

BELLSOUTH CORP  
Form 11-K  
June 12, 2002  
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**SECURITIES AND EXCHANGE COMMISSION**

Washington, D. C. 20549

**FORM 11-K**

Annual Report Pursuant to Section 15(d) of the  
Securities Exchange Act of 1934

For the fiscal year ended December 31, 2001

or

Transition Report Pursuant to Section 15(d) of the  
Securities Exchange Act of 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number  
1-8607

BellSouth Retirement Savings Plan

**BellSouth Corporation**

1155 Peachtree Street, N.E.  
Atlanta, Georgia 30309-3610

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**BELLSOUTH RETIREMENT SAVINGS PLAN**

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**REPORT OF INDEPENDENT ACCOUNTANTS**

To the Participants and Plan Administrator of  
the BellSouth Retirement Savings Plan:

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the BellSouth Retirement Savings Plan (the Plan ) at December 31, 2001 and 2000, and the changes in net assets available for benefits for each of the three years in the period ended December 31, 2001 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan s management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Fund Information in the statements of net assets available for benefits and the statements of changes in net assets available for benefits is presented for purposes of additional analysis rather than to present the net assets available for benefits and changes in net assets available for benefits of each fund. The Fund Information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP  
Atlanta, Georgia

June 10, 2002

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<b>BELLSOUTH RETIRE</b>						
<b>STATEMENT OF NET ASSETS AVAILABLE</b>						
						<b>December</b>
						<b>(In Tho</b>
	<b>BellSouth Stock Fund</b>	<b>Indexed Stock Fund</b>	<b>Interest Income Fund</b>	<b>Vanguard Growth Index-Institutional</b>	<b>Fidelity Growth &amp; Income Portfolio</b>	<b>Balanced Fund</b>
<b>ASSETS</b>						
Share of Trust net assets	\$ 1,429,184	\$ 892,264	\$ 1,032,964	\$ 196,806	\$ 162,620	\$ 98,608
Investment in BellSouth Retirement Savings Employee Stock Ownership Plan Trust:						
Shares of BellSouth common stock allocated to participants						
Shares of BellSouth common stock held for future allocation						
Temporary cash investments						
<b>Total Investments</b>	<b>1,429,184</b>	<b>892,264</b>	<b>1,032,964</b>	<b>196,806</b>	<b>162,620</b>	<b>98,608</b>
Contributions receivable	2,242	1,530	1,230	776	676	234
Fund, BellSouth Savings and Security Plan and other transfers receivable net			291			15
<b>Total Assets</b>	<b>1,431,426</b>	<b>893,794</b>	<b>1,034,485</b>	<b>197,582</b>	<b>163,296</b>	<b>98,857</b>
<b>LIABILITIES</b>						
Distributions payable	556	280	727	80	38	6
Fund, BellSouth Savings and Security Plan and other transfers payable net	596	171		771	5	
Notes payable						
<b>Total Liabilities</b>	<b>1,152</b>	<b>451</b>	<b>727</b>	<b>851</b>	<b>43</b>	<b>6</b>
<b>Net Assets Available for Benefits</b>	<b>\$ 1,430,274</b>	<b>\$ 893,343</b>	<b>\$ 1,033,758</b>	<b>\$ 196,731</b>	<b>\$ 163,253</b>	<b>\$ 98,851</b>

The accompanying notes are an integ

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**MENT SAVINGS PLAN**

**FOR BENEFITS, WITH FUND INFORMATION**

**31, 2001**  
**usands)**

Bond Fund	T. Rowe Price Mid-Cap Growth	DFA U.S. Small Cap Value II Fund	Personal Choice Retirement Account	DFA International Value II Fund	DFA U.S. Large Cap Value II Fund	Participant Loans	Other	Employee Stock Ownership Plan		Total
								Allocated	Unallocated	
\$151,232	\$ 150,034	\$ 108,078	\$ 84,053	\$ 31,029	\$ 48,197	\$ 68,374	\$ 20,589	\$	\$	\$ 4,474,032
								1,141,934		1,141,934
									282,044	282,044
								167	12,576	12,743
151,232	150,034	108,078	84,053	31,029	48,197	68,374	20,589	1,142,101	294,620	5,910,753
395	551	346		106	267					8,353
276		214	1,385	35	64	1,334				3,614
151,903	150,585	108,638	85,438	31,170	48,528	69,708	20,589	1,142,101	294,620	5,922,720
71	49	36		23	6	51		440		2,363
	151						20,589			22,283
									146,763	146,763
71	200	36		23	6	51	20,589	440	146,763	171,409
\$151,832	\$ 150,385	\$ 108,602	\$ 85,438	\$ 31,147	\$ 48,522	\$ 69,657	\$	\$ 1,141,661	\$ 147,857	\$ 5,751,311

ral part of these financial statements.

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<b>BELLSOUTH RETIRE</b>						
<b>STATEMENT OF NET ASSETS AVAILABLE</b>						
						<b>December</b>
						<b>(In Tho</b>
	<b>BellSouth</b>	<b>Indexed</b>	<b>Interest</b>	<b>Vanguard</b>	<b>Fidelity</b>	<b>Balanced</b>
	<b>Stock</b>	<b>Stock</b>	<b>Income</b>	<b>Growth</b>	<b>Growth</b>	<b>Fund</b>
	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Index-</b>	<b>&amp; Income</b>	<b>Fund</b>
	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Institutional</b>	<b>Portfolio</b>	<b>Fund</b>
<b>ASSETS</b>						
Share of Trust net assets	\$ 1,559,490	\$ 1,102,940	\$ 940,836	\$ 260,329	\$ 180,106	\$ 104,327
Investment in BellSouth Retirement Savings Employee Stock Ownership Plan Trust:						
Shares of BellSouth common stock allocated to participants						
Shares of BellSouth common stock held for future allocation						
Temporary cash investments						
<b>Total Investments</b>	<b>1,559,490</b>	<b>1,102,940</b>	<b>940,836</b>	<b>260,329</b>	<b>180,106</b>	<b>104,327</b>
Contributions receivable	1,818	1,420	822	838	568	403
Fund, BellSouth Savings and Security Plan and other transfers receivable net			1,993			6
<b>Total Assets</b>	<b>1,561,308</b>	<b>1,104,360</b>	<b>943,651</b>	<b>261,167</b>	<b>180,674</b>	<b>104,736</b>
<b>LIABILITIES</b>						
Distributions payable	1,353	1,135	1,109	35	17	106
Fund, BellSouth Savings and Security Plan and other transfers payable net	474	422		764	72	
Notes payable						
<b>Total Liabilities</b>	<b>1,827</b>	<b>1,557</b>	<b>1,109</b>	<b>799</b>	<b>89</b>	<b>106</b>
<b>Net Assets Available for Benefits</b>	<b>\$ 1,559,481</b>	<b>\$ 1,102,803</b>	<b>\$ 942,542</b>	<b>\$ 260,368</b>	<b>\$ 180,585</b>	<b>\$ 104,630</b>

The accompanying notes are an integ

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**MENT SAVINGS PLAN**

**FOR BENEFITS, WITH FUND INFORMATION**

**31, 2000**  
**usands)**

Bond Fund	T. Rowe Price Mid-Cap Growth	DFA U.S. Small Cap Value II Fund	Personal Choice Retirement Account	DFA International Value II Fund	DFA U.S. Large Cap Value II Fund	Participant Loans	Other	Employee Stock Ownership Plan		Total
								Allocated	Unallocated	
\$ 101,672	\$ 156,369	\$ 70,023	\$ 99,053	\$ 38,750	\$ 28,632	\$ 68,799	\$ 14,862	\$	\$	\$ 4,726,188
								1,155,338		1,155,338
								536	446,931	446,931
									13,420	13,956
101,672	156,369	70,023	99,053	38,750	28,632	68,799	14,862	1,155,874	460,351	6,342,413
124	489	165		98	127					6,872
		22	539		5	1,461		3,484		7,510
101,796	156,858	70,210	99,592	38,848	28,764	70,260	14,862	1,159,358	460,351	6,356,795
38	36	22			13	51		353		4,268
9	39			85			14,862			16,727
									208,784	208,784
47	75	22		85	13	51	14,862	353	208,784	229,779
\$ 101,749	\$ 156,783	\$ 70,188	\$ 99,592	\$ 38,763	\$ 28,751	\$ 70,209	\$	\$ 1,159,005	\$ 251,567	\$ 6,127,016

ral part of these financial statements.

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<b>BELLSOUTH RETIRE</b>							
<b>STATEMENT OF CHANGES</b>							
<b>FOR BENEFITS, WITH</b>							
<b>Year Ended Dec</b>							
<b>(In Tho</b>							
	<b>BellSouth Stock Fund</b>	<b>Indexed Stock Fund</b>	<b>Interest Income Fund</b>	<b>Vanguard Growth Index- Institutional</b>	<b>Fidelity Growth &amp; Income Portfolio</b>	<b>Balanced Fund</b>	<b>Bond Fund</b>
Net Assets Available for Benefits, December 31, 2000	\$ 1,559,481	\$ 1,102,803	\$ 942,542	\$ 260,368	\$ 180,585	\$ 104,630	\$ 101,749
Employee contributions	47,606	41,245	45,634	22,396	16,720	6,266	8,426
Transfer of participants balances net	(4,564)	(57,669)	81,850	(38,839)	(4,400)	(1,877)	41,477
Supplemental contributions							
Allocation of shares to participants							
Transfer for loan repayment							
Total Contributions, Allocations and Transfers	43,042	(16,424)	127,484	(16,443)	12,320	4,389	49,903
Share of Trust investment activities	(68,158)	(127,636)	58,208	(32,864)	(17,319)	(2,922)	10,254
Total	(25,116)	(144,060)	185,692	(49,307)	(4,999)	1,467	60,157
Less: Distributions to participants	104,091	65,400	94,476	14,330	12,333	7,246	10,074
Interest on notes payable							
Net Assets Available for Benefits, December 31, 2001	\$ 1,430,274	\$ 893,343	\$ 1,033,758	\$ 196,731	\$ 163,253	\$ 98,851	\$ 151,832

The accompanying notes are an integ



**Table of Contents****MENT SAVINGS PLAN****IN NET ASSETS AVAILABLE  
FUND INFORMATION**December 31, 2001  
(in thousands)

T. Rowe Price Mid-Cap Growth	DFA U.S. Small Cap Value II Fund	Personal Choice Retirement Account	DFA International Value II Fund	DFA U.S. Large Cap Value II Fund	Participant Loans	Other	Employee Stock Ownership Plan		Total
							Allocated	Unallocated	
\$ 156,783	\$ 70,188	\$ 99,592	\$ 38,763	\$ 28,751	\$ 70,209	\$	\$ 1,159,005	\$ 251,567	\$ 6,127,016
14,630	6,693		3,223	4,619					217,458
(8,354)	22,182	10,922	(2,109)	17,234	(123)	358	(22,208)		33,880
								53,375	53,375
							140,704 (18,106)	(140,704) 18,106	
6,276	28,875	10,922	1,114	21,853	(123)	358	100,390	(69,223)	304,713
(2,233)	16,159	(25,076)	(5,604)	712	5,696	(358)	(58,767)	(16,831)	(266,739)
4,043	45,034	(14,154)	(4,490)	22,565	5,573		41,623	(86,054)	37,974
10,441	6,620		3,126	2,794	6,125		58,967		396,023
								17,656	17,656
\$ 150,385	\$ 108,602	\$ 85,438	\$ 31,147	\$ 48,522	\$ 69,657	\$	\$ 1,141,661	\$ 147,857	\$ 5,751,311

ral part of these financial statements.

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	<b>BELLSOUTH RETIRE</b>						
	<b>STATEMENT OF CHANGES</b>						
	<b>FOR BENEFITS, WITH</b>						
	<b>Year Ended Dec</b>						
	<b>(In Tho</b>						
	<b>BellSouth</b>	<b>Indexed</b>	<b>Interest</b>	<b>Vanguard</b>	<b>Fidelity</b>	<b>Balanced</b>	<b>Bond</b>
	<b>Stock</b>	<b>Stock</b>	<b>Income</b>	<b>Growth</b>	<b>Growth</b>	<b>Fund</b>	<b>Fund</b>
	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Index-</b>	<b>&amp; Income</b>	<b>Fund</b>	<b>Fund</b>
	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Institutional</b>	<b>Portfolio</b>	<b>Fund</b>	<b>Fund</b>
Net Assets Available for Benefits, December 31, 1999	\$ 2,044,151	\$ 1,250,563	\$ 942,677	\$ 251,465	\$ 191,741	\$ 113,420	\$ 97,592
Employee contributions	55,561	46,626	42,046	25,372	16,772	7,615	3,807
Transfer of participants' balances net	(235,693)	9,117	45,389	78,930	(6,633)	(11,252)	(1,392)
Supplemental contributions							
Allocation of shares to participants							
Transfer for loan repayment							
Total Contributions, Allocations and Transfers	(180,132)	55,743	87,435	104,302	10,139	(3,637)	2,415
Share of Trust investment activities	(140,385)	(104,914)	49,094	(69,159)	(4,001)	3,528	9,535
Total	(320,517)	(49,171)	136,529	35,143	6,138	(109)	11,950
Less: Distributions to participants	164,153	98,589	136,664	26,240	17,294	8,681	7,793
Interest on notes payable							
Net Assets Available for Benefits, December 31, 2000	\$ 1,559,481	\$ 1,102,803	\$ 942,542	\$ 260,368	\$ 180,585	\$ 104,630	\$ 101,749

The accompanying notes are an integ

**Table of Contents****MENT SAVINGS PLAN****IN NET ASSETS AVAILABLE  
FUND INFORMATION**December 31, 2000  
(in thousands)

T. Rowe Price Mid-Cap Growth	DFA U.S. Small Cap Value II Fund	Personal Choice Retirement Account	DFA International Value II Fund	DFA U.S. Large Cap Value II Fund	Participant Loans	Other	Employee Stock Ownership Plan		Total
							Allocated	Unallocated	
\$ 78,855	\$ 63,454	\$ 43,826	\$ 40,230	\$ 28,361	\$ 67,353	\$	\$ 1,290,526	\$ 393,395	\$ 6,897,609
12,930	5,438		4,010	2,628					222,805
70,249	1,315	102,103	(1,834)	(2,074)	(12,206)	(1,224)	(27,913)		6,882
								50,636	50,636
							100,059	(100,059)	
							(16,723)	16,723	
83,179	6,753	102,103	2,176	554	(12,206)	(1,224)	55,423	(32,700)	280,323
7,289	5,928	(46,304)	(178)	2,312	17,361	1,224	(114,698)	(86,261)	(469,629)
90,468	12,681	55,799	1,998	2,866	5,155		(59,275)	(118,961)	(189,306)
12,540	5,947	33	3,465	2,476	2,299		72,246		558,420
								22,867	22,867
\$ 156,783	\$ 70,188	\$ 99,592	\$ 38,763	\$ 28,751	\$ 70,209	\$	\$ 1,159,005	\$ 251,567	\$ 6,127,016

ral part of these financial statements.

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**BELLSOUTH RETIRE**  
**STATEMENT OF CHANGES**  
**FOR BENEFITS, WITH**  
**Year Ended Dec**  
**(In Tho**

	<b>BellSouth Stock Fund</b>	<b>Indexed Stock Fund</b>	<b>Interest Income Fund</b>	<b>Vanguard Growth Index- Institutional</b>	<b>Fidelity Growth &amp; Income Portfolio</b>	<b>Balanced Fund</b>	<b>Bond Fund</b>
Net Assets Available for Benefits, December 31, 1998	\$ 2,251,426	\$ 1,104,970	\$ 910,241	\$ 129,374	\$ 180,281	\$ 114,206	\$ 119,840
Employee contributions	59,895	46,729	31,079	17,866	16,939	7,306	4,558
Transfer of participants balances net	(30,420)	(52,577)	74,445	69,439	(14,643)	(9,183)	(18,483)
Supplemental contributions							