

TELEPHONE & DATA SYSTEMS INC /DE/  
Form 4  
August 18, 2005

**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 \*  
CARLSON LEROY T JR

2. Issuer Name and Ticker or Trading Symbol  
TELEPHONE & DATA SYSTEMS INC /DE/ [TDS]

5. Relationship of Reporting Person(s) to Issuer  
(Check all applicable)

(Last) (First) (Middle)  
30 N. LASALLE ST., STE. 4000  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
03/31/2005

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
President and CEO

CHICAGO, IL 60602

(City) (State) (Zip)

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

**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)		
			Code	V	Amount	(A) or (D)	Price		
Special Common Shares	05/13/2005		J <sup>(4)</sup>	V	862,693	A	<del>(4)</del> 862,693	I	By family partnership through voting trust <sup>(7)</sup>
Special Common Shares	07/26/2005		J <sup>(2)</sup>	V	0 <sup>(2)</sup>	D	<sup>(2)</sup> 862,693	I	By family partnership through voting trust <sup>(7)</sup>
Special Common Shares	07/26/2005		J <sup>(2)</sup>	V	0 <sup>(2)</sup>	A	<sup>(2)</sup> 862,693	I	By family partnership

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Shares									through voting trust <u>(7)</u>
Common Shares	03/31/2005	J <sup>(9)</sup>	V	0.196	A	<u>(9)</u>	87.996	D	
Common Shares	03/31/2005	J <sup>(9)</sup>	V	2.558	A	<u>(9)</u>	1,147.958	I	By wife <u>(7)</u>
Special Common Shares	05/13/2005	J <sup>(4)</sup>	V	12,631.4397	A	<u>(4)</u>	12,631.4397	D	
Special Common Shares	05/13/2005	J <sup>(4)</sup>	V	6,385.38	A	<u>(4)</u>	6,385.38	I	By Wife <u>(7)</u>
Special Common Shares	05/13/2005	J <sup>(4)</sup>	V	948,526.84	A	<u>(4)</u>	947,951.84 <u>(10)</u>	I	By voting trust <u>(7)</u>
Special Common Shares	08/01/2005	G	V	575	D	<u>(12)</u>	947,951.84 <u>(10)</u>	I	By voting trust <u>(7)</u>

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.**

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(9-02)

**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 a Underlyi (Instr. 3 a			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Series A Common Shares	<u>(2)</u> <u>(13)</u>	07/26/2005		J <sup>(2)</sup>	V		0 <u>(2)</u>	<u>(2)</u> (13)	<u>(2)</u> (13)	Comm Shares Specia Comm Share
Series A Common Shares	<u>(2)</u> <u>(13)</u>	07/26/2005		J <sup>(2)</sup>	V		0 <u>(2)</u>	<u>(2)</u> (13)	<u>(2)</u> (13)	Comm Shares Specia

Series A Common Shares	<u>(13)</u>	03/31/2005	<u>J(9)</u>	V	1,729,753	<u>(13)</u>	<u>(13)</u>	Comm Share
Series A Common Shares	<u>(13)</u>	03/31/2005	<u>J(9)</u>	V	27,951	<u>(13)</u>	<u>(13)</u>	Comm Share Specia Comm Share
Series A Common Shares	<u>(13)</u>	03/31/2005	<u>J(9)</u>	V	11,671	<u>(13)</u>	<u>(13)</u>	Comm Share Specia Comm Share
Option (Right to buy)	\$ 38.12	05/13/2005	<u>J(4)(5)</u>	V	3,614	12/15/1995	12/15/2005	Tande Comm and Specia Comm Share
Option (Right to buy)	\$ 47.6	05/13/2005	<u>J(4)(5)</u>	V	13,233	12/15/1996	12/15/2006	Tande Comm and Specia Comm Share
Option (Right to buy)	\$ 43.88	05/13/2005	<u>J(4)(5)</u>	V	11,770	12/15/1997	12/15/2007	Tande Comm and Specia Comm Share
Option (Right to buy)	\$ 39.75	05/13/2005	<u>J(4)(5)</u>	V	27,300	12/15/1998	06/22/2008	Tande Comm and Specia Comm Share
Option (Right to buy)	\$ 43.75	05/13/2005	<u>J(4)(5)</u>	V	54,600	<u>(1)</u>	11/05/2007	Tande Comm and Specia Comm

Option (Right to buy)	\$ 66.75	05/13/2005	J(4)(5)	V	27,850	12/15/1999	04/30/2009	Tandem Comm and Specia Comm Share
Option (Right to buy)	\$ 105.13	05/13/2005	J(4)(5)	V	32,000	12/15/2000	05/05/2010	Tandem Comm and Specia Comm Share
Option (Right to buy)	\$ 121.12	05/13/2005	J(4)(5)	V	56,720	(8)	09/16/2010	Tandem Comm and Specia Comm Share
Option (Right to buy)	\$ 99.44	05/13/2005	J(4)(5)	V	29,429	12/15/2001	04/30/2011	Tandem Comm and Specia Comm Share
Option (Right to buy)	\$ 60.2	05/13/2005	J(4)(5)	V	68,215	12/15/2002	08/19/2012	Tandem Comm and Specia Comm Share
Option (Right to buy)	\$ 52.92	05/13/2005	J(4)(5)	V	65,567	12/15/2003	07/03/2013	Tandem Comm and Specia Comm Share
Option (Right to buy)	\$ 66	05/13/2005	J(4)(5)	V	67,540	12/15/2004	05/08/2014	Tandem Comm and Specia Comm Share
Option (Right to Buy)	\$ 77.36	05/13/2005	J(4)(5)	V	111,045	12/15/2005	04/20/2015	Tandem Comm Share and



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adjusted into tandem options. The tandem option provides that upon exercise, the optionee purchases the number of common shares originally subject to the option plus an equal number of special common.

Restricted stock units for common shares were granted without consideration under the long term incentive plan. As a result of the special common stock dividend, all restricted stock unit awards as of May 13 that are to be settled in common shares, whether vested or unvested, were adjusted to provide that such award will be settled in the number of common shares originally subject to the award plus an equal number of special common shares.

- (6) Reporting person disclaims beneficial ownership of shares for the benefit of spouse and children.
- (7) The option is exercisable with respect to 14,180 common shares on 12/15/01, 12/15/02, 12/15/03 and 12/15/04 for a total of 56,720 common shares.
- (8) Voluntary reporting of dividend reinvestment acquired on 3/31/05.

Reporting person is one of four trustees which is record owner of these special common shares which files its holdings on forms 4. Of these shares, 83,165.27 (including 15,699.27 held in dividend reinvestment) are held as custodian for children and 9,009.79 (including 1,052.79 held in dividend reinvestment) are held by spouse and 681,417.1 (including 11,420.1 held in dividend reinvestment) shares are held by a family partnership of which reporting person is a general partner. Of the remaining shares, 2664.684 are held pursuant to a dividend reinvestment plan. In addition, the reporting person holds 862,693 Special Common shares through a family limited partnership that are reported on a separate line in Table I as discussed in footnote 2.

- (9) Reporting person is one of four trustees which is record owner of these special common shares which files its holdings on forms 4. Of these shares, 83,165.27 (including 15,699.27 held in dividend reinvestment) are held as custodian for children and 9,009.79 (including 1,052.79 held in dividend reinvestment) are held by spouse and 681,417.1 (including 11,420.1 held in dividend reinvestment) shares are held by a family partnership of which reporting person is a general partner. Of the remaining shares, 2664.684 are held pursuant to a dividend reinvestment plan. In addition, the reporting person holds 862,693 Special Common shares through a family limited partnership that are reported on a separate line in Table I as discussed in footnote 2.
- (10) Reporting person deferred 1998 bonus pursuant to the TDS 1998 Long Term Incentive Plan. The deferred bonus was 2284.36 shares and the employer match was 662.46 shares which vests ratably at a rate of 33%, 33%, 34% on 12/31/99, 12/31/00 and 12/31/01. Reporting person deferred 2000 bonus and received 2773.16 shares in deferred bonus and 804.22 shares in employer match with vests ratably at 33%, 33%, 34% on 12/31/01, 12/31/02, 12/31/03. Reporting person deferred 2002 bonus and received 4204.45 shares in deferred bonus and 1051.114 in employer match which vests ratably at 33%, 33%, 34% in 12/31/03, 12/31/04 and 12/31/05. In prior years, reporting person had accumulated 188.4 in dividend reinvestment shares, including the 2004 dividend reinvestment, the reporting person now has 265.4 shares in dividend reinvestment. As a result of the stock dividend, all shares will be settled in common shares plus an equal amount of special common shares.
- (11) Shares gifted
- (12) Series A common shares are convertible on a share for share basis into common or special common shares.

Reporting person is one of four trustees which is record owner of these shares which files its holdings on forms 4. Of these shares, 83,165.27 (including 15,699.27 acquired in dividend reinvestment) are held as custodian for children and 9,009.79 (including 1,052.79 acquired in dividend reinvestment) are held by spouse and 681,417.1 (including 11,420.1 acquired in dividend reinvestment) shares are held by a family partnership of which reporting person is a general partner, 2664.684 were earned pursuant to a dividend reinvestment plan. In addition, the reporting person holds 862,693 Series A Common shares through a family limited partnership that are reported on a separate line in Table II as discussed in footnote 2.

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.