

CALCULATION OF 4th QTR 2002 BELLSOUTH UNIVERSAL SERVICE FUND (USF) CONTRIBUTION

<u>Line</u>	<u>Description</u>	<u>Source</u>	<u>Amount</u>
1	Interstate USF Contribution Base (April 2002 - June 2002)	FCC Form 499-Q Filed August 1, 2002 Line 116(b)	\$622,860,385
2	Federal Universal Service Surcharges Included in Contribution Base	USAC Summary of Charges and Credits	47,986,684
3	Adjusted USF Contribution Base (April 2002 - June 2002)	Line 1 - Line 2	574,873,701
4	Adjusted Interstate USF Contribution Base Annualized	Line 3 * 4	2,299,494,804
5	USF Contribution Factor	FCC Public Notice, September 10, 2002 DA 02-2221	0.072805
6	Total BellSouth Adjusted USF Contribution Annualized	Line 4 * Line 5	167,414,719
7	End User Special Access USF Base (April 2002 - June 2002)	FCC Form 499-Q Filed August 1, 2002 Line 406(d)	171,508,445
8	EU Special Access USF Base Annualized	Line 7 * 4	686,033,780
9	End User Special Access USF Contribution Annualized	Line 8 * Line 5	49,946,689
10	Total Adjusted USF Contribution Less EU Special Access USF Contribution Annualized	Line 6 - Line 9	\$117,468,030

CALCULATION OF 4th QTR 2002 BELLSOUTH FEDERAL UNIVERSAL SERVICE CHARGE

USF Contribution Recovery Amount

<u>Line</u>	<u>Description</u>	<u>Source</u>	<u>Amount</u>
1	Total USF Contribution Less End User Special Access USF Contribution Annualized	USF Contribution Workpaper Line 10	\$117,468,030

End User Switched Access Lines as of 06/02

2	Total Primary Res/Single Line Business Lines	Customer Billing Records	14,439,183
3	Total Lifeline Lines	Customer Billing Records	348,324
4	Primary Res/Single Line Bus Less Lifeline Lines	Line 2 - Line 3	14,090,859
5	Non-Primary Res/Basic Rate ISDN Lines	Customer Billing Records	2,226,371
6	Multi-Line Business Lines	Customer Billing Records	4,133,371
7	Primary Rate ISDN Lines (5 times equivalency)	Customer Billing Records	224,579
8	Total Centrex Lines	Customer Billing Records	1,252,156
9	Total Equivalent Centrex Lines	Line 8 / 9	139,128
10	Total Equivalent Resold Lines	Customer Billing Records	529,531
11	Total End User Switched Access Lines	Lines 4 + 5 + 6 + 7 + 9 - 10	20,284,777

BellSouth Federal Universal Service Charge Calculation

12	Annual Federal Universal Service Charge	Line 1 / Line 11	\$5.79
13	Monthly Federal Universal Service Charge	Line 12 / 12	\$0.48