

TELEPHONE & DATA SYSTEMS INC /DE/  
 Form 4  
 June 27, 2007

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
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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 \*  
**JACK D MICHAEL**

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)  
**8401 GREENWAY BVD.**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**06/26/2007**

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
**Sr. VP - Corp. Controller**

**MIDDLETON, WI 53562**  
 (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	(D)	Price
Common Shares	06/26/2007		M		7,040	A	(2) 7,220
Special Common shares	06/26/2007		M		7,040	A	(2) 7,220
Special Common shares	06/26/2007		M		22,288	A	\$ 40.95 29,508
Common Shares	06/26/2007		S		7,040	D	\$ 61.8643 180 (4)

Special Common Shares 06/26/2007 S 29,328 D \$ 57.2609 180 D  
(4)

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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Option (Right to Buy)	\$ 117.51	06/26/2007		M	7,040	<u>(3)</u> 09/16/2010	Tandem Common Shares and special common shares 7,040
Option (right to buy)	\$ 40.95	06/26/2007		M	22,288	12/15/2006 10/10/2016	Tandem Common Shares and special common shares 22,288

## Reporting Owners

Reporting Owner Name / Address	Relationships
JACK D MICHAEL 8401 GREENWAY BVD. MIDDLETON, WI 53562	Director 10% Owner Officer Other Sr. VP - Corp. Controller

## Signatures

Julie D. Mathews, by power  
of atty

06/27/2007

\_\_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) Granted under the 2004 Long-Term Incentive Plan.

As a result of the special common dividend on 5/13/05, all options to purchase common shares were adjusted into tandem options. The

- (2) tandem option provide that upon exercise, the optionee purchases the number of common shares originally subject to the option plus an equal number of special common shares.
- (3) The option was exercisable with respect to 1760 common shares on Dec. 15 of each year 2001-2004.
- (4) Average price

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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