

TELEPHONE & DATA SYSTEMS INC /DE/  
 Form 4  
 May 18, 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 \*  
**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)  
 05/11/2007

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V Amount (A) or (D) Price   |   |  |   |
| Common Shares                   | 05/11/2007                           |  | G                              | V 6,200 D (4) 768.215   | D   |  |   |
| Special Common Shares           | 05/18/2007                           |  | J(2)(5)                        | V 862,693 D (2)(5) 0 (1)  | I   |  | By Family Partnership through Voting Trust            |
| Special Common Shares           | 05/18/2007                           |  | J(2)(5)                        | V 862,693 A (2)(5) 862,693 (1)                                    | I   |  | By Voting Trust                                       |

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

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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 and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|
| Series A Common Shares                     | (3)  |                                      |  |                                |   | (3) (3)  | Special Common Shares or Common Shares                        | 862,693                                    |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                   |       |
|---|---------------|-----------|-------------------|-------|
|   | Director      | 10% Owner | Officer           | Other |
| CARLSON LEROY T JR<br>30 N. LASALLE ST., STE. 4000<br>CHICAGO, IL 60602 | X             |           | President and CEO |       |

## Signatures

Julie D. Mathews, by power of atty 05/18/2007

\*\*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) Reporting person is one of four trustees of a voting trust that is the record owner of Special Common Shares and Series A Common Shares of TDS and which reports its holdings on Forms 4 and 5. Prior to the transactions reported herein, 862,693 Special Common Shares and 862,693 Series A Common Shares held in such voting trust were owned by a family limited partnership (FLP), of which reporting person and his spouse collectively hold all general partnership (GP) interests and all limited partnership (LP) interests (directly and through grantor retained annuity trusts). Reporting person reports beneficial ownership of all securities beneficially owned by his

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spouse and children, but disclaims beneficial ownership of securities held for the benefit of his spouse and children.

On May 18, 2007, the FLP made a pro rata distribution of voting trust certificates representing all of the 862,693 Special Common Shares held by the FLP to the reporting person and his spouse as holders of the GP and LP interests (directly and through grantor retained annuity trusts). The reporting person previously reported all securities held by such FLP in the voting trust and continues to report the

(2) 862,693 Special Common Shares represented by the voting trust certificates distributed to the reporting person and his spouse (directly and through grantor retained annuity trusts). Accordingly, the distribution of voting trust certificates did not result in any change in the number of securities reported as beneficially owned by the reporting person. Nevertheless, reporting person is voluntarily reporting the distribution and receipt of such voting trust certificates.

(3) Series A Common Shares are convertible, on a share-for-share basis, into either Common Shares or Special Common Shares at any time, without expiration.

(4) By Gift

As a result of the distribution, the reporting person and his spouse (directly and through grantor retained annuity trusts) now hold voting certificates representing 862,693 Special Common Shares held in the voting trust directly rather than through the FLP. The reporting person and his spouse (directly and through grantor retained annuity trusts) continue to beneficially own voting trust certificates representing 862,693 Series A Common Shares held in the voting trust indirectly through the FLP.

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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