

BELLSOUTH CORP
Form 4
January 04, 2007

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
MULLIN LEO F

(Last) (First) (Middle)

DELTA AIRLINES, P.O. BOX
20706

(Street)

ATLANTA, GA 30320

(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
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) Price | | | |
| Common Stock | 12/29/2006 | | D | 18,988 D | 11 0 | D | |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

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

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| 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 Underlying (Instr. 3 and 4) |
|---|--|--------------------------------------|--|--------------------------------|---|--|-----------------|--|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title |
| Phantom Deferral Shares | (2) | 12/29/2006 | | D | 15,194.3074 | (2) | (2) | Common Stock |
| Restricted Stock Units | (3) | 12/29/2006 | | D | 2,504 | (3) | (3) | Common Stock |
| Non-Qualified Stock Option (right to buy); Tandem SAR | \$ 31.5 | 12/29/2006 | | D | 4,000 | (4) | 04/27/2008 | Common Stock |
| Non-Qualified Stock Option (right to buy); Tandem SAR | \$ 43.625 | 12/29/2006 | | D | 8,000 | (5) | 04/26/2009 | Common Stock |
| Non-Qualified Stock Option (right to buy); Tandem SAR | \$ 50.938 | 12/29/2006 | | D | 8,000 | (6) | 04/24/2010 | Common Stock |
| Non-Qualified Stock Option (right to buy); Tandem SAR | \$ 40.265 | 12/29/2006 | | D | 5,304 | (7) | 04/23/2011 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 30.725 | 12/29/2006 | | D | 4,732 | (8) | 04/22/2012 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 25.065 | 12/29/2006 | | D | 4,089 | (9) | 05/01/2013 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 26.03 | 12/29/2006 | | D | 4,399 | (10) | 05/01/2014 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 26.4 | 12/29/2006 | | D | 5,948 | (11) | 05/01/2015 | Common Stock |

Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

2

Director 10% Owner Officer Other

MULLIN LEO F
 DELTA AIRLINES, P.O. BOX 20706 X
 ATLANTA, GA 30320

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 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 20,132.4573 shares of AT&T phantom stock on the effective date of the merger.
 - (3) These restricted stock units were paid out in shares of BellSouth common stock on the effective date of the merger and are reflected on Table 1 of this Form 4.
 - (4) This option was assumed by AT&T Inc. in the merger and replaced with an option to purchase 5,300 shares of AT&T common stock for \$23.78 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 10,600 shares of AT&T common stock for \$32.93 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 10,600 shares of AT&T common stock for \$38.45 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 7,027 shares of AT&T common stock for \$30.39 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 6,269 shares of AT&T common stock for \$23.19 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 5,417 shares of AT&T common stock for \$18.92 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 5,828 shares of AT&T common stock for \$19.65 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 7,881 shares of AT&T common stock for \$19.93 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. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.