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Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

August 30, 2007

Board of Directors
c/o G. Kennedy Thompson,
Chairman and Chief Executive Officer
Wachovia Bank, N.A.
One Wachovia Center, Suite 4000
301 South College Street
Charlotte, North Carolina 28288

Re: Consideration of Possible Enforcement Actions

Dear Mr. Thompson and Members of the Board:

The Office of the Comptroller of the Currency (OCC) is considering whether to institute administrative enforcement actions against Wachovia Bank, N.A., Charlotte, NC ("Bank") under 12 U.S.C. § 1818, including a civil money penalty action under 12 U.S.C. § 1818(i). Any civil money penalty action would be based upon the OCC's determination that the Bank engaged in unsafe or unsound practices in relation to the opening and servicing of the Payment Processing Center LLC ("PPC") accounts, as described more fully in Supervisory Letter WB-2007-32, dated August 13, 2007 (copy attached). These unsafe or unsound practices included lack of appropriate banking policies, procedures, systems and controls that allowed PPC to establish and maintain a relationship with the Bank.

The purpose of this letter is to afford the Bank the opportunity to submit information relevant to the OCC's decision before the commencement of any enforcement actions. We solicit any facts that you believe would make the initiation of enforcement actions inappropriate based on the above described activities. Of particular relevance will be any evidence that no violations of law or regulation, or unsafe or unsound practices, occurred.

The Bank is also invited to provide us with information bearing upon the appropriate amount of any civil money penalty assessed under Title 12, United States Code, Section 1818(i), including:

- (a) any good faith surrounding the violations of law and unsafe or unsound practices;