

TELEPHONE & DATA SYSTEMS INC /DE/  
 Form 5  
 January 12, 2016

# 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 \*  
**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)

(Last) (First) (Middle)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)  
 12/31/2015

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

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)	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)
				(A) or (D) Price			
Common Shares	11/24/2015	^	G	5,259 D \$ (17)	56,143 (8)	D	^
Common Shares	11/27/2015	^	G	2,200 D \$ (17)	56,143 (8)	D	^
Common Shares	^	^	^	^ ^ ^	518	I	By wife
Common Shares	^	^	^	^ ^ ^	20,423 (4)	I	By 401K

Common Shares	Â	Â	Â	Â	Â	Â	1,826,104 (5) (12) (13) (15) (16)	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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(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)	\$ 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
Option (Right to buy)	\$ 29.26	Â	Â	Â	Â	Â	Â (14)	05/11/2025	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	Â (11)	05/16/2017	Common Shares
Restricted Stock Units	Â	Â	Â	Â	Â	Â	Â	Â (11)	05/11/2018	Common Shares
Series A Common Shares	Â	Â	Â	Â	Â	Â	Â	Â (1)	Â (1)	Common Shares
Deferred Compensation	Â	12/31/2015	Â	J	1,300	Â	Â	Â (3)	Â (3)	Common Shares
Series A Common Shares	Â	Â	Â	Â	Â	Â	Â	Â (1)	Â (1)	Common Shares
Series A Common Shares	Â	Â	Â	Â	Â	Â	Â	Â (1)	Â (1)	Common Shares
Series A Common Shares	Â	Â	Â	Â	Â	Â	Â	Â (1)	Â (1)	Common Shares

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CARLSON LEROY T JR 30 N. LASALLE ST., STE. 4000 CHICAGO, IL 60602	Â X	Â	Â	President and CEO

## Signatures

Julie D. Mathews, by power of atty 01/12/2016

\*\*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 shares.  
Reporting person is one of four trustees which is record owner of these shares which files its holdings on forms 4. Of these Series A Common shares, 113,775 are held as custodian for children and 10,077 are held by spouse, and 748,888 shares are held by a family partnership of which reporting person is a general partner . Of the remaining shares, 3,392 are owned in individual reporting person's name. In addition, 1,113,621 Series A common Shares owned by family limited partnerships. Reporting person disclaims beneficial ownership of shares held for the benefit of persons other than the reporting person.
  - (3) Reporting person deferred bonuses pursuant to the TDS Long Term Incentive Plans. Employer matches vest ratably at a rate of 33%, 33%, 34% over three years. A total of 62,383 common shares units were vested at 12/31/15.
  - (4) Voluntary reporting of shares in the TDS 401K. The information is based on a plan statement dated 12/31/15. The number of shares fluctuates and is attributable to the price of the shares on 12/31/15.

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- Reporting person is one of four trustees which is record owner of these shares which files its holdings on forms 4. Of these Common shares, 104,893 shares are held as custodian for children and 30,518 are held by spouse, 374,126 are held by a family limited partnership, 89,679 shares through a marital trust, 105,942 are held in a LLC of which the reporting person is the sole voting member, and 687,446 shares are held by a family partnership of which reporting person is a general partner. Also voluntarily includes 60,321 shares in a trust, the trustee of which is a third party and the beneficiaries of which include the descendants of the reporting person and his spouse. Of the remaining shares, 63,841 shares are owned by individual reporting person. Reporting person's wife's GRAT owns 309,338. Reporting person disclaims beneficial ownership of shares held for the benefit of persons other than the reporting person.
- (5) and 687,446 shares are held by a family partnership of which reporting person is a general partner. Also voluntarily includes 60,321 shares in a trust, the trustee of which is a third party and the beneficiaries of which include the descendants of the reporting person and his spouse. Of the remaining shares, 63,841 shares are owned by individual reporting person. Reporting person's wife's GRAT owns 309,338. 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.
- (12) On July 16, 2015, the reporting person's spouse's GRAT transferred voting trust certificates representing 6,188 shares to the spouse 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.
- (13) On July 16, 2015, the reporting person's GRAT transferred voting trust certificates representing 105,571 shares to the reporting person 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
- (15) On August 10, 2015, voting trust certificates representing 250,000 Common shares were contributed by the reporting person to a family limited partnership (FLP) in exchange for additional general partner units and limited partner units. The reporting person gifted some of the general partner units to his spouse. The reporting person continues to report all shares in the FLP, but disclaims beneficial ownership of shares in which he has no pecuniary interest. Accordingly, the transfer did not result in any change in the number of securities reported as beneficially owned by reporting person.
- (16) On August 9, 2015, the reporting person's GRAT transferred limited partnership units to trusts for the benefit of his children. As a general partner, the reporting person previously reported all shares held through the family limited partnerships and will continue to report such shares. Accordingly, this gift of limited partner units did not result in any change in the number of shares reported as beneficially owned by reporting person. Reporting person disclaims beneficial ownership of shares held for the benefit of persons other than the reporting person. Accordingly, the transfer did not result in any change in the number of securities reported as beneficially owned by reporting person.
- (17) By gift

Note: File three copies of this Form, one of which must be manually signed. If space provided 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.