

TELEPHONE & DATA SYSTEMS INC /DE/
 Form 5
 January 16, 2015

FORM 5

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

OMB APPROVAL
 OMB Number: 3235-0362
 Expires: January 31, 2005
 Estimated average burden hours per response... 1.0

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).
 Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

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

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

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
 12/31/2014

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Reporting
 (check applicable line)

CHICAGO, IL 60602

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)	(A) or (D)	Price	5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
Common Shares	Â	Â	Â	Â	Â	Â	69,697 ⁽⁸⁾	D	Â
Common Shares	Â	Â	Â	Â	Â	Â	518	I	By wife
Common Shares	Â	Â	Â	Â	Â	Â	20,036 ⁽⁴⁾	I	By 401K
Common Shares	Â	Â	Â	Â	Â	Â	1,823,410 ^{(5) (12) (13)}	I	By Voting Trust

Common Shares Â Â Â Â Â Â 78,943 ⁽¹⁰⁾ I By trust

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

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SEC 2270
(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 Underlying Security (Instr. 3 and 4)
					(A)	(D)	Date Exercisable	Expiration Date	Title
Option (Right to buy)	\$ 37.07	Â	Â	Â	Â	Â	12/15/2005	04/20/2015	Common Shares
Option (Right to buy)	\$ 49.8	Â	Â	Â	Â	Â	12/15/2006	12/13/2016	Common Shares
Option (Right to buy)	\$ 59.45	Â	Â	Â	Â	Â	12/15/2007	07/02/2017	Common Shares
Option (Right to buy)	\$ 35.35	Â	Â	Â	Â	Â	Â ⁽⁶⁾	08/26/2018	Common Shares
Option (Right to buy)	\$ 26.95	Â	Â	Â	Â	Â	Â ⁽⁷⁾	05/20/2019	Common Shares
Option (Right to buy)	\$ 26.66	Â	Â	Â	Â	Â	Â ⁽⁷⁾	05/25/2020	Common Shares
Option (Right to buy)	\$ 29.94	Â	Â	Â	Â	Â	Â ⁽⁷⁾	05/13/2021	Common Shares
Option (Right to buy)	\$ 20.79	Â	Â	Â	Â	Â	Â ⁽⁹⁾	05/15/2022	Common Shares
Option (Right to buy)	\$ 22.6	Â	Â	Â	Â	Â	Â ⁽¹⁴⁾	05/10/2023	Common Shares
Option (Right to buy)	\$ 26.83	Â	Â	Â	Â	Â	Â ⁽¹⁴⁾	05/16/2024	Common Shares
Restricted Stock Units	Â	Â	Â	Â	Â	Â	Â ⁽¹¹⁾	05/10/2016	Common Shares
Restricted Stock Units	Â	Â	Â	Â	Â	Â	Â ⁽¹¹⁾	05/16/2017	Common Shares
	Â	Â	Â	Â	Â	Â	Â ⁽¹⁾	Â ⁽¹⁾	

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and wife's GRAT owns 315,526. Reporting person disclaims beneficial ownership of shares held for the benefit of persons other than the reporting person.

- (6) Granted under the 2004 Long Term Incentive Plan. Options vest over a 3 year period with one-third vesting on Aug. 26, 2009, one-third vesting on Aug. 26, 2010 and one-third vesting Aug. 26, 2011.
- (7) Granted under the 2004 Long-Term Incentive Plan. Options vest over a 3 year period with one-third becoming exercisable on the first anniversary, one-third on the second anniversary and one-third becoming exercisable on the third anniversary.
- (8) Includes 3768 shares owned by children. Reporting person disclaims beneficial ownership of shares owned by children.
- (9) Granted under the 2011 Long Term Incentive Plan. Options vest over a 3 year period with one-third becoming exercisable on the first anniversary, one-third on the second anniversary and one-third becoming exercisable on the third anniversary.
- (10) Voluntary report of shares held in trust, the trustee of which is a third party and beneficiaries of which include the descendants of the reporting person and his spouse. Reporting person disclaims beneficial ownership of such shares.
- (11) Restricted stock unit award pursuant to the 2011 Long Term Incentive Plan. Stock units will become vested on third anniversary.
On July 24, 2014, the reporting person's spouse's GRAT transferred voting trust certificates representing 7,268 shares to the spouse
- (12) individually. The reporting person previously reported all securities held by spouse and spouse's GRAT. Accordingly, the transfer did not result in the change in the number of securities reported as beneficially owned by reporting person.
On July 24, 2014, the reporting person's GRAT transferred voting trust certificates representing 117,411 shares to the reporting person
- (13) individually. The reporting person previously reported all securities held in his name and through a GRAT. Accordingly, the transfer did not result in any change in the number of securities reported as beneficially owned by reporting person.
- (14) Vests on the third anniversary

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