

BELLSOUTH CORP

Form 4

January 04, 2007

FORM 4
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
Number: 3235-0287
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2005
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(Print or Type Responses)

1. Name and Address of Reporting Person *
HARRIS ISAAH JR

(Last) (First) (Middle)

**2247 NORTHLAKE PARKWAY,
SUITE 1026**

(Street)

TUCKER, GA 30084

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
BELLSOUTH CORP [BLS]

3. Date of Earliest Transaction
(Month/Day/Year)
12/29/2006

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
__X__ Officer (give title below) ____ Other (specify below)

President-BLS A&P Group

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	12/29/2006		D	73,960	D 11 0	D	
Common Stock	12/29/2006		D	2,323.302	D 11 0	I	ESOP

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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information contained in this form are not
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SEC 1474
(9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and An Underlying Sec (Instr. 3 and 4)	8. Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount of Underlying Securities
Phantom Deferral Shares	(2)	12/29/2006		D		14,031.71		(2)	(2)	Common Stock	14,031.71
Restrictd Stock Units	(3)	12/29/2006		D		16,350		(3)	(3)	Common Stock	16,350
Non-Qualified Stock Option (right to buy)	\$ 30.9063	12/29/2006		D		59,200		(4)	02/02/2008	Common Stock	59,200
Non-Qualified Stock Option ((right to buy)	\$ 45.5313	12/29/2006		D		62,900		(5)	02/01/2009	Common Stock	62,900
Non-Qualified Stock Option (right to buy)	\$ 45.6563	12/29/2006		D		70,300		(6)	03/03/2010	Common Stock	70,300
Non-Qualified Stock Option (right to buy)	\$ 37.8438	12/29/2006		D		11,700		(7)	09/15/2010	Common Stock	11,700
Non-Qualified Stock Option (right to buy)	\$ 42.25	12/29/2006		D		85,400		(8)	02/02/2011	Common Stock	85,400
Incentive Stock Option (right to buy)	\$ 40.265	12/29/2006		D		2,483		(9)	04/23/2011	Common Stock	2,483
Non-Qualified Stock Option (right to buy)	\$ 39.02	12/29/2006		D		108,400		(10)	03/01/2012	Common Stock	108,400
Incentive Stock Option (right to buy)	\$ 30.725	12/29/2006		D		3,254		(11)	04/22/2012	Common Stock	3,254
Non-Qualified Stock Option (right to buy)	\$ 28.08	12/29/2006		D		65,000		(12)	11/25/2012	Common Stock	65,000
Incentive Stock Option	\$ 24.245	12/29/2006		D		4,124		(13)	04/28/2013	Common Stock	4,124

(right to buy)

Incentive

Stock Option	\$ 26.365	12/29/2006	D	3,792	<u>(14)</u>	04/26/2014	Common Stock
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(right to buy)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HARRIS ISALAH JR 2247 NORTHLAKE PARKWAY, SUITE 1026 TUCKER, GA 30084			President-BLS A&P Group	

Signatures

Marcy A. Bass, Attorney
in Fact

01/04/2007

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) Disposed of pursuant to Agreement and Plan of Merger dated as of March 4, 2006 by and among the Company, AT&T Inc. and a wholly owned subsidiary of AT&T Inc. (the "merger") in exchange for shares of AT&T common stock. Reporting person received 1.325 shares of AT&T common stock having a market value of \$47.37 in exchange for each share of BellSouth common stock on December 29, 2006, the effective date of the merger (the "effective date of the merger").
- (2) These shares of BellSouth phantom stock were replaced by 18,592.02 shares of AT&T phantom stock on the effective date of the merger.
- (3) These restricted stock units were converted to AT&T restricted stock units on the effective date of the merger.
- (4) This option was assumed by AT&T Inc. in the merger and replaced with an option to purchase 78,440 shares of AT&T common stock for \$23.33 per share on the effective date of the merger.
- (5) This option was assumed by AT&T Inc. in the merger and replaced with an option to purchase 83,342 shares of AT&T common stock for \$34.37 per share on the effective date of the merger.
- (6) This option was assumed by AT&T Inc. in the merger and replaced with an option to purchase 93,147 shares of AT&T common stock for \$34.46 per share on the effective date of the merger.
- (7) This option was assumed by AT&T Inc. in the merger and replaced with an option to purchase 15,502 shares of AT&T common stock for \$28.57 per share on the effective date of the merger.
- (8) This option was assumed by AT&T Inc. in the merger and replaced with an option to purchase 113,155 shares of AT&T common stock for \$31.89 per share on the effective date of the merger.
- (9) This option was assumed by AT&T Inc. in the merger and replaced with an option to purchase 3,289 shares of AT&T common stock for \$30.39 per share on the effective date of the merger.
- (10) This option was assumed by AT&T Inc. in the merger and replaced with an option to purchase 143,630 shares of AT&T common stock for \$29.45 per share on the effective date of the merger.
- (11) This option was assumed by AT&T Inc. in the merger and replaced with an option to purchase 4,311 shares of AT&T common stock for \$23.19 per share on the effective date of the merger.
- (12) This option was assumed by AT&T Inc. in the merger and replaced with an option to purchase 86,125 shares of AT&T common stock for \$21.20 per share on the effective date of the merger.

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- (13) This option was assumed by AT&T Inc. in the merger and replaced with an option to purchase 5,464 shares of AT&T common stock for \$18.30 per share on the effective date of the merger.
- (14) This option was assumed by AT&T Inc. in the merger and replaced with an option to purchase 5,024 shares of AT&T common stock for \$19.90 per share on the effective date of the merger.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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