

Winborne Raymond E Jr
 Form 4
 January 04, 2007

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Winborne Raymond E Jr

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 1155 PEACHTREE STREET,
 SUITE 1706
 (Street)

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

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

ATLANTA, GA 30309

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

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

(City) (State) (Zip)

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 | 8,246 D | 0 | D | |

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

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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 Amount of Underlying Security (Instr. 3 and 4) | Amount or Number of Shares | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Restricted Stock Units | (2) | 12/29/2006 | | D | 4,750 | (2) 03/01/2009 | Common Stock | 4,750 | |
| Non-Qualified Stock Option (right to buy) | \$ 45.5313 | 12/29/2006 | | D | 3,200 | (3) 02/01/2009 | Common Stock | 3,200 | |
| Non-Qualified Stock Option (right to buy) | \$ 45.6563 | 12/29/2006 | | D | 3,500 | (4) 02/01/2010 | Common Stock | 3,500 | |
| Non-Qualified Stock Option (right to buy) | \$ 42.3125 | 12/29/2006 | | D | 2,567 | (5) 03/01/2010 | Common Stock | 2,567 | |
| Non-Qualified Stock Option (right to buy) | \$ 48.5313 | 12/29/2006 | | D | 10,000 | (6) 04/28/2010 | Common Stock | 10,000 | |
| Non-Qualified Stock Option (right to buy) | \$ 43 | 12/29/2006 | | D | 5,000 | (7) 07/03/2010 | Common Stock | 5,000 | |
| Non-Qualified Stock Option (right to buy) | \$ 43.6563 | 12/29/2006 | | D | 20,000 | (8) 12/15/2010 | Common Stock | 20,000 | |
| Non-Qualified Stock Options (right to buy) | \$ 42.25 | 12/29/2006 | | D | 8,000 | (9) 02/01/2011 | Common Stock | 8,000 | |
| Non-Qualified Stock Option (right to buy) | \$ 39.02 | 12/29/2006 | | D | 10,000 | (10) 03/01/2012 | Common Stock | 10,000 | |
| Non-Qualified Stock Option (right to buy) | \$ 28.08 | 12/29/2006 | | D | 2,500 | (11) 11/25/2012 | Common Stock | 2,500 | |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Winborne Raymond E Jr
1155 PEACHTREE STREET, SUITE 1706
ATLANTA, GA 30309

Controller

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 restricted stock units were converted to AT&T restricted stock units on the effective date of the merger.
- (3) This option was assumed by AT&T Inc. in the merger and replaced with an option to purchase 4,240 shares of AT&T common stock for \$34.37 per share 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 4,637 shares of AT&T common stock for \$34.46 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 3,401 shares of AT&T common stock for \$31.94 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 13,250 shares of AT&T common stock for \$36.63 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 6,625 shares of AT&T common stock for \$32.46 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 26,500 shares of AT&T common stock for \$32.95 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 10,600 shares of AT&T common stock for \$31.89 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 13,250 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 3,312 shares of AT&T common stock for \$21.20 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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