Wachovia Corporation
Legal Division
NC0630
One Wachovia Center
301 South College Street
Charlotte, NC 28288

Tel 704 374-6611

Eugene M. Katz
Senior Vice President and
Assistant General Counsel
Direct Dial: 704 383-7707
Fax: 704 715-4494
Email: gene.katz@wachovia.com

WACHOVIA

September 15, 2006

Mr. Robert E. Feldman
Executive Secretary
Attention: Comments/Legal ESS
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Re: RIN 3064-AD05

Comments of Wachovia Corporation to the Federal Deposit Insurance Corporation's Notice of Proposed Rulemaking Regarding 12 CFR 328 – Advertisement of Membership

Dear Mr. Feldman:

This letter is submitted on behalf of Wachovia Corporation and its national bank subsidiaries, Wachovia Bank, National Association and Wachovia Bank of Delaware, National Association (collectively referred to as "Wachovia"). In this letter, Wachovia provides its comments to the Federal Deposit Insurance Corporation's Notice of Proposed Rulemaking ("NPR") regarding revisions to its regulation governing official FDIC signs and advertising of FDIC membership.

As a result of the merger of the Bank Insurance Fund and the Savings Association Insurance Fund effect on March 31, 2006, the NPR proposes to replace the separate signs that have been used by the two funds with one sign to be used by all insured depository institutions; to extend the advertising requirements to savings associations; and to consolidate the exceptions to those requirements.

Section 328.1 - Official Sign

Although no changes to the size of the official sign are being proposed, the NPR does propose requiring a specific color scheme for signs at teller stations. As proposed, these signs must have black lettering and gold background. Signs displayed at other locations would not have to comply with the size and color requirements.

Wachovia has a corporate color standard of silver background and black lettering for all branch signage. Thus, having a specific color requirement would be problematic for us, as it would impact signage at, among other locations, approximately 10,000 teller stations. Wachovia therefore respectfully requests that this proposed revision not be adopted and that financial institutions continue to have the flexibility to use any color scheme and materials, provided that all other aspects of the official sign are not altered.

Section 328.3 – Official Advertising Statement Requirements

The FDIC is proposing to simplify the advertising requirements by reducing the number of exceptions to the required use of the official advertising statement from 20 to 5 by "limiting the applicability of Section 328.3 to advertisements that specifically promote deposit products or generally promote banking services." The exceptions that would be eliminated include statements and reports of condition; bank supplies such as stationery, envelopes, deposit slips, checks, drafts, signature cards, deposit passbooks, certificates of deposit, etc.; listings in directories; and advertisements relating to loan services, safekeeping box services, trust services, real estate services, armored car services, service or analysis charges, securities services, travel department business, and savings bank life insurance.

Wachovia has concern over the use of the phrase "generally promote banking services" in the excerpt quoted above, because that is very broad language and would include, for example, loans and safe deposit boxes, which are not covered by deposit insurance. Using the official statement on advertisements of banking services other than deposits will be confusing and misleading to consumers.

Wachovia also has concern over the removal of the specific exceptions noted above, because we believe that they warrant exemption from the advertising statement requirements. Although Wachovia appreciates the FDIC's attempt to simplify the regulation, retaining the specific exceptions leaves no possibility for confusion or misunderstanding and reduces the likelihood of non-compliance.

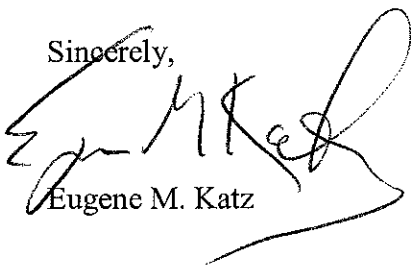
The NPR requests comment on whether use of the official advertising statement should (1) be prohibited in advertisements relating solely to non-deposit products (NDPs) or hybrid products containing both NDP and deposit features and (2) be clearly segregated from information about NDPs in advertisements containing information about both types of products. Wachovia believes that the official advertising statement should not be used in advertisements that solely market NDPs. For advertisements that mention both types of products, Wachovia separates the NDP disclosure from the official advertising statement disclosure and adds the following phrase next to the "Member FDIC" disclosure: " Only deposit products are FDIC insured." However, additional clarification may be helpful, since this tends to be a very confusing area for financial institutions' marketing and compliance departments.

Effective Date

The NPR requests comment on whether 6 months is sufficient time to implement the new requirements. Wachovia respectfully requests a minimum of 12 months before the new requirements become effective to ensure ample time to make required changes to branch signage (Wachovia, for example, has over 3,100 branches) and to allow ample time to deplete existing inventory of marketing and promotional materials should changes be required as a result of the final rule.

Wachovia appreciates this opportunity to comment on this notice of proposed rulemaking. If you have any questions, please contact me.

Sincerely,



Eugene M. Katz