HERBERT C THEODORE

Form 4

December 14, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

3235-0287 Number:

January 31, Expires: 2005

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5. Relationship of Reporting Person(s) to

Check this box if no longer subject to Section 16. Form 4 or Form 5

obligations

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 may continue.

30(h) of the Investment Company Act of 1940

2. Issuer Name and Ticker or Trading

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *

See Instruction

HERBERT C THEODORE		Symbol TEL EDITIONE & DATEA CANCELLAGO.					Issuer				
			TELEPHONE & DATA SYSTEMS INC /DE/ [TDS]					(Check all applicable)			
(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year)					Director 10% OwnerX_ Officer (give title Other (specify				
		12/12/20	12/12/2006					VP Human Resources			
(Street)		4. If Amendment, Date Original Filed(Month/Day/Year)			6. Individual or Joint/Group Filing(Check						
CHICAGO, IL 60451			Thea(Monar Bay) Tear)					_X_Form filed by One Reporting PersonForm filed by More than One Reporting Person			
(State)	(Zip)	Tabl	e I - Non-	Derivative	Secur	ities Acq	uired, Disposed o	f, or Beneficial	ly Owned		
	e) Execution any	on Date, if	3. 4. Securities Acquired Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8) (A) or				5. Amount of Securities Beneficially Owned Following Reported Transaction(s)	Ownership Form: Direct (D) or	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
					(D)	Price \$					
12/12/2006			F <u>(1)</u>	2,352	D	53.88	18,191	D			
12/12/2006			M(2)	2,663	A	<u>(2)</u>	18,191	D			
12/12/2006			M(2)	2,663	A	(2)	27,124	D			
12/12/2006			F(3)	883	D	\$ 49.85	27,124	D			
•	(First) ALLE ST., STE. (Street) 11. (State) 2. Transaction Da (Month/Day/Year) 12/12/2006 12/12/2006	(First) (Middle) ALLE ST., STE. 4000 (Street) , IL 60451 (State) (Zip) 2. Transaction Date (Month/Day/Year) Execution any (Month/	C THEODORE Symbol TELEPINC /DI (First) (Middle) 3. Date of (Month/D ALLE ST., STE. 4000 12/12/2/2 (Street) 4. If Ame Filed(Month, IL 60451 (State) (Zip) Table 2. Transaction Date 2A. Deemed (Month/Day/Year) Execution Date, if any (Month/Day/Year) 12/12/2006 12/12/2006	C THEODORE Symbol TELEPHONE & INC /DE/ [TDS] (First) (Middle) 3. Date of Earliest T (Month/Day/Year) ALLE ST., STE. 4000 12/12/2006 (Street) 4. If Amendment, D Filed(Month/Day/Yea) 3. IL 60451 (State) (Zip) Table I - Non-I 2. Transaction Date 2A. Deemed 3. (Month/Day/Year) Execution Date, if Transacti any Code (Month/Day/Year) (Instr. 8) Code V 12/12/2006 F(1) 12/12/2006 M(2) 12/12/2006 M(2)	C THEODORE Symbol TELEPHONE & DATA INC /DE/ [TDS] (First)	C THEODORE Symbol TELEPHONE & DATA SYSTINC /DE/ [TDS] (First)	C THEODORE Symbol TELEPHONE & DATA SYSTEMS INC /DE/ [TDS] (First)	C THEODORE Symbol TELEPHONE & DATA SYSTEMS INC /DE/ [TDS] (Chemothy December 2) (C	Symbol TELEPHONE & DATA SYSTEMS INC /DE/ [TDS] Inc /DE/ [TDS] (Check all applicable of Earliest Transaction (Month/Day/Year) Month/Day/Year) M		

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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.

SEC 1474 (9-02)

D

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. Transactic Code (Instr. 8)	5. Number proof 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)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option (Right to Buy) (2)	\$ 47.6	12/12/2006		M	2,663	02/26/1997	12/15/2006	Common and Special Common Shares	2,663

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

HERBERT C THEODORE 30 N. LASALLE ST., STE. 4000 CHICAGO, IL 60451

VP Human Resources

Signatures

Julie D. Mathews, by power of atty

**Signature of Reporting Person D

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) Delivery of mature common shares in payment of exercise price of Employee Stock Options acquired under the Telephone and Data Systems, Inc. Long Term Incentive Plan.
- (2) Common shares were granted without consideration under the long term incentive plan. As a result of the special common stock dividend, all options to purchase common shares as of May 13 uner the long term incentive plan, whether vested or unvested, were adjusted into tandem options. The tandem option provides that upon exercise, the optionee purchases the number of common shares originally subject

Reporting Owners 2

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to the option plus an equal number of special common. The exercise price of the tandem option is \$47.60.

(3) Delivery of special common shares as settlement for taxes due in connection with the exercise of Employee Stock Options acquired under the Telephone and Data Systems, Inc. Long Term Incentive Plan.

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.