

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

FORM 4

**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).

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

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 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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