of all other papers and briefs supporting the objection, with the Clerk's Office at the United States District Court for the Southern District of New York at the address set forth below on or before October 25, 2011. You must also serve the papers on designated representative Lead Bond/Notes Counsel and on counsel for the relevant Settling Defendants at the addresses set forth below for the respective counsel so that the papers are *received* on or before October 25, 2011.

Clerk's Office

United States District Court for the
Southern District of New York
Daniel Patrick Moynihan United States Courthouse
500 Pearl Street
New York, NY 10007-1312

Counsel for the Wachovia Defendants

Douglas H. Flaum, Esq.
Israel David, Esq.
Fried, Frank, Harris, Shriver & Jacobson
One New York Plaza
New York, NY 10004

Representative Lead Bond/Notes Counsel

William C. Fredericks, Esq.
Bernstein Litowitz Berger & Grossmann LLP
1285 Avenue of the Americas
New York, NY 10019

Counsel for KPMG

John K. Villa, Esq.
Williams & Connolly LLP
725 Twelfth Street, N.W.
Washington, D.C. 20005

88. Any objection (a) must contain a statement of the Settlement Class Member's objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Settlement Class Member wishes to bring to the Court's attention; and (b) must include documents sufficient to prove membership in the Settlement Class, including the number (in terms of shares or face value of notes) of each Bond Class Security that the objecting Settlement Class Member purchased/acquired during the Settlement Class Period (*i.e.*, from the dates the securities were first offered through and including February 27, 2009), as well as sales of such securities during the Settlement Class Period or thereafter through the close of trading on August 4, 2011, along with the dates and prices of each such purchase/acquisition and sale. You may not object to any aspect of the Settlements, the Plan of Allocation or the motion for attorneys' fees and reimbursement of expenses if you exclude yourself from the Settlement Class or if you are not a member of the Settlement Class.

89. You may file a written objection without having to appear at the Settlement Hearing. You may not, however, appear at the Settlement Hearing to present your objection unless you first filed and served a written objection in accordance with the procedures described above, unless the Court orders otherwise.

90. If you wish to be heard orally at the hearing in opposition to the approval of any aspect of the Settlements, the Plan of Allocation or Lead Bond/Notes Counsel's request for an award of attorneys' fees and reimbursement of expenses, and if you file and serve a timely written objection as described above, you must also file a notice of appearance with the Clerk's Office and serve it on designated representative Lead Bond/Notes Counsel and counsel for the Settling Defendants at the addresses set forth above so that it is *received* on or before October 25, 2011. Persons who intend to object and desire to present evidence at the Settlement Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the hearing.

91. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Hearing. If you decide to hire an attorney, which will be at your own expense, however, he or she must file a notice of appearance with the Court and serve it on designated representative Lead Bond/Notes Counsel and counsel for the Settling Defendants at the addresses set forth above so that the notice is *received* on or before October 25, 2011.

92. The Settlement Hearing may be adjourned by the Court without further written notice to the Settlement Class. If you intend to attend the Settlement Hearing, you should confirm the date and time with Lead Bond/Notes Counsel.

Unless the Court orders otherwise, any Settlement Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to any aspect of the proposed Settlements, the proposed Plan of Allocation or Lead Bond/Notes Counsel's request for an award of attorneys' fees and reimbursement of expenses. Settlement Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.

WHAT IF I BOUGHT SHARES OR NOTES ON SOMEONE ELSE'S BEHALF?

93. If you purchased or otherwise acquired any of the Bond Class Securities (listed on page 1 of this Notice) during the Settlement Class Period for the beneficial interest of persons or organizations other than yourself, you must, within ten (10) calendar days after receipt of this Notice, either (a) forward copies of the Notice and Claim Form (the "Notice Packet") to all such beneficial owners; or (b) provide the names and addresses of such persons or entities to *In re Wachovia Preferred Securities and Bond/Notes Litigation*, c/o The Garden City Group, Inc., P.O. Box 9805, Dublin, OH 43017-5705. If you choose the second option, the Claims Administrator will send a copy of the Notice Packet to the beneficial owners. Upon full compliance with these directions, such nominees may seek

reimbursement of their reasonable expenses actually incurred, by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice and the Claim Form can be obtained from the website maintained by the Claims Administrator, www.WachoviaBondLitigation.com, or by calling the Claims Administrator toll-free at 1-888-624-6713.

CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?

94. This Notice contains only a summary of the terms of the proposed Settlements. For more detailed information about the matters involved in this Action, you are referred to the papers on file in the Action, including the Stipulation, which may be inspected during regular office hours at the Office of the Clerk, United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007-1312. Additionally, copies of the Stipulation and any related orders entered by the Court will be posted on the website maintained by the Claims Administrator, www.WachoviaBondLitigation.com.

All inquiries concerning this Notice should be directed to:

In re Wachovia Preferred Securities and Bond/Notes Litigation
c/o The Garden City Group, Inc.
P.O. Box 9805
Dublin, OH 43017-5705
www.WachoviaBondLitigation.com

and/or

William C. Fredericks, Esq.
BERNSTEIN LITOWITZ BERGER
& GROSSMANN LLP
1285 Avenue of the Americas
New York, NY 10019
blbg@blbglaw.com

David Kessler, Esq.
KESSLER TOPAZ MELTZER
& CHECK, LLP
280 King of Prussia Road
Radnor, PA 19087
info@ktmc.com

John J. Rice, Esq.
ROBBINS GELLER RUDMAN
& DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101
rickn@rgrdlaw.com

DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF THE CLERK OF THE COURT REGARDING THIS NOTICE.

Dated: August 26, 2011

By Order of the Court
United States District Court
Southern District of New York

Table A
Summary of Wachovia Bond Class Securities

Cusip	Security Type	Description	IPO or Supplemental Offering Date	Applicable Purchase/Acquisition Period	"Issue Price" For Securities Purchased/Acquired During Applicable Purchase/Acquisition Period ^{1,2}	Closing Price on January 21, 2009	
					Period ^{1,2}		
1	92978U207	Preferred	Wachovia Capital Trust IV Trust Preferred Securities	2/15/2007	From IPO Through End of Class Period	\$25.00	\$16.35
2	92978X201	Preferred	Wachovia Capital Trust IX Trust Preferred Securities	5/8/2007	From IPO Through End of Class Period	\$25.00	\$15.84
3	92979K208	Preferred	Wachovia Capital Trust X Trust Preferred Securities	11/21/2007	From IPO Through End of Class Period	\$25.00	\$20.15
4	929903276	Preferred	Wachovia Class A Preferred Stock, Series J	12/21/2007	From IPO Through 12/31/2008	\$25.00	\$17.94
5	929903EF5	Preferred	Wachovia Class A Preferred Stock, Series K	2/8/2008	From IPO Through 12/31/2008	\$1,000.00	\$731.67
6	929903219	Preferred	Wachovia Class A Preferred Stock, Series L	4/17/2008	From IPO Through 12/31/2008	\$1,000.00	\$570.00
7	92976WBB1	Note	Three-Month LIBOR Floating Rate Notes Due 8/1/2013	7/31/2006	From IPO Through End of Class Period	\$1,000.00	\$849.29
8a	92976WBA3	Note	5.70% Notes Due 8/1/2013	7/31/2006	From IPO Through 11/13/2007	\$998.00	\$1,026.90
8b	92976WBA3	Note	5.70% Notes Due 8/1/2013	11/14/2007	From 11/14/2007 Through 11/21/2007	\$1,013.68	\$1,026.90
8c	92976WBA3	Note	5.70% Notes Due 8/1/2013		From 11/22/2007 Through End of Class Period	\$1,001.92	\$1,026.90
9a	929903CG5	Note	Three-Month LIBOR Floating Rate Notes Due 10/15/2011	10/23/2006	From IPO Through 2/11/2007	\$1,000.00	\$920.81
9b	929903CG5	Note	Three-Month LIBOR Floating Rate Notes Due 10/15/2011	2/12/2007	From 2/12/2007 Through 2/19/2007	\$1,001.23	\$920.81
9c	929903CG5	Note	Three-Month LIBOR Floating Rate Notes Due 10/15/2011		From 2/20/2007 Through End of Class Period	\$1,000.41	\$920.81
10a	929903CF7	Note	5.30% Notes Due 10/15/2011	10/23/2006	From IPO Through 2/11/2007	\$998.37	\$1,013.95
10b	929903CF7	Note	5.30% Notes Due 10/15/2011	2/12/2007	From 2/12/2007 Through 2/19/2007	\$1,002.52	\$1,013.95
10c	929903CF7	Note	5.30% Notes Due 10/15/2011		From 2/20/2007 Through End of Class Period	\$999.67	\$1,013.95
11	929903CH3	Note	5.625% Subordinated Notes Due 10/15/2016	10/23/2006	From IPO Through End of Class Period	\$996.62	\$931.12
12	929903CJ9	Note	Three-Month LIBOR Floating Rate Notes Due 10/15/2016	10/23/2006	From IPO Through End of Class Period	\$1,000.00	\$702.50
13	92976WBC9	Note	Three-Month LIBOR Floating Rate Senior Notes Due 12/1/2009	12/13/2006	From IPO Through End of Class Period	\$1,000.00	\$977.98
14a	929903DF6	Note	Three-Month LIBOR Floating Rate Notes Due 4/23/2012	4/23/2007	From IPO Through 6/18/2007	\$1,000.00	\$885.01
14b	929903DF6	Note	Three-Month LIBOR Floating Rate Notes Due 4/23/2012	6/19/2007	From 6/19/2007 Through 6/26/2007	\$1,000.41	\$885.01
14c	929903DF6	Note	Three-Month LIBOR Floating Rate Notes Due 4/23/2012		From 6/27/2007 Through End of Class Period	\$1,000.03	\$885.01
15	929903DU3	Note	Three-Month LIBOR Floating Rate Notes Due 6/15/2017	6/8/2007	From IPO Through End of Class Period	\$1,000.00	\$730.00
16a	929903DT6	Note	5.75% Notes Due 6/15/2017	6/8/2007	From IPO Through 9/16/2007	\$995.77	\$1,006.93
16b	929903DT6	Note	5.75% Notes Due 6/15/2017	9/17/2007	From 9/17/2007 Through 9/24/2007	\$989.10	\$1,006.93
16c	929903DT6	Note	5.75% Notes Due 6/15/2017		From 9/25/2007 Through 12/17/2007	\$994.40	\$1,006.93
16d	929903DT6	Note	5.75% Notes Due 6/15/2017	12/18/2007	From 12/18/2007 Through 12/25/2007	\$983.52	\$1,006.93
16e	929903DT6	Note	5.75% Notes Due 6/15/2017		From 12/26/2007 Through End of Class Period	\$993.00	\$1,006.93
17	92976WBD7	Note	Three-Month LIBOR Floating Rate Notes Due 7/26/2010	7/26/2007	From IPO Through End of Class Period	\$1,000.00	\$961.39
18	929903EC2	Note	Three-Month LIBOR Floating Rate Notes Due 8/20/2009	8/20/2007	From IPO Through End of Class Period	\$1,000.00	\$958.36
19	92976WBG0	Note	Three-Month LIBOR Floating Rate Notes Due 11/24/2009	11/27/2007	From IPO Through End of Class Period	\$999.27	\$990.47
20	92976WBH8	Note	5.75% Notes Due 2/1/2018	1/31/2008	From IPO Through End of Class Period	\$995.72	\$980.00
21a	92976WBJ4	Note	5.50% Fixed Rate Notes Due 5/1/2013	4/25/2008	From IPO Through 5/28/2008	\$997.74	\$1,039.17
21b	92976WBJ4	Note	5.50% Fixed Rate Notes Due 5/1/2013	5/29/2008	From 5/29/2008 Through 6/5/2008	\$1,001.30	\$1,039.17
21c	92976WBJ4	Note	5.50% Fixed Rate Notes Due 5/1/2013		From 6/5/2008 Through End of Class Period	\$997.97	\$1,039.17
22	92976WBK1	Note	Three-Month LIBOR Floating Rate Notes Due 5/1/2013	4/25/2008	From IPO Through End of Class Period	\$1,000.00	\$915.70

Notes:

¹ Issue price for Notes are reported in \$1000 face value.

² For securities with multiple offerings, beginning on the eighth day after the supplemental offering, "Issue Price" is calculated using the average issue price weighted by the size of each offering to date of that security.