

HERBERT C THEODORE  
Form 5  
January 17, 2006

**FORM 5**

**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).  
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 \*  
HERBERT C THEODORE

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)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)  
12/31/2005

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
VP Human Resources

30 N. LASALLE ST., STE. 4000  
(Street)

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	17,880	D	Â
Special Common Shares	Â	Â	Â	Â	Â	Â	25,344	D	Â

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

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SEC 2270 (9-02)

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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) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Security (Instr. 3 and 4)	Amount or Number of Shares
					(A)	(D)	Date Exercisable	Expiration Date	Title	
Series A Common Shares	Â	05/13/2005	Â	J <sup>(2)</sup>	5,500	Â	Â <sup>(1)</sup>	Â <sup>(1)</sup>	Common Shares or Special Common Shares	5,
Option (Right to buy)	\$ 47.6	Â	Â	Â	Â	Â	12/15/1996	12/15/2006	Tandem Common and Special Common shares	2,
Option (Right to buy)	\$ 43.88	Â	Â	Â	Â	Â	12/15/1997	12/15/2007	Tandem Common and Special Common Shares	2,
Option (Right to buy)	\$ 39.75	Â	Â	Â	Â	Â	12/15/1998	06/22/2008	Tandem Common and Special Common Shares	5,
Option (Right to buy)	\$ 43.75	Â	Â	Â	Â	Â	Â <sup>(3)</sup>	11/05/2007	Tandem Common and Special Common Shares	11,
Option (Right to buy)	\$ 66.75	Â	Â	Â	Â	Â	12/15/1999	04/30/2009	Tandem Common and Special Common Shares	5,

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Option (Right to buy)	\$ 105.13	Â	Â	Â	Â	Â	12/15/2000	05/05/2010	Tandem Common and Special Common shares	5,
Option (Right to buy)	\$ 117.51	Â	Â	Â	Â	Â	Â <sup>(4)</sup>	09/16/2010	Tandem Common and Special Common shares	10,
Option (Right to buy)	\$ 99.44	Â	Â	Â	Â	Â	12/15/2001	04/30/2011	Tandem Common and Special Common shares	4,
Option (Right to buy)	\$ 59	Â	Â	Â	Â	Â	12/15/2002	07/05/2012	Tandem Common and Special Common Shares	8,
Option (Right to buy)	\$ 52.92	Â	Â	Â	Â	Â	12/15/2003	07/03/2013	Tandem Common and Special Common Shares	9,
Option (Right to buy)	\$ 66	Â	Â	Â	Â	Â	12/15/2004	05/08/2014	Tandem Common and Special Common shares	8,
Option (Right to Buy)	\$ 77.36	Â	Â	Â	Â	Â	12/15/2005	04/20/2015	Tandem Common and Special Common shares	13,
Restricted Stock Units	Â	Â	Â	Â	Â	Â	Â <sup>(5)</sup>	12/15/2007 <sup>(5)</sup>	Tandem Common and Special Common	2,

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HERBERT C THEODORE 30 N. LASALLE ST., STE. 4000 CHICAGO, IL 60602	Ã	Ã	Ã VP Human Resources	Ã

## Signatures

Julie D. Mathews, by power  
of atty 01/17/2006

\_\_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) Series A Common shares are convertible, on a share-for-share basis, into common or special common shares.
- (2) On May 13 TDS authorized a special common dividend to holders of common shares in which one special common share was distributed to all shareholders making this acquisition exempt from Section 16a-9(a).
- (3) Granted under the 1998 Long Term Incentive Plan. The option is exercisable with respect to 3,900 common shares on 12/15/98, 12/15/99 and 12/15/00 for a total of 11,700 common shares.
- (4) Granted under the TDS 1998 Long Term Incentive Plan. The option is exercisable with respect to 2550 common shares on 12/15/01, 12/15/02, 12/15/03 and 12/15/04 for a total of 10,200 common shares.
- (5) Restricted stock unit award pursuant to the 2004 Long-Term Incentive Plan. Stock units will become vested on December 15, 2007.

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