

CARLSON LEROY T  
Form 4  
January 26, 2012

**FORM 4**

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

OMB APPROVAL

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**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

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)  
 Director  10% Owner  
 Officer (give title below)  Other (specify below)  
Chairman Emeritus

(Last) (First) (Middle)  
TELEPHONE AND DATA SYSTEMS, INC., 30 N. LASALLE ST., STE. 4000

3. Date of Earliest Transaction (Month/Day/Year)  
01/24/2012

(Street)  
CHICAGO, IL 60602

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 Indirect Beneficial Ownership (Instr. 4) |   |         |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|---|---------|
|                                 |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price   |   |         |
| Common Shares                   | 01/24/2012                           |  | J <sup>(1)</sup>               |   | 5,441.79  | D  | 0   | I | By 401K |
| Special Common Shares           | 01/24/2012                           |  | J <sup>(1)</sup>               |   | 2,655.56  | D  | 0   | I | By 401K |
| Common Shares                   | 01/24/2012                           |  | J <sup>(1)</sup>               |   | 8,707.81  | A  | 8,707.81  | I | By 401K |
| Common Shares                   | 01/24/2012                           |  | J <sup>(1)</sup>               |   | 58,915.55   | D  | 0   | D |         |

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|                       |            |                  |                              |   |            |                              |   |                 |
|-----------------------|------------|------------------|------------------------------|---|------------|------------------------------|---|-----------------|
| Common Shares         | 01/24/2012 | J <sup>(1)</sup> | 64,041.2029                  | A | <u>(1)</u> | 64,041.2029                  | D |                 |
| Special Common Shares | 01/24/2012 | J <sup>(1)</sup> | 220,073.51<br><sup>(4)</sup> | D | <u>(1)</u> | 0                            | D |                 |
| Common Shares         | 01/24/2012 | J <sup>(1)</sup> | 220,073.51                   | A | <u>(1)</u> | 220,073.51<br><sup>(4)</sup> | I | By Voting Trust |
| Special Common Shares | 01/24/2012 | J <sup>(1)</sup> | 12,961.06                    | D | <u>(1)</u> | 0                            | D |                 |
| Common Shares         | 01/24/2012 | J <sup>(1)</sup> | 12,961.06                    | A | <u>(1)</u> | 77,002.2629                  | D |                 |
| Special Common Shares | 01/24/2012 | J <sup>(1)</sup> | 9,663.75                     | D | <u>(1)</u> | 0                            | I | By Wife         |
| Common Shares         | 01/24/2012 | J <sup>(1)</sup> | 9,663.75                     | A | <u>(1)</u> | 9,663.75                     | I | By Wife         |

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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**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) |             | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 |
|--|--|--------------------------------------|--|--------------------------------|--|-------------|--|-----------------|
|  |  |                                      |  |                                | (A)  | (D)         | Date Exercisable   | Expiration Date |
| Series A Common Shares                     | <u>(1)</u>   | 01/24/2012                           |  | J <sup>(1)</sup>               |  | 56,449.2    | <u>(2)</u>   | <u>(2)</u>      |
| Series A Common Shares                     | <u>(1)</u>   | 01/24/2012                           |  | J <sup>(1)</sup>               |  | 61,360.2804 | <u>(2)</u>   | <u>(2)</u>      |
| Series A Common Shares                     | <u>(1)</u>   | 01/24/2012                           |  | J <sup>(1)</sup>               |  | 224,950.82  | <u>(2)</u>   | <u>(2)</u>      |

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|                              |            |            |              |             |            |            |            |
|------------------------------|------------|------------|--------------|-------------|------------|------------|------------|
| Series A<br>Common<br>Shares | <u>(1)</u> | 01/24/2012 | J <u>(1)</u> | 244,521.983 |            | <u>(2)</u> | <u>(2)</u> |
| Deferred<br>Compensation     | <u>(1)</u> | 01/24/2012 | J <u>(1)</u> |             | 32,126.61  | <u>(6)</u> | <u>(6)</u> |
| Deferred<br>Compensation     | <u>(1)</u> | 01/24/2012 | J <u>(1)</u> | 34,921.6251 |            | <u>(6)</u> | <u>(6)</u> |
| Deferred<br>Compensation     | <u>(1)</u> | 01/24/2012 | J <u>(1)</u> |             | 76,939.588 | <u>(5)</u> | <u>(5)</u> |
| Deferred<br>Compensation     | <u>(1)</u> | 01/24/2012 | J <u>(1)</u> | 76,939.588  |            | <u>(5)</u> | <u>(5)</u> |
| Option (Right<br>to Buy)     | \$ 59      | 01/24/2012 | J <u>(8)</u> |             | 22,170     | 12/15/2002 | 07/05/2012 |
| Option (Right<br>to Buy)     | \$ 28.27   | 01/24/2012 | J <u>(8)</u> | 46,268.79   |            | 12/15/2002 | 07/05/2012 |
| Option (Right<br>to Buy)     | \$ 52.92   | 01/24/2012 | J <u>(8)</u> |             | 23,605     | 12/15/2003 | 07/03/2013 |
| Option (Right<br>to Buy)     | \$ 25.36   | 01/24/2012 | J <u>(8)</u> | 49,263.635  |            | 12/15/2003 | 07/03/2013 |
| Option (Right<br>to Buy)     | \$ 66      | 01/24/2012 | J <u>(8)</u> |             | 22,475     | 12/15/2004 | 05/08/2014 |
| Option (Right<br>to buy)     | \$ 31.62   | 01/24/2012 | J <u>(8)</u> | 46,905.325  |            | 12/15/2004 | 05/08/2014 |
| Option (Right<br>to Buy)     | \$ 77.36   | 01/24/2012 | J <u>(8)</u> |             | 26,531     | 12/15/2005 | 04/20/2015 |
| Option (Right<br>to Buy)     | \$ 37.07   | 01/24/2012 | J <u>(8)</u> | 55,370.197  |            | 12/15/2005 | 04/20/2015 |
| Option (Right<br>to Buy)     | \$ 38      | 01/24/2012 | J <u>(8)</u> |             | 61,127     | 12/15/2006 | 06/19/2016 |

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|                        |                |            |                  |        |        |                |            |
|------------------------|----------------|------------|------------------|--------|--------|----------------|------------|
| Option (Right to Buy)  | \$ 38          | 01/24/2012 | J <sup>(8)</sup> | 61,127 |        | 12/15/2006     | 06/19/2016 |
| Option (Right to Buy)  | \$ 59.45       | 01/24/2012 | J <sup>(8)</sup> |        | 36,116 | 12/15/2007     | 07/02/2017 |
| Option (Right to Buy)  | \$ 59.45       | 01/24/2012 | J <sup>(8)</sup> | 36,116 |        | 12/15/2007     | 07/02/2017 |
| Option (Right to Buy)  | \$ 35.35       | 01/24/2012 | J <sup>(8)</sup> |        | 41,500 | <sup>(3)</sup> | 08/26/2018 |
| Option (Right to Buy)  | \$ 35.35       | 01/24/2012 | J <sup>(8)</sup> | 41,500 |        | <sup>(3)</sup> | 08/26/2018 |
| Option (Right to Buy)  | \$ 26.95       | 01/24/2012 | J <sup>(8)</sup> |        | 42,200 | <sup>(3)</sup> | 05/20/2019 |
| Option (Right to Buy)  | \$ 26.95       | 01/24/2012 | J <sup>(8)</sup> | 42,200 |        | <sup>(3)</sup> | 05/20/2019 |
| Option (Right to Buy)  | \$ 26.66       | 01/24/2012 | J <sup>(8)</sup> |        | 39,900 | <sup>(3)</sup> | 05/25/2020 |
| Option (Right to Buy)  | \$ 26.66       | 01/24/2012 | J <sup>(8)</sup> | 39,900 |        | <sup>(3)</sup> | 05/25/2020 |
| Option (Right to Buy)  | \$ 29.94       | 01/24/2012 | J <sup>(8)</sup> |        | 31,400 | <sup>(3)</sup> | 05/13/2021 |
| Option (Right to Buy)  | \$ 29.94       | 01/24/2012 | J <sup>(8)</sup> | 31,400 |        | <sup>(3)</sup> | 05/13/2021 |
| Restricted Stock Units | <sup>(9)</sup> | 01/24/2012 | J <sup>(8)</sup> |        | 7,500  | 12/15/2012     | 12/15/2012 |
| Restricted Stock Units | <sup>(9)</sup> | 01/24/2012 | J <sup>(8)</sup> |        | 7,500  | 12/15/2012     | 12/15/2012 |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                   |       |
|--|---------------|-----------|-------------------|-------|
|  | Director      | 10% Owner | Officer           | Other |
| CARLSON LEROY T<br>TELEPHONE AND DATA SYSTEMS, INC.<br>30 N. LASALLE ST., STE. 4000<br>CHICAGO, IL 60602 | X             |           | Chairman Emeritus |       |

## Signatures

Julie D. Mathews, by power  
of atty

01/26/2012

\_\_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) Pursuant to a reclassification exempt under Rule 16b-3 and Rule 16b-7, each Special Common Share was reclassified into one Common Share, each Common Share was reclassified into 1.087 Common Shares, and each Series A Common Share was reclassified into 1.087 Series A Common Shares, and each stock award relating to such shares was appropriately adjusted.
  - (2) Series A Common Shares are convertible, on a share-for-share basis.
  - (3) Granted under the 2004 Long Term Incentive Plan. Options vest over a three year period with one-third vesting on the first annual anniversary, one-third vesting on the second annual anniversary and one-third vesting on third annual anniversary.
    - (4) Beneficial ownership of shares held in Voting Trust. Reporting person disclaims ownership of 190,654.95 (including 39,382.95 shares acquired pursuant to a dividend reinvestment plan) owned by wife. Includes 2764.56 shares acquired pursuant to a dividend reinvestment plan.
    - (5) Reporting person has deferred bonuses pursuant to the Long term incentive plan. The employer match vests ratably at 33%, 33% and 34% per year over a 3 year period. Special common share units vested at 12/31/11 were 75,225.97.
    - (6) Reporting person has deferred bonuses pursuant to the Long term incentive plan. The employer match vests ratably at 33%, 33% and 34% per year over a 3 year period. Common share units vested at 12/31/11 were 32,126.61
      - (7) Beneficial ownership of shares held in Voting Trust. Reporting person disclaims ownership of 208,176.816 (including 43,743.816 shares acquired pursuant to a dividend reinvestment plan) owned by wife. Includes 7372.167 shares acquired pursuant to a dividend reinvestment plan.
        - (8) Pursuant to a reclassification exempt under Rule 16b-3 and Rule 16b-7, each Special Common Share was reclassified into one Common Share, each Common Share was reclassified into 1.087 Common Shares, and each Series A Common Share was reclassified into 1.087 Series A Common Shares, and each stock award relating to such shares was appropriately adjusted.
        - (9) Restricted stock units vest on Dec. 15, 2012.

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.