TELEPHONE & DATA SYSTEMS INC /DE/
Form DEF 14A
April 13, 2016

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the Registrant ý

Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement

o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

ý Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material under §240.14a-12

Telephone and Data Systems, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

ý No fee required.

o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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o Fee paid previously with preliminary materials.

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

TELEPHONE AND DATA SYSTEMS, INC.

30 North LaSalle Street
Suite 4000
Chicago, Illinois 60602
Phone: (312) 630-1900
Fax: (312) 630-9299

April 13, 2016

Dear Shareholders

You are cordially invited to attend the 2016 annual meeting of shareholders ("2016 Annual Meeting") of Telephone and Data Systems, Inc. ("TDS") on Thursday, May 26, 2016, at 9:00 a.m., central time, at The Standard Club, 320 S. Plymouth Court, Chicago, Illinois.

The formal Notice of 2016 Annual Meeting of Shareholders and 2016 Proxy Statement ("2016 Proxy Statement") of our board of directors is attached. Also enclosed is our 2015 Annual Report to Shareholders ("2015 Annual Report"). At our 2016 Annual Meeting, shareholders are being asked to take the following actions:

1. elect members of the board of directors;
2. ratify the selection of independent registered public accountants for the current fiscal year;
3. approve, on an advisory basis, the compensation of our named executive officers as disclosed in the attached 2016 Proxy Statement (commonly known as "Say-on-Pay"); and
4. consider a proposal submitted by a shareholder.

Your board of directors unanimously recommends a vote "FOR" its nominees for election as directors, "FOR" the proposal to ratify accountants and "FOR" approval of the Say-on-Pay proposal.

In addition, as required by the rules of the Securities and Exchange Commission ("SEC"), the 2016 Proxy Statement includes a proposal submitted by a shareholder of TDS calling for the board of directors to take steps to adopt a plan for all of TDS' outstanding stock to have one vote per share. The board of directors unanimously recommends that you vote "**AGAINST**" this proposal.

We would like to have as many shareholders as possible represented at the 2016 Annual Meeting. Therefore, whether or not you plan to attend the meeting, please sign, date and return the enclosed proxy card(s), or vote on the Internet in accordance with the instructions set forth on the proxy card(s).

We look forward to visiting with you at the 2016 Annual Meeting.

Very truly yours,

LeRoy T. Carlson, Jr. President and Chief Executive Officer	Walter C. D. Carlson Chairman of the Board

IMPORTANT

Your vote is important. No matter how many shares you own, we urge you to please vote FOR the election of the nominees nominated by the board of directors and FOR proposals 2 and 3, and AGAINST proposal 4. In addition to voting by mail, telephone and Internet voting is available. Simply follow the instructions on the enclosed proxy card.

If you have questions or need assistance voting your shares please contact

105 Madison Avenue
New York, New York 10016
TDS@mackenziepartners.com
Call Collect: (212) 929-5500
Or Toll-Free: (800) 322-2885
Fax: (212) 929-0308

TELEPHONE AND DATA SYSTEMS, INC.

30 North LaSalle Street
Suite 4000
Chicago, Illinois 60602
Phone: (312) 630-1900
Fax: (312) 630-9299

Dear Shareholders

TDS' mission is to provide outstanding communication services to our customers and meet the needs of our shareholders, our people, and our communities. In pursuing this mission, we seek to continuously grow our businesses, create opportunities for our associates and employees, and steadily build value over the long term for our shareholders.

Building on 2015 successes

At TDS we strive to differentiate ourselves from the national telecommunication giants by providing the best services and products together with exceptional customer service. We focus our efforts on America's suburban and rural markets, including some of the most remote areas of the country. We have strengthened and expanded our high-quality networks and improved our data and communications service offerings. Combined with our customer-focused culture, our networks and service offerings are the foundation upon which we are growing and building value for our shareholders.

TDS businesses achieved significant milestones in 2015:

U.S. Cellular completed 4G LTE deployment.

U.S. Cellular began Voice over LTE (VoLTE) trials. VoLTE will bring customer benefits, including enabling both voice and data to be delivered simultaneously to devices.

TDS Telecom continued to deploy fiber technology in key markets, reaching 21% of its ILEC service addresses.

OneNeck IT Solutions opened one and expanded another data center.

In a very competitive industry dominated by large players, we take a personal approach to our customers and to the communities in which we operate. Our prominent local presence in these markets is a competitive advantage. From sponsoring high school sports teams to staffing call centers in our markets, we have built local presence that allows us to know and better serve our customers and their changing needs.

A further strength, that is an advantage, is that we have expanded our business into a diversified portfolio of data and communications companies. We are growing and prospering by sharing expertise and capabilities from wireless, wireline, cable, and hosted and managed services to develop services for the customers in our markets.

Creating long-term value

At the corporate level of TDS, we are continually looking to build value in the TDS portfolio of businesses. We intend to supplement organic growth through strategic acquisitions. Our long-term strategy calls for the majority of our capital to be reinvested in our operating businesses to strengthen their growth and competitive positions. We also return value to TDS shareholders through the payment of regular quarterly cash dividends and through share repurchases.

In 2015, TDS primarily focused on investing in the networks that we believe will strengthen our competitive position and improve operating performance. Looking forward, we will continue to execute on our strategies to build strong, competitive businesses providing high-quality, data-focused products and services.

Since August of 2013, TDS has invested $581.4 million, primarily through the acquisition of cable companies, and has returned $195.8 million to shareholders through payments of $147.0 million in cash dividends and $48.8 million in stock repurchases.

Thank you to each of our shareholders and our debt holders for your continuing support of our long-term growth and development.

Sincerely,

LeRoy T. Carlson, Jr. President and Chief Executive Officer	Walter C. D. Carlson Chairman of the Board

Dear Shareholders (continued)

2016 Proxy Statement Summary

Annual Meeting Information

Time and Date	May 26, 2016, at 9:00 a.m. central time
Place	The Standard Club 320 S. Plymouth Court Chicago, IL 60604
Record Date	March 30, 2016
Webcast	investors.tdsinc.com

Strong Corporate Governance Practices

TDS has adopted Corporate Governance Guidelines that are intended to reflect good corporate governance and other best practices.

Annual election of all directors

Annual "Say on Pay"

Executive sessions with only independent directors present

Policy prohibiting pledging and hedging of company shares

Charter and bylaws can be amended by a simple majority vote

Authority to retain independent advisors by each committee

The positions of (i) Chairman of the Board and (ii) President and Chief Executive Officer are separate

Guidelines recommending that TDS Directors limit to three the number of other public company boards they serve on

Succession planning sessions are held in Executive Session at least annually

Cyber security oversight by the full Board, the Audit Committee and the Technology Advisory Group

Establishment of a Technology Advisory Group to review, monitor and inform the full Board on technology matters

TDS has a Corporate Governance and Nominating Committee (CGNC) even though, as a controlled company, TDS is not required to do

so. The CGNC operates under a formal charter and in a manner that is intended to reflect good corporate governance and other best practices, including an effective self-assessment process.

The TDS Compensation Committee (CC), comprised entirely of independent directors, operates under a formal charter and in a manner that is intended to reflect good corporate governance and other best practices. The CC is adding performance-based shares to the 2016 Long-Term Incentive Program in response to shareholder feedback and best practices.

The TDS Audit Committee, which is comprised entirely of independent directors, operates under a formal charter and in a manner that is intended to reflect good corporate governance and other best practices, earning high scores on Audit Quality from proxy advisory services.

Shareholder Engagement

TDS has an open-door policy for its shareholders to meet with management. Our goal is ongoing engagement with our shareholders and we value the views and opinions of our shareholders.

TDS has implemented a more formal shareholder engagement program to hold conversations with our shareholders to better understand their priorities regarding corporate governance practices and to encourage dialogue regarding ongoing improvements.

Dear Shareholders (continued)

Voting Matters and Board Recommendations

Voting Matters	Board's Recommendations	Rationale	Page Reference
Election of 12 Director nominees	FOR all TDS Board nominees	Broad, relevant expertise Progress on strategic initiatives	9
Ratify independent registered public accountants	FOR	Independent	33
Approve, on an advisory basis, the compensation of named executive officers ("Say on Pay")	FOR	Strong oversight by compensation committee Aligned with shareholders through a mix of cash and equity Adding performance-based shares to 2016 Long-Term Incentive Plan	37
Proposal submitted by a shareholder	AGAINST	The TDS Voting Trust opposes and intends to vote against this proposal	94

Proposal 1 Director Nominees

Our Board of Directors has nominated 12 directors for election at the 2016 Annual Meeting (Proxy Item No. 1) beginning on page 9.

Each of the four TDS Board Common Share nominees has experience as a director of TDS, a Fortune 1000 company, ranging from approximately 7 to 19 years. In addition, the TDS Board Common Share nominees have significant public company board experience - see biographies pages 9-19. The board of directors unanimously recommends that you vote "FOR" the nominated directors.

LeRoy T. Carlson, Jr.	1968	69	President and CEO, TDS				ü
Letitia G. Carlson, M.D.	1996	55	Physician and Associate Clinical Professor at George Washington University Medical Center				
Prudence E. Carlson	2008	64	Private Investor				
Walter C. D. Carlson	1981	62	Partner at Sidley Austin LLP				C
*Clarence A. Davis	2009	74	Former Director and CEO of Nestor, Inc.	ü	FE		
Kenneth R. Meyers	2007	62	President and CEO, U.S. Cellular				
Christopher D. O'Leary	2006	56	EVP, COO-International, General Mills	ü		ü	
*George W. Off	1997	69	Former Chairman and CEO of Checkpoint Systems, Inc.	ü	C	ü	
*Mitchell H. Saranow	2004	70	Chairman of The Saranow Group LLC	ü	FE		ü
*Gary L. Sugarman	2009	63	Managing member-Richfield Capital Partners	ü		ü	
Herbert S. Wander	1968	81	Of Counsel, Katten Muchin Rosenman LLP	ü	ü	C	
David A. Wittwer	2014	55	President and CEO, TDS Telecom				

*To be elected by Common Shares

Dear Shareholders (continued)

AC=Audit Committee
CC=Compensation Committee
CGNC=Corporate Governance and Nominating Committee
C=Chair
FE=Financial Expert

Existing Directors Skills and Qualifications

Active or Retired CEO/COO expertise

Financial expertise

Industry expertise

International expertise

Sales/Marketing expertise

Public company board expertise

Investor/Capital markets expertise

Director Nomination Process

In 2013, the Corporate Governance and Nominating Committee established and since then follows a process relating to board refreshment and committee composition. For a complete description of this process, please see page 26.

Board Self-Assessment

Under the leadership of the Chairman of the Board, the board of directors performed a self-assessment and evaluated its performance and effectiveness as a board in 2015. This self-assessment covered matters relating to board meetings, board composition, committees, board oversight, and other matters. Similarly, each committee of the board of directors evaluated its performance and effectiveness in 2015.

Proposal 2 Independent Public Accountant

As a matter of good corporate governance, we are requesting shareholders to ratify the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2016. The board of directors unanimously recommends that you vote "FOR" this proposal.

Proposal 3 Approve, on an advisory basis, the compensation of named executive officers ("Say on Pay")

Executive Compensation Programs

Our executive compensation programs are designed to attract and retain high-quality executives. We believe that our compensation practices are transparent and reflect our commitment to align compensation with our business strategy and our short- and long-term performance.

Compensation Highlights

Compensation Committee comprised solely of independent directors (Wander (Chairman), O'Leary, Sugarman and Off)

Compensation programs designed to motivate executive officers to act in the long-term interests of TDS

Compensation Committee utilizes services of both an independent compensation consultant (Compensation Strategies) and TDS' compensation consultant (Willis Towers Watson)

Beginning in 2016 and to align the interests of our most senior executives with those of our stockholders, the Compensation Committee is including three performance-based measures to the Long-Term Incentive Plan. (Return on Capital, Total Revenue and Relative Total Shareholder Return).

Dear Shareholders (continued)

Compensation Beliefs

- Compensation should be attractive and fiscally responsible
- Compensation is a mix of salary, cash bonuses and equity-based long-term incentive awards
- Link individual compensation with attainment of individual performance goals and with attainment of business unit and TDS objectives
- Few perquisites

In 2015, TDS received strong support for its executive compensation with approximately 87% of votes cast approving the advisory resolution. The board of directors unanimously recommends that you vote "FOR" this proposal.

Proposal 4 Shareholder Proposal
As required by the rules of the SEC, the 2016 Proxy Statement includes a proposal submitted by a shareholder of TDS calling for the board of directors to take steps to adopt a plan for all of TDS' outstanding stock to have one vote per share. The board of directors unanimously recommends that you vote "AGAINST" this proposal.

Communicating with Board of Directors

Any interested party can communicate with an individual director or the full Board of Directors by sending a letter to TDS Board of Directors, c/o Corporate Secretary, TDS, 30 N. LaSalle Street, Suite 4000, Chicago, IL 60602.

Governance Documents

Governance documents, such as the Corporate Governance Guidelines, the Board Committee Charters, and the Officer & Director Code of Conduct can be found in the Corporate Governance section of investors.tdsinc.com.

These documents are also available at no cost by writing the Corporate Secretary, TDS, 30 N. LaSalle Street, Suite 4000, Chicago, IL 60602.

NOTICE OF 2016 ANNUAL MEETING OF SHAREHOLDERS AND 2016 PROXY STATEMENT

TO THE SHAREHOLDERS OF

TELEPHONE AND DATA SYSTEMS, INC.

The 2016 Annual Meeting of Shareholders ("2016 Annual Meeting") of Telephone and Data Systems, Inc., a Delaware corporation, will be held at The Standard Club, 320 S. Plymouth Court, Chicago, Illinois, on Thursday, May 26, 2016, at 9:00 a.m., central time, for the following purposes:

1. To elect members of the board of directors nominated by your board of directors and named in this proxy statement. Your board of directors unanimously recommends that you vote **FOR** the directors nominated by the TDS board of directors.

2. To consider and ratify the selection of PricewaterhouseCoopers LLP as our independent registered public accountants for the year ending December 31, 2016. Your board of directors unanimously recommends that you vote **FOR** this proposal.

3. To approve, on an advisory basis, the compensation of our named executive officers as disclosed herein (commonly known as "Say-on-Pay"). Your board of directors unanimously recommends that you vote **FOR** the Say-on-Pay proposal.

4. If properly presented at the 2016 Annual Meeting, to consider and vote upon a proposal submitted by a shareholder of TDS calling for the board of directors to take steps to adopt a plan for all of TDS' outstanding stock to have one vote per share. Your board of directors unanimously recommends that you vote **AGAINST** this proposal.

5. To transact such other business as may properly be brought before the meeting or any postponement, adjournment or recess thereof by or at the direction of the TDS board of directors.

We have fixed the close of business on March 30, 2016, as the record date for the determination of shareholders entitled to notice of, and to vote at, the 2016 Annual Meeting or any adjournments thereof.

We are first sending this Notice of 2016 Annual Meeting of Shareholders and 2016 Proxy Statement ("2016 Proxy Statement"), together with our 2015 Annual Report to Shareholders ("2015 Annual Report"), on or about April 13, 2016 to shareholders who are receiving a paper copy of the proxy materials. We made arrangements to commence mailing a Notice of Internet Availability of Proxy Materials on or about April 13, 2016 to other shareholders as discussed below.

IMPORTANT NOTICE REGARDING INTERNET AVAILABILITY OF PROXY MATERIALS FOR THE SHAREHOLDER MEETING TO BE HELD ON MAY 26, 2016

The following information about the Internet availability of proxy materials is being provided under Rule 14a-16 of the Securities and Exchange Commission ("SEC"):

Effective as of April 13, 2016, the following documents are available at *www.tdsinc.com* under Investor Relations Proxy Vote, or at investors.tdsinc.com/proxyvote:

1. 2016 Proxy Statement
2. 2015 Annual Report
3. Forms of Proxy Cards
4. Notice of Internet Availability of Proxy Materials

Under SEC rules, proxy materials are being furnished to many of our shareholders via the Internet, instead of mailing printed copies of those materials to each shareholder. Beginning April 13, 2016, TDS made arrangements to commence sending certain shareholders a Notice of Internet Availability of Proxy Materials (the "Notice") containing instructions on how to access our proxy materials, including our 2016 Proxy Statement and 2015 Annual Report. The Notice also instructs shareholders on how to vote through the Internet.

This process is designed to reduce the environmental impact associated with our annual meeting and help conserve resources. However, if a shareholder prefers to receive printed proxy materials at no additional cost, on a one-time or ongoing basis, instructions for doing so are included in the Notice or at investors.tdsinc.com/proxyvote.

If you have previously elected to receive our proxy materials electronically or in paper format, you will continue to receive these materials in accordance with your election until you elect otherwise.

We encourage you to formally consent to receive all proxy materials electronically in the future. If you wish to receive these materials electronically next year, please follow the instructions at investors.tdsinc.com/proxyvote.

If you received a Notice, any control/identification numbers that you need to access the proxy materials and vote are set forth on your Notice.

If you received printed materials, any control/identification numbers that you need to vote are set forth on your proxy card(s) if you are a record holder, or on your voting instruction card if you hold shares through a broker, dealer or bank.

In addition, all additional soliciting materials sent to shareholders or made public after this Notice has been sent will be made publicly accessible at the above website address no later than the day on which such materials are first sent to shareholders or made public.

The location where the 2016 Annual Meeting will be held is The Standard Club in Chicago, Illinois. This is located in the Chicago loop area between Jackson Boulevard and Van Buren Street at 320 South Plymouth Court, which is between State Street and Dearborn Street.

TELEPHONE AND DATA SYSTEMS, INC.

2016 PROXY STATEMENT

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QUESTIONS AND ANSWERS

The following are questions and answers relating to the actions being taken at the 2016 Annual Meeting and do not include all of the information that may be important to you. You should carefully read this entire 2016 Proxy Statement and not rely solely on the following questions and answers.

Proposal 1 Election of Directors

Under TDS' Restated Certificate of Incorporation, as amended, the terms of all incumbent directors will expire at the 2016 Annual Meeting.

Holders of Series A Common Shares and Preferred Shares, voting as a group, will be entitled to elect eight directors. Your board of directors has nominated the following incumbent directors for election by the holders of Series A Common Shares and Preferred Shares: LeRoy T. Carlson, Jr., Letitia G. Carlson, M.D., Prudence E. Carlson, Walter C. D. Carlson, Kenneth R. Meyers, Christopher D. O'Leary, Herbert S. Wander and David A. Wittwer.

Holders of Common Shares will be entitled to elect four directors. Your board of directors has nominated the following incumbent directors for election by the holders of Common Shares: Clarence A. Davis, George W. Off, Mitchell H. Saranow and Gary L. Sugarman.

None of the nominees have been nominated pursuant to any agreement or other arrangement. Clarence A. Davis and Gary L. Sugarman were initially nominated for election as directors in 2009 pursuant to a Settlement Agreement, which we refer to as the "Settlement Agreement," between TDS and GAMCO Asset Management, Inc. which we refer to, together with its affiliates, as "GAMCO," but the obligations thereunder expired in 2010. Nevertheless, the TDS board of directors has continued to nominate Clarence A. Davis and Gary L. Sugarman as directors of TDS at subsequent annual meetings, including at the 2016 Annual Meeting, as discussed below.

Your board of directors unanimously recommends that you vote "**FOR**" its nominees for election as directors on the enclosed proxy card(s), including its nominees for election by the holders of Common Shares.

Proposal 2 Ratification of Independent Registered Public Accounting Firm for 2016

As in prior years, shareholders are being asked to ratify PricewaterhouseCoopers LLP as our independent registered public accounting firm for the year ending December 31, 2016.

Your board of directors unanimously recommends that you vote "**FOR**" this proposal.

Proposal 3 Advisory Vote on Executive Compensation or "Say-on-Pay"

As required by the Dodd Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), at the 2016 Annual Meeting shareholders are being asked to approve, on an advisory basis, the compensation of our named executive officers for 2015 as disclosed in this 2016 Proxy Statement.

Your board of directors unanimously recommends that you vote "**FOR**" this proposal.

Proposal 4 Proposal Submitted by a Shareholder

As required by the rules of the SEC, this 2016 Proxy Statement includes a proposal submitted by a shareholder of TDS calling for the board of directors to take steps to adopt a plan for all of TDS' outstanding stock to have one vote per share.

Your board of directors unanimously recommends that you vote "**AGAINST**" this proposal.

What is the record date for the meeting?

The close of business on March 30, 2016 is the record date for the determination of shareholders entitled to notice of, and to vote at, the 2016 Annual Meeting or any postponement, adjournment or recess thereof.

A complete list of shareholders entitled to vote at the 2016 Annual Meeting, arranged in alphabetical order and by voting group, showing the address of and number of shares held by each shareholder, will be made available at the offices of TDS, 30 North LaSalle Street, 40th Floor, Chicago, Illinois 60602, for examination by any shareholder, for any purpose germane to the 2016 Annual Meeting, during normal business hours, for a period of at least ten days prior to the 2016 Annual Meeting.

What shares of stock entitle holders to vote at the meeting?

We have the following classes of stock outstanding, each of which entitles holders to vote at the meeting:

Common Shares;

Series A Common Shares; and

Preferred Shares.

The Common Shares are listed on the New York Stock Exchange ("NYSE") under the symbol "TDS."

There is generally no public trading of the Series A Common Shares on the over-the-counter market, but the Series A Common Shares are convertible on a share-for-share basis into Common Shares, which are publicly-traded on the NYSE.

No public market exists for the Preferred Shares. The Preferred Shares are divided into series, none of which is currently convertible into any class of common stock. All holders of Preferred Shares vote together with the holders of Common Shares and Series A Common Shares, except in the election of directors. In the election of directors, all holders of Preferred Shares vote together with the holders of Series A Common Shares.

What is the voting power of the outstanding shares in the election of directors?

The following shows information relating to the outstanding shares and voting power of such shares in the election of directors as of the record date of March 30, 2016:

Class of Stock	***Outstanding Shares***	***Votes per Share***	***Voting Power***	***Total Number of Directors Elected by Voting Group and Standing for Election***
Series A Common Shares	7,211,260	10	72,112,600	
Preferred Shares	8,240	1	8,240	
Subtotal			72,120,840	8
Common Shares	101,678,766	1	101,678,766	4
Total Directors				12

Accordingly, holders of Series A Common Shares and Preferred Shares, voting as a group, will be entitled to elect eight directors and holders of Common Shares will be entitled to elect four directors.

Director Voting Sunset Provision. As noted above, holders of Series A Common Shares and Preferred Shares, on the one hand, and holders of Common Shares, on the other hand, currently vote separately in the election of directors. However, pursuant to the Restated Charter (as defined below), if the number of Series A Common Shares issued and outstanding at any time falls below 500,000, because of the conversion of Series A Common Shares into Common Shares or otherwise, the holders of Series A Common Shares would lose the right to vote as a separate class (together with the holders of any outstanding Preferred Shares which have voting rights), and thereafter the holders of Series A Common Shares, with ten votes per share, and the holders of Common Shares, with one vote per share, (together with the holders of any outstanding Preferred Shares which have voting rights), would vote as a single class in the election of all directors.

What is the voting power of the outstanding shares in matters other than the election of directors?

The following shows information relating to the outstanding shares and voting power of such shares in matters other than the election of directors as of the record date of March 30, 2016:

Class of Stock	*Outstanding Shares*	*Votes per Share*	*Total Voting Power*	*Percent*
Series A Common Shares	7,211,260	10	72,112,600	56.7%
Common Shares	101,678,766	0.541262	55,034,852	43.3%
Preferred Shares	8,240	1	8,240	*
			127,155,692	100.0%

* Less than .1%

Pursuant to the Restated Certificate of Incorporation for TDS (the "Restated Charter"), which effected a reclassification of TDS shares during 2012 (the "Reclassification"), the aggregate voting power of Series A Common Shares and Common Shares in matters other than the election of directors was set at approximately 56.7% and 43.3%, respectively. The initial percentages will be adjusted under certain circumstances, except that the aggregate voting percentage of the Series A Common Shares cannot increase above the initial fixed percentage voting power of approximately 56.7%.

Based on shares outstanding on March 30, 2016, the per share voting power of the Common Shares for the 2016 Annual Meeting is 0.541262 votes per share, calculated pursuant to Section B.9 of Article IV of the Restated Charter. See the Restated Charter which explains how the relative voting percentages are calculated.

Voting Power Sunset Provision. As noted above, the aggregate voting power of Series A Common Shares in matters other than the election of directors can be adjusted, but cannot increase above approximately 56.7%. However, this percentage could decrease. For instance, this could occur if holders of Series A Common Shares convert such shares into Common Shares in order to be able to sell such shares on the NYSE. Accordingly, the Restated Charter effectively has a sunset provision for voting in matters other than the election of directors because, if a sufficient number of Series A Common Shares are converted into Common Shares, the voting power of Series A Common Shares could decline below 50%.

How may shareholders vote with respect to the election of directors in Proposal 1?

Shareholders may, with respect to directors to be elected by such shareholders:

- vote FOR the election of such director nominees, or
- WITHHOLD authority to vote for such director nominees.

Your board of directors unanimously recommends a vote **FOR** its nominees for election as directors.

How may shareholders vote with respect to the ratification of our independent registered public accounting firm for 2016 in Proposal 2?

Shareholders may, with respect to Proposal 2:

- vote FOR,

vote AGAINST, or

ABSTAIN from voting on this proposal.

Your board of directors unanimously recommends a vote **FOR** this proposal.

How may shareholders vote with respect to Say-on-Pay in Proposal 3?

Shareholders may, with respect to Proposal 3:

- vote FOR,
- vote AGAINST, or
- ABSTAIN from voting on this proposal.

Your board of directors unanimously recommends a vote **FOR** this proposal.

How may shareholders vote with respect to the shareholder proposal in Proposal 4?

Shareholders may, with respect to Proposal 4:

- vote FOR,
- vote AGAINST, or
- ABSTAIN from voting on this proposal.

Your board of directors unanimously recommends a vote **AGAINST** this proposal.

How does the TDS Voting Trust intend to vote?

The Voting Trust under Agreement dated June 30, 1989, as amended (the "TDS Voting Trust"), held 6,831,172 Series A Common Shares on the record date, representing approximately 94.7% of the Series A Common Shares. By reason of such holding, the TDS Voting Trust had the voting power to elect all of the directors to be elected by the holders of Series A Common Shares and Preferred Shares and had approximately 53.7% of the voting power with respect to matters other than the election of directors. The TDS Voting Trust also held 6,151,467 Common Shares on the record date, representing approximately 6.0% of the Common Shares. By reason of such holding, the TDS Voting Trust had approximately 6.0% of the voting power with respect to the election of directors elected by the holders of Common Shares and an additional 2.6% of the voting power in matters other than the election of directors. Accordingly, the TDS Voting Trust had an aggregate of 56.3% of the voting power in matters other than the election of directors. The TDS Voting Trust does not currently own Preferred Shares.

The TDS Voting Trust has advised us that it intends to vote:

- FOR the board of directors' nominees for election by the holders of Series A Common Shares and Preferred Shares, and FOR the board of directors' nominees for election by the holders of Common Shares,
- FOR the proposal to ratify the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2016,
- FOR the Say-on-Pay proposal, and
- AGAINST the shareholder proposal.

How do I vote?

Proxies are being requested from the holders of Common Shares in connection with the election of four directors in Proposal 1 and in connection with Proposals 2, 3 and 4.

Proxies are being requested from the holders of Series A Common Shares and Preferred Shares in connection with the election of eight directors in Proposal 1 and in connection with Proposals 2, 3 and 4.

Whether or not you plan to attend the meeting, please sign, date and mail your proxy card(s) in the enclosed self-addressed envelope to Proxy Services, c/o Computershare Trust Company, N.A., P.O. Box 30170, College Station, TX 77842-3170, or vote on the Internet using the control/identification number on your proxy card in accordance with the instructions set forth on the proxy card.

How will proxies be voted?

All properly voted and unrevoked proxies received in the enclosed form in time for our 2016 Annual Meeting will be voted in the manner directed.

If no direction is made, a proxy given by any shareholder will be voted FOR the election of the board of directors' nominees to serve as directors in Proposal 1, FOR Proposal 2, FOR Proposal 3 and AGAINST Proposal 4.

If a proxy indicates that all or a portion of the votes represented by such proxy are not being voted or abstained with respect to a particular matter, and the shareholder giving such proxy does not attend the 2016 Annual Meeting, such "non-votes" will not be considered present and entitled to vote on such matter. However, the shares represented by such a proxy may be considered present and entitled to vote on other matters and will count for the purpose of determining the presence of a quorum.

Proxies given pursuant to this solicitation may be revoked at any time prior to the voting of the shares at the 2016 Annual Meeting by written notice to the Secretary of TDS, by submitting a later dated proxy or by attendance and voting in person at the 2016 Annual Meeting.

The board of directors has no knowledge of any other proposals that may be properly presented at the 2016 Annual Meeting and no other proposals were received by TDS by the date specified by the advance notice provision in TDS' Bylaws. The proxy solicited by the board of directors for the 2016 Annual Meeting confers discretionary authority to the proxies named therein to vote on matters that may properly come before such meeting or any postponement, adjournment or recess thereof, in addition to the foregoing proposals, to the extent permitted by Rule 14a-4(c) under the Securities Exchange Act of 1934, as amended.

How will my shares be voted if I own shares through a broker?

If you are the beneficial owner of shares held in "street name" by a broker, bank, or other nominee ("broker"), such broker, as the record holder of the shares, is required to vote those shares in accordance with your instructions.

In the event that there are no contested matters at the meeting, the broker may be entitled to vote the shares with respect to "discretionary" items but will not be permitted to vote the shares with respect to "non-discretionary" items (in which case such shares will be treated as non-votes). In addition, whether the broker can or will vote your shares with respect to discretionary items if you have not given instructions to the broker and how such shares may be voted by the broker (i.e., proportionately with voting instructions received by the broker from other shareholders or pursuant to the recommendation of management, etc.) depend on the particular broker's policies. As a result, we cannot advise you whether your broker will or will not vote your shares or how it may vote the shares if it does not receive or have voting instructions from you and, accordingly, recommend that you contact your broker. In general, the ratification of auditors is a discretionary item. On the other hand, matters such as the election of directors, votes on Say-on-Pay, the approval of an equity compensation plan, and shareholder proposals are non-discretionary items. In such cases, if your broker does not have specific or standing instructions, your shares will be treated as non-votes and may not be voted on such matters.

Accordingly, we urge you to provide instructions to your broker so that your votes may be counted on all matters. If your shares are held in street name, your broker will include a voting instruction form with this 2016 Proxy Statement. We strongly encourage you to vote your shares by following the instructions provided on the voting instruction form. Please return your voting instruction form to your broker and/or contact your broker to ensure that a proxy card is voted on your behalf.

What constitutes a quorum for the meeting?

A majority of the voting power of shares of capital stock in matters other than the election of directors and entitled to vote, represented in person or by proxy, will constitute a quorum to permit the 2016 Annual Meeting to proceed. Withheld votes and abstentions of shares entitled to vote and any non-votes will be treated as present in person or represented by proxy for purposes of establishing a quorum for the meeting. If such a quorum is present or represented by proxy, the meeting can proceed. If the shares beneficially owned by the TDS Voting Trust are present in person or represented by proxy at the 2016 Annual Meeting, such shares will constitute a quorum at the 2016 Annual Meeting to permit the meeting to proceed. In addition, where a separate vote by a class or group is required with respect to a proposal, a quorum is also required with respect to such proposal for the vote to proceed with respect to such proposal.

In the election of directors, where a separate vote by a class or voting group is required, the holders of a majority of the votes of the stock of such class or group issued and outstanding and entitled to vote with respect to such director election, present in person or represented by proxy, will constitute a quorum with respect to such election. Withheld votes by shares entitled to vote with respect to a director election and non-votes with respect to such director election will be treated as present in person or represented by proxy for purposes of establishing a quorum for such director election. If Series A Common Shares beneficially owned by the TDS Voting Trust are present in person or represented by proxy at the 2016 Annual Meeting, such shares will constitute a quorum at the 2016 Annual Meeting in connection with the election of directors by the holders of Series A Common Shares and Preferred Shares. If a quorum of the holders of Common Shares is not present at the time the 2016 Annual Meeting is convened, the chairman of the meeting or holders of a majority of the voting power in matters other than the election of directors represented in person or by proxy may adjourn the 2016 Annual Meeting with respect to all proposals or only with respect to the election of directors by the holders of Common Shares.

With respect to Proposals 2, 3 and 4, the holders of a majority of the votes of the stock issued and outstanding and entitled to vote with respect to such proposals, present in person or represented by proxy, will constitute a quorum at the 2016 Annual Meeting in connection with such proposals. Abstentions from voting on such proposals by shares entitled to vote on such proposals and any non-votes with respect to such proposals will be treated as present in person or represented by proxy for purposes of establishing a quorum for such proposals. If TDS shares beneficially owned by the TDS Voting Trust are present in person or represented by proxy at the 2016 Annual Meeting, such shares will constitute a quorum at the 2016 Annual Meeting in connection with such proposals.

Even if a quorum is present, holders of a majority of the voting stock present in person or represented by proxy may adjourn the 2016 Annual Meeting. Because it holds a majority of the voting power of all classes of stock, the TDS Voting Trust has the voting power to approve an adjournment. TDS does not currently have any expectation that the 2016 Annual Meeting would be adjourned for any reason.

What vote is required to elect directors in Proposal 1?

The holders of Common Shares will vote separately with respect to the election of four directors. The holders of Series A Common Shares and Preferred Shares will vote separately with respect to the election of eight directors.

Directors will be elected by a plurality of the votes cast in the election of directors by the class or group of shareholders entitled to vote in the election of such directors which are present in person or represented by proxy at the meeting.

Accordingly, if a quorum exists, the persons receiving a plurality of the votes cast by shareholders entitled to vote with respect to the election of such directors will be elected to serve as directors. Withheld votes and any non-votes with respect to the election of such directors will not be counted as votes cast for the purpose of determining if a director has received a plurality of the votes.

In the election of directors by holders of Common Shares, each holder of outstanding Common Shares is entitled to one vote for each Common Share held in such holder's name. In the election of directors by holders of Series A Common Shares and Preferred Shares, each holder of outstanding Series A Common Shares is entitled to ten votes for each Series A Common Share held in such holder's name and each holder of outstanding Preferred Shares is entitled to one vote for each Preferred Share held in such holder's name.

What vote is required with respect to Proposals 2, 3 and 4?

The holders of Common Shares, Preferred Shares and Series A Common Shares will vote together as a single group with respect to Proposals 2, 3 and 4. Based on shares outstanding on March 30, 2016, each holder of outstanding Common Shares was entitled to 0.541262 vote for each Common Share held in such holder's name. Each holder of outstanding Series A Common Shares is entitled to ten votes for each Series A Common Share held in such holder's name. Each holder of outstanding Preferred Shares is entitled to one vote for each Preferred Share held in such holder's name.

If a quorum is present at the 2016 Annual Meeting, the approval of Proposals 2, 3 and 4 will require the affirmative vote of the holders of stock having a majority of the votes which could be cast by the holders of all stock entitled to vote on such question which are present in person or represented by proxy at the meeting. Abstentions by shares entitled to vote on such proposals will be treated as votes which could be cast that are present for such purposes and, accordingly, will effectively count as a vote cast against such proposal. Any non-votes with respect to such proposals will not be included in the total of votes which could be cast which are present for purposes of determining whether such proposals are approved, even though they may be included for purposes of determining a quorum.

What does it mean if I receive more than one proxy card?

If you hold multiple series of shares, or hold shares in multiple registrations, you will receive a proxy card for each such account. Please sign, date, and return all proxy cards you receive as described above. If you choose to vote by Internet, please vote each proxy card you receive. Only your latest dated proxy for each account will be voted at the 2016 Annual Meeting.

Can I change my vote or revoke my proxy?

Yes. You can change your vote or revoke your proxy at any time before it is voted at the 2016 Annual Meeting by written notice to the Secretary of TDS, by voting a later-dated proxy or by voting by ballot at the meeting.

Only the latest dated proxy card you vote will be counted for voting purposes.

Who pays the solicitation expenses for this 2016 Proxy Statement and related TDS materials?

TDS does. Your proxy is being solicited by the TDS board of directors and its agents, and the cost of solicitation will be paid by TDS. Officers, directors and regular employees of TDS, acting on the behalf of the TDS board of directors, may also solicit proxies by mail, email, advertisement, telephone, telecopy, press release, employee communication, postings on TDS' Internet website and Intranet website or in person. We will not pay such persons additional compensation for their proxy solicitation efforts. TDS has also retained MacKenzie Partners, Inc. to assist in the solicitation of proxies. TDS will, at its expense, request brokers and other custodians, nominees and fiduciaries to forward proxy soliciting material to the beneficial owners of shares held of record by such persons.

Who should I call if I have any questions?

If you have any questions, or need assistance voting, please contact our proxy solicitor, MacKenzie Partners, Inc. at (800) 322-2885 (Call Toll Free) or (212) 929-5500 (Call Collect) or by email to TDS@mackenziepartners.com.

PROPOSAL 1
ELECTION OF DIRECTORS

The terms of all incumbent directors will expire at the 2016 Annual Meeting. The board of directors' nominees for election of directors are identified in the tables below. Each of the nominees has consented to be named in the 2016 Proxy Statement and consented to serve if elected. The age of the following persons is as of the date of this 2016 Proxy Statement.

To be Elected by Holders of Common Shares

Name	*Age*	*Position with TDS and Principal Occupation*	*Served as Director since*
Clarence A. Davis	74	Director of TDS, Former Director and Chief Executive Officer of Nestor, Inc.	2009
George W. Off	69	Director of TDS, Former Chairman and Chief Executive Officer of Checkpoint Systems, Inc.	1997
Mitchell H. Saranow	70	Director of TDS and Chairman of The Saranow Group, L.L.C.	2004
Gary L. Sugarman	63	Director of TDS, Managing Member Richfield Capital Partners and Principal of Richfield Associates, Inc.	2009

Your board of directors unanimously recommends a vote "FOR" the election of each of the above nominees for election by the holders of Common Shares on the enclosed proxy card(s).

To be Elected by Holders of Series A Common Shares and Preferred Shares

Name	*Age*	*Position with TDS and Principal Occupation*	*Served as Director since*
LeRoy T. Carlson, Jr.	69	Director and President and Chief Executive Officer of TDS	1968
Letitia G. Carlson, M.D.	55	Director of TDS and Physician and Associate Clinical Professor at George Washington University Medical Center	1996
Prudence E. Carlson	64	Director of TDS and Private Investor	2008
Walter C. D. Carlson	62	Director and non-executive Chairman of the Board of TDS and Partner, Sidley Austin LLP, Chicago, Illinois	1981
Kenneth R. Meyers	62	Director of TDS and President and Chief Executive Officer of U.S. Cellular (a deemed executive officer of TDS)	2007
Christopher D. O'Leary	56	Director of TDS and Executive Vice President, Chief Operating Officer International of General Mills, Inc.	2006
Herbert S. Wander	81	Director of TDS and Of Counsel, Katten Muchin Rosenman LLP, Chicago, Illinois	1968
David A. Wittwer	55	Director of TDS and President and Chief Executive Officer of TDS Telecommunications Corporation (a deemed executive officer of TDS)	2014

Your board of directors unanimously recommends a vote "FOR" the election of each of the above nominees for election by the holders of Series A Common Shares and Preferred Shares on the enclosed proxy card(s).

Background of Board of Directors' Nominees

The following briefly describes the business experience during at least the past five years of each of the nominees, including each person's principal occupation(s) and employment during at least the past five years; the name and principal business of any corporation or other organization in which such occupation(s) and employment were carried on; and whether such corporation or organization is a parent, subsidiary or other affiliate of TDS. The following also indicates any other directorships held, including any other directorships held during at least the past five years, by each nominee in any SEC registered company or any investment company, and the identity of such company.

In addition, the following also briefly discusses the specific experience, qualifications, attributes or skills that led to the conclusion that each such person should serve as a director of TDS, in light of TDS' business and structure, including information about the person's particular areas of expertise or other relevant qualifications. Except as discussed below under "Director Nomination Process", TDS does not have any specific, minimum qualifications that the board believes must be met by a nominee for a position on the TDS board of directors, or any specific qualities or skills that the board believes are necessary for one or more of the TDS directors to possess. The TDS board believes that substantial judgment, diligence and care are required to identify and select qualified persons as directors. The TDS board has consistently sought to nominate to the board of directors eminently qualified individuals whom the board believes would provide substantial benefit and guidance to TDS. Also, as discussed below under "Director Nomination Process", TDS believes that it is desirable for directors to have diverse backgrounds, experience, skills and other characteristics. In addition, the conclusion of which persons should serve as directors of TDS is based in part on the fact that TDS is a controlled company with a capital structure in which different classes of stock vote for different directorships. In particular, as discussed under "Director Nomination Process", because the TDS Voting Trust has over 90% of the voting power in the election of directors elected by holders of Series A Common Shares and Preferred Shares, nominations of directors for election by the holders of Series A Common Shares and Preferred Shares are based on the recommendation of the trustees of the TDS Voting Trust.

Nominees for Election by Holders of Common Shares

Clarence A. Davis. Clarence A. Davis is currently a director who was last elected by the holders of Common Shares at the 2015 annual meeting. He initially was nominated to the TDS board of directors pursuant to a Settlement Agreement with GAMCO relating to a proxy contest in 2009 as described above. Although TDS initially nominated Mr. Davis to the TDS board of directors in 2009 as part of such settlement, after observing the performance and contributions of Mr. Davis on the TDS board of directors since that time, the TDS board of directors has re-nominated Mr. Davis to the TDS board of directors each year since 2010. The following provides information on the background of Mr. Davis, including the specific factors that led to the conclusion that he should serve as a director of TDS:

Mr. Davis has experience with TDS and its subsidiaries and the industries in which they operate as a director of TDS since 2009. He has also been a member of the TDS Audit Committee since 2010 and has been designated an "audit committee financial expert" on that committee since 2012.

Mr. Davis is currently a business consultant.

Mr. Davis was previously a director of Nestor, Inc., a software solutions company (formerly NASDAQ: NEST), from 2006 to 2009, and was a member and the chairman of Nestor's audit committee. He was the chief executive officer and an employee of Nestor from 2007 until 2009. Within the last ten years, Nestor successfully petitioned the Rhode Island Superior Court for a court-appointed receiver who assumed all aspects of the company's operations in 2009. The receiver sold the assets of Nestor to American Traffic Solutions in 2009. Mr. Davis ceased to be a director of Nestor at that time.

From 2006 to 2007, Mr. Davis was an independent consultant, and from 2005 through 2006, he served as a consultant to the National Headquarters, American Red Cross, which provides disaster relief, health and safety courses, humanitarian services and other services around the world.

Prior thereto, Mr. Davis was employed by the American Institute of Certified Public Accountants ("AICPA"), serving as chief financial officer from 1998 through 2000 and chief operating officer from 2000 through 2005.

Prior thereto, Mr. Davis operated Clarence A. Davis Enterprises, Inc., a financial and organizational consulting firm, between 1990 and 1998.

Mr. Davis was an accountant at the public accounting firm of Spicer & Oppenheim and a predecessor public accounting firm between 1967 and 1990, and was a partner at such firm between 1979 and 1990.

Mr. Davis is a Certified Public Accountant (inactive). Mr. Davis has a Bachelor of Science degree in Accounting from Long Island University.

Mr. Davis is, and has been since 2007, a member of the board of directors of The Gabelli SRI Green Fund, and a member of the board of trustees of The GDL Fund (NYSE: GDL), which are registered investment companies that are managed by GAMCO. Mr. Davis is a member of the audit committee of each of such funds. Since May 2015, Mr. Davis has been a member of the board of directors of the Gabelli Capital Asset Fund. (As noted above, TDS was previously a party to a Settlement Agreement with GAMCO that resulted in the initial nomination of Mr. Davis as a director of TDS in 2009.)

In addition, between 2009 and 2012, Mr. Davis was a director of Sonesta International Hotels (formerly NASDAQ: SNSTA), a company that operates hotels, and was a member of its audit committee. Sonesta International Hotels was acquired in 2012 and Mr. Davis is no longer a director thereof or member of its audit committee.

Between 2009 and 2012, Mr. Davis was a director of Pennichuck Corp. (formerly NASDAQ: PNNW), a water utility company, and was a member of its audit committee. Pennichuck Corp. was acquired in 2012 and Mr. Davis is no longer a director thereof or member of its audit committee.

Since 2011, Mr. Davis has been a director of Bizequity.com, a private company and website that provides capital, knowledge and talent for emerging growth companies. He was its chairman between 2011 and 2016.

Between 2005 and 2006, Mr. Davis was a director of Oneida Ltd., a privately-held company which designs and distributes stainless steel and silverplated flatware.

Mr. Davis is a member of the board of directors of West Broad Street YMCA in Savannah, Georgia, and is named in Who's Who Among African Americans.

Mr. Davis brings to the TDS board of directors substantial experience, expertise and qualifications as a director of TDS for several years, as a director and former chief executive officer of a public technology company, as a chief financial officer and chief operating officer of the AICPA and as a director or trustee of investment funds. In addition, he has substantial experience, expertise and qualifications in accounting as a result of having been a chief financial officer of the AICPA and a Certified Public Accountant in a public accounting firm for many years, and as a result of being or having been a member of six audit committees, including the TDS Audit Committee since 2010. Further, his background and attributes bring diversity to the board.

George W. Off. George W. Off is currently a director who was last elected by the holders of Common Shares at the 2015 annual meeting. Mr. Off was initially nominated as a director based on a search conducted by an executive search firm. The following provides information on the background of Mr. Off, including the specific factors that led to the conclusion that he should serve as a director of TDS:

Mr. Off has significant experience with TDS and its subsidiaries and the industries in which they operate as a director of TDS since 1997. He has also been a member of the TDS Compensation

Committee (including its predecessor committee) since 1997 and a member and chairperson of the TDS Audit Committee since 1997.

After many years of high-level business experience, Mr. Off is now a private investor.

In 2012, Mr. Off was appointed as a director of The Retail Equation, a privately-held company that provides solutions to retailers to optimize revenues and margins.

In 2011, Mr. Off was appointed as a director and interim chief executive officer of Catalina Marketing Corporation, a privately-held provider of in-store electronic marketing services, of which Mr. Off was previously an officer and director, as discussed below. Mr. Off served as a director and interim chief executive officer until the appointment of a permanent replacement in 2011.

Before he retired in 2009, Mr. Off was a director of Checkpoint Systems, Inc. (NYSE: CKP) from 2002 to 2009, and was its chairman between 2002 and 2008. He was also the chief executive officer of Checkpoint Systems, Inc. between 2002 and 2007. Checkpoint Systems is a multinational manufacturer and marketer of integrated system solutions for retail security, labeling and merchandising.

Prior to that, Mr. Off was chairman of the board of directors of Catalina Marketing Corporation, which at the time was a NYSE listed company (formerly NYSE: POS), from 1998 until 2000. Mr. Off served as president and chief executive officer of Catalina from 1994 to 1998. Catalina was acquired and became privately-held in 2007.

Between 2011 and 2012, Mr. Off was a director of Infinian Mobile Commerce & Analytic Solutions Inc., a private start-up company that provides promotions and coupons for mobile phones.

Mr. Off has a Bachelor of Science degree from the Colorado School of Mines.

Mr. Off brings to the TDS board of directors substantial experience, expertise and qualifications as a director of TDS for many years. He also has significant experience in marketing and management as a result of his prior positions as a director and as chief executive officer and chairman of Checkpoint Systems, Inc. and of Catalina Marketing Corporation. Because of the retail nature of the TDS businesses, the TDS board of directors believes that it is highly desirable to have a director with significant knowledge and experience in retail and marketing, as well as significant, high-level experience in managing retail businesses. In addition, Mr. Off has significant experience as a member of the TDS Audit Committee and the TDS Compensation Committee for many years.

Mitchell H. Saranow. Mitchell H. Saranow is currently a director who was last elected by the holders of Common Shares at the 2015 annual meeting. The following provides information on the background of Mr. Saranow, including the specific factors that led to the conclusion that he should serve as a director of TDS:

Mr. Saranow has significant experience with TDS and its subsidiaries and the industries in which they operate as a director of TDS since 2004. He has also been a member of the TDS Audit Committee and designated an "audit committee financial expert" on that committee since 2004. He has also been a member of the TDS Corporate Governance and Nominating Committee since 2007.

Mr. Saranow is chairman of The Saranow Group, L.L.C., a family-owned investment company he founded in 1984, through which Mr. Saranow founded or co-founded, developed and sold several successful ventures.

Mr. Saranow was chairman of SureTint Technologies, LLC, a privately-held company which he founded that is involved in commercializing several of Mr. Saranow's patented inventions in the field of hair color preparation, from 2008 to 2013.

In addition, he served as chairman and managing general partner of Fluid Management, L.P. for more than five years until it was acquired in 1996. Mr. Saranow founded Fluid Management, a privately-held manufacturer. Under his leadership, it became the world leader in designing, manufacturing and distributing custom color dispensing and mixing systems for custom color paint, coatings, ink and personal care and other industries.

Mr. Saranow was chairman of the board and co-chief executive officer of Navigant Consulting, Inc. (NYSE: NCI), which provides consulting services to various industries on an international level, from 1999 to 2000. From 1996 to 2000, Mr. Saranow was also a director of Navigant Consulting, Inc. and a member of its audit committee.

Earlier in his career, Mr. Saranow was vice president and chief financial officer of CFS Continental, Inc. (formerly OTC: CFS), the nation's second largest food service distribution company, vice president of finance and law of Sunmark Companies, a privately-held snack food manufacturer, a venture capital officer at Warburg, Paribus, Becker, Inc., where he specialized in financing cable television companies, and an attorney with Mayer, Brown and Platt in Chicago, Illinois.

Mr. Saranow is also a Certified Public Accountant (inactive) and was a senior lecturer in the first year MBA programs at Harvard Business School.

Within the last ten years, Mr. Saranow served as chief executive officer of two related Dutch companies which were sold under Dutch insolvency laws in 2008.

Mr. Saranow also was formerly a director of Lawson Products, Inc. (NASDAQ: LAWS), which distributes industrial maintenance and repair supplies, North American Scientific, Inc. (formerly NASDAQ: NASM), which designs, develops, manufactures, and sells radioisotopic products for the treatment of cancer, and Telular Corp. (formerly NASDAQ: WRLS), which designs, develops, manufactures and markets fixed cellular products. At Lawson Products, Mr. Saranow was a member and chairman of the nominating and corporate governance committee and the financial strategies committee and was a member of the audit committee and the compensation committee. Mr. Saranow also was a member and an "audit committee financial expert" of the audit committee of North American Scientific and a member and chairman of the audit committee of Telular Corp.

Mr. Saranow received his JD and MBA degrees from Harvard Law School and Harvard Business School.

Mr. Saranow brings to the TDS board of directors substantial experience, expertise and qualifications as a director of TDS for many years, and as a result of his extensive background. Mr. Saranow is a Certified Public Accountant (inactive) and formerly was a senior lecturer in financial reporting and controls at Harvard Business School. He has been an attorney, accountant, and investment banker at multiple companies. Mr. Saranow has founded or co-founded, developed and sold several successful ventures. He has significant experience as CEO and CFO, respectively, of two public companies, and as a director of five public companies, including TDS. He has been a member of the audit committees of all five of the companies on which he served as a director, and was designated an audit committee financial expert by two of such public companies, including TDS. In addition, Mr. Saranow brings to the board of directors experience and qualifications with respect to TDS and the telecommunications industry as a result of his earlier experience in the cable television industry and his service as a director of TDS and as an audit committee financial expert on the TDS Audit Committee for over five years. In addition, he has significant experience as a member of the TDS Corporate Governance and Nominating Committee for many years.

Gary L. Sugarman. Gary L. Sugarman is currently a director who was last elected by the holders of Common Shares at the 2015 annual meeting. He initially was nominated to the TDS board of directors pursuant to a Settlement Agreement with GAMCO relating to a proxy contest in 2009 as indicated above. Although TDS initially nominated Mr. Sugarman to the TDS board of directors in 2009 as part of such settlement, after observing the performance and contributions of Mr. Sugarman on the TDS board of directors since that time, the TDS board of directors has re-nominated Mr. Sugarman to the TDS board of directors each year since 2010. The following provides information on the background of Mr. Sugarman, including the specific factors that led to the conclusion that he should serve as a director of TDS:

Mr. Sugarman has experience with TDS and its subsidiaries and the industries in which they operate as a director of TDS since 2009. In addition, Mr. Sugarman has been a member of the TDS Compensation Committee since 2010.

Mr. Sugarman has been a director of Otelco Inc. (NASDAQ: OTEL), a telecommunications company, since 2013. He is a member of its audit committee and the chairman of its nominating and corporate governance committee.

Mr. Sugarman founded and has been the managing member of Richfield Capital Partners, a private venture capital firm, since 2010. Mr. Sugarman is also principal of Richfield Associates, Inc., a privately-held telecom investment/merchant banking firm he founded in 1994.

In 2010, Richfield Capital Partners invested in FXecosystem, Inc., a private infrastructure provider to foreign exchange markets. In connection with this investment, Mr. Sugarman became a director and executive chairman of FXecosystem, Inc. He served in this capacity between 2010 and 2013.

Previously, Mr. Sugarman was the executive chairman of Veroxity Technology Partners, a privately-held facilities-based fiber network provider, between 2007 and 2010.

Mr. Sugarman was on the board of directors of PrairieWave Communications, Inc., a privately-held over-builder providing telecommunications and cable television service in South Dakota, Iowa and Minnesota, from 2003 until it was sold in 2007.

Prior to that, he served as chairman and chief executive officer of Mid-Maine Communications, a privately-held facilities-based telecom company, from the time he co-founded the company in 1994 until it was sold in 2006.

Prior thereto, Mr. Sugarman held various operating positions at Rochester Telephone Company (now known as Frontier Corporation (NYSE: FTR)), a public telecommunications company, from 1984 to 1991, including as Director of Business Development, in which capacity he was involved in many acquisitions and other development activities in the telecommunications industry.

Mr. Sugarman has been a director of LICT Corporation (OTC: LICT), a telecommunications company that provides broadband and voice services, since 2006. The entire board of directors of LICT, including Mr. Sugarman, comprises its audit committee and compensation committee. (Mario J. Gabelli, who is the chairman of and may be deemed to control LICT Corporation, controls GAMCO. As noted above, TDS was previously a party to a Settlement Agreement with GAMCO that resulted in the initial nomination of Mr. Sugarman as a director of TDS in 2009.)

Mr. Sugarman has an MBA from the University at Buffalo State University of New York.

Mr. Sugarman brings to the TDS board of directors substantial experience, expertise and qualifications as a director of TDS for several years, and in the telecommunications industry as a result of his current positions at Otelco Inc. and LICT Corporation and his many years of prior experience with other companies in the telecommunications industry. Mr. Sugarman also has management experience as past executive chairman of FXecosystem, Inc. and Veroxity Technology Partners and as chairman and chief executive officer of Mid-Maine Communications, a company that he co-founded, has been a director of business development of a public telecommunications company and has substantial experience in acquisitions and development activities in the telecommunications industry. In addition, he has experience as a member of the TDS Compensation Committee since 2010.

Your board of directors unanimously recommends a vote "FOR" each of the above nominees for election by the holders of Common Shares.

Nominees for Election by Holders of Series A Common Shares and Preferred Shares

LeRoy T. Carlson, Jr. LeRoy T. Carlson, Jr. is currently a director who was last elected by the holders of Series A Common Shares and Preferred Shares at the 2015 annual meeting. The following provides information on the background of Mr. Carlson, including the specific factors that led to the conclusion that he should serve as a director of TDS:

Mr. Carlson has extensive experience with TDS and its subsidiaries and the industries in which they operate as an investor in TDS for many years, a trustee of the TDS Voting Trust for many years, and an officer and/or director of TDS since TDS was founded in 1968. He has also been a member of the TDS Corporate Governance and Nominating Committee since 2004.

LeRoy T. Carlson, Jr. is TDS' President and Chief Executive Officer (an executive officer of TDS). He has been TDS' President since 1981 and its Chief Executive Officer since 1986.

LeRoy T. Carlson, Jr. has been a director of United States Cellular Corporation (NYSE: USM), a subsidiary of TDS which operates and invests in wireless telephone companies and properties ("U.S. Cellular"), since 1984, and has been its Chairman (an executive officer) since 1989. He has also been a director of TDS Telecommunications Corporation, a wholly owned subsidiary of TDS which operates TDS' Wireline, Hosted and Managed Services (HMS) and Cable segments ("TDS Telecom"), and its Chairman (an executive officer) since 1990.

Mr. Carlson was previously a director and Chairman (an executive officer) of former TDS subsidiaries Aerial Communications, Inc. (formerly NASDAQ: AERL), which developed and operated wireless personal communications services, and American Paging, Inc. (formerly AMEX: APP), which operated wireless paging services.

Mr. Carlson has an MBA from Harvard University.

Mr. Carlson is one of the four largest beneficial owners of TDS Series A Common Shares and also beneficially owns a significant number of TDS Common Shares.

Mr. Carlson brings to the TDS board of directors substantial experience, expertise and qualifications with respect to TDS and its subsidiaries and the industries in which they operate as a result of his many years as an investor in TDS, a trustee of the TDS Voting Trust, a director and President and Chief Executive Officer of TDS, and a director and Chairman of its two principal business units. As the senior executive officer of TDS and each of its business units, the board of directors considers it essential that Mr. Carlson serve on the TDS board to provide the board with his views on strategy and operations of TDS and its business units. In addition, as a shareholder with a significant economic stake in TDS, Mr. Carlson provides to the TDS board of directors the perspective of shareholders in managing and operating TDS in the long-term interests of shareholders. He also has experience as a member of the TDS Corporate Governance and Nominating Committee since 2004.

LeRoy T. Carlson, Jr. is the son of LeRoy T. Carlson, Chairman Emeritus of TDS, and the brother of Walter C. D. Carlson, Letitia G. Carlson, M.D. and Prudence E. Carlson.

Letitia G. Carlson, M.D. Letitia G. Carlson, M.D. is currently a director who was last elected by the holders of Series A Common Shares and Preferred Shares at the 2015 annual meeting. The following provides information on the background of Dr. Carlson, including the specific factors that led to the conclusion that she should serve as a director of TDS:

Dr. Carlson has significant experience with TDS and its subsidiaries and the industries in which they operate as an investor in TDS for many years, as a trustee of the TDS Voting Trust for many years, and as a director of TDS since 1996.

Dr. Carlson has been a physician at George Washington University Medical Center since 1990.

At such medical center, she was a primary care fellow between 1990 and 1992, an assistant professor between 1992 and 2001 and an assistant clinical professor between 2001 and 2003, and has been an associate clinical professor since 2003.

Dr. Carlson has an M.D. from Harvard Medical School.

Dr. Carlson is one of the four largest beneficial owners of TDS Series A Common Shares and also beneficially owns a significant number of TDS Common Shares.

Dr. Carlson brings to the TDS board of directors substantial experience, expertise and qualifications with respect to TDS and its subsidiaries and the industries in which they operate as a result of her many years as an investor in TDS, as a trustee of the TDS Voting Trust, and as a director of TDS. Further, her background and attributes bring diversity to the board. In addition, as a shareholder with a significant economic stake in TDS, Dr. Carlson provides to the TDS board of directors the perspective of shareholders in managing and operating TDS in the long-term interests of shareholders.

Dr. Carlson is the daughter of LeRoy T. Carlson and the sister of LeRoy T. Carlson, Jr., Walter C. D. Carlson and Prudence E. Carlson.

Prudence E. Carlson. Prudence E. Carlson is currently a director who was last elected by the holders of Series A Common Shares and Preferred Shares at the 2015 annual meeting. She was initially elected as a director based on the recommendation of the trustees of the TDS Voting Trust, which holds over 90% of the Series A Common Shares. The following provides information on the background of Ms. Carlson, including the specific factors that led to the conclusion that she should serve as a director of TDS:

Ms. Carlson has significant experience with TDS and its subsidiaries and the industries in which they operate as an investor in TDS for many years, as a trustee of the TDS Voting Trust for many years, and as a director of TDS since 2008.

Ms. Carlson has a Bachelor of Arts degree from Harvard University.

Ms. Carlson has been a private investor for more than five years. Ms. Carlson is one of the four largest beneficial owners of TDS Series A Common Shares and also beneficially owns a significant number of TDS Common Shares.

Ms. Carlson was elected to the TDS board of directors in 2008 to fill the vacancy created on the board of directors by the decision of LeRoy T. Carlson not to stand for election in 2008.

Ms. Carlson brings to the TDS board of directors experience with respect to TDS and its subsidiaries and the industries in which they operate as a result of her many years as an investor in TDS, as a trustee of the TDS Voting Trust, and as a director of TDS. Further, her background and attributes bring diversity to the board. In addition, as a shareholder with a significant economic stake in TDS, Ms. Carlson provides to the TDS board of directors the perspective of shareholders in managing and operating TDS in the long-term interests of shareholders.

Ms. Carlson is the daughter of LeRoy T. Carlson and the sister of LeRoy T. Carlson, Jr., Walter C.D. Carlson and Letitia G. Carlson, M.D.

Walter C. D. Carlson. Walter C. D. Carlson is currently a director who was last elected by the holders of Series A Common Shares and Preferred Shares at the 2015 annual meeting. The following provides information on the background of Mr. Carlson, including the specific factors that led to the conclusion that he should serve as a director of TDS:

Mr. Carlson has significant experience with TDS and its subsidiaries and the industries in which they operate as an investor in TDS for many years, as a trustee of the TDS Voting Trust for many years, and as a director of TDS since 1981. In addition, he has been the non-executive Chairman of the Board of TDS since 2002. He has also been a member and the chairperson of the TDS Corporate Governance and Nominating Committee since 2004.

Mr. Carlson has been a partner of the law firm of Sidley Austin LLP since 1986 and is a member of its executive committee. Mr. Carlson is an experienced litigator, and has represented public and private corporate clients in a variety of types of specialized and general commercial litigation. The law firm of Sidley Austin LLP provides legal services to TDS, U.S. Cellular and their subsidiaries on a regular basis. See "Certain Relationships and Related Transactions" below. Walter C. D. Carlson does not provide legal services to TDS, U.S. Cellular or their subsidiaries.

Mr. Carlson has been a director of U.S. Cellular (NYSE: USM) since 1989.

Mr. Carlson was a director of former TDS subsidiary Aerial Communications, Inc. (formerly NASDAQ: AERL).

Mr. Carlson has a J.D. from Harvard University.

Mr. Carlson is one of the four largest beneficial owners of TDS Series A Common Shares and also beneficially owns a significant number of TDS Common Shares.

Mr. Carlson brings to the TDS board of directors substantial experience, expertise and qualifications with respect to TDS and its subsidiaries and the industries in which they operate as a result of his many years as an investor in TDS, as a trustee of the TDS Voting Trust, as a director of TDS and U.S. Cellular, as Chairman of the Board of TDS, and as a result of having represented many public and private corporate clients. In addition, as a shareholder with a significant economic stake in TDS, Mr. Carlson provides to the TDS board of directors the perspective of shareholders in managing and operating TDS in the long-term interests of shareholders. He also has experience as a member and the chairperson of the TDS Corporate Governance and Nominating Committee since 2004.

Walter C. D. Carlson is the son of LeRoy T. Carlson and the brother of LeRoy T. Carlson, Jr., Letitia G. Carlson, M.D. and Prudence E. Carlson.

Kenneth R. Meyers. Kenneth R. Meyers is currently a director who was last elected by the holders of Series A Common Shares and Preferred Shares at the 2015 annual meeting. The following provides information on the background of Mr. Meyers, including the specific factors that led to the conclusion that he should serve as a director of TDS:

Mr. Meyers has extensive experience with TDS and U.S. Cellular and the industries in which they operate as an employee, officer and/or director of TDS and/or U.S. Cellular for many years, as detailed below.

In 2013, Kenneth R. Meyers was appointed President and Chief Executive Officer (an executive officer) of U.S. Cellular.

Mr. Meyers has been a director of TDS since 2007. Mr. Meyers was Executive Vice President and Chief Financial Officer (an executive officer) of TDS between 2007 and 2013, and also had been Vice President and Assistant Treasurer (an executive officer) of U.S. Cellular between 2011 and 2013. He was Chief Accounting Officer (an executive officer) of U.S. Cellular and Chief Accounting Officer (an executive officer) of TDS Telecom between 2007 and 2011.

Prior to 2007, he was the Executive Vice President Finance, Chief Financial Officer and Treasurer of U.S. Cellular since 1999. Prior to that, Mr. Meyers was Senior Vice President-Finance (Chief Financial Officer) and Treasurer of U.S. Cellular from 1997 to 1999 and was the Vice President-Finance (Chief Financial Officer) and Treasurer of U.S. Cellular for more than five years prior to 1997. Mr. Meyers had been employed by U.S. Cellular in accounting and financial capacities since 1987.

Mr. Meyers has also been a director of U.S. Cellular since 1999 and a director of TDS Telecom between 2007 and 2014.

Mr. Meyers is a Certified Public Accountant (inactive) and has an MBA from Northwestern University's J. L. Kellogg Graduate School of Management.

Mr. Meyers brings to the TDS board of directors substantial experience, expertise and qualifications with respect to TDS and its subsidiaries and the industries in which they operate as a result of his background as a director of TDS and U.S. Cellular for many years, as President and Chief Executive Officer of U.S. Cellular since 2013, as Executive Vice President and Chief Financial Officer of TDS between 2007 and 2013, and as a result of his many years in other offices and positions at U.S. Cellular. He also brings substantial experience, expertise and qualifications in TDS' businesses and in management, finance and accounting as a result of such background. As the President and Chief Executive Officer of U.S. Cellular, TDS' largest business unit, the board of directors considers it appropriate and beneficial for Mr. Meyers to serve on the TDS board to provide the board with his views on strategy and operations of U.S. Cellular.

Christopher D. O'Leary. Christopher D. O'Leary is currently a director who was last elected by the holders of Series A Common Shares and Preferred Shares at the 2015 annual meeting. He was initially nominated as a director based on a search conducted by TDS' executive search firm. The following provides information on the background of Mr. O'Leary, including the specific factors that led to the conclusion that he should serve as a director of TDS:

Mr. O'Leary has significant experience with TDS and its subsidiaries and the industries in which they operate as a director of TDS since 2006. He has also been a member of the TDS Compensation Committee since 2007.

In 2006, Christopher D. O'Leary was appointed executive vice president, chief operating officer international of General Mills, Inc. (NYSE: GIS), which manufactures and markets branded consumer foods on a worldwide basis. In this capacity, he oversees over 14,000 employees in over 100 countries. Before that, he was a senior vice president of General Mills since 1999. In addition, he was the president of the General Mills Meals division between 2001 and 2006 and was the president of the Betty Crocker division between 1999 and 2001. Mr. O'Leary joined General Mills in 1997.

Prior to his employment with General Mills, Mr. O'Leary was employed with PepsiCo (NYSE: PEP), which manufactures, markets, and sells various snacks, beverages and foods on a worldwide basis, between 1980 and 1997. His assignments included leadership roles for the Walkers-Smiths business in the United Kingdom and the Hostess Frito-Lay business in Canada.

In 2014, Mr. O'Leary was appointed to the board of directors of Newell Rubbermaid Inc. (NYSE: NWL), a worldwide marketer of consumer and commercial products, and was also appointed as a member of its Nominating/Governance and its Organizational Development & Compensation Committees.

Mr. O'Leary has an MBA from New York University.

Mr. O'Leary brings to the TDS board of directors substantial experience, expertise and qualifications as a result of his many years as a director of TDS and as a result of his over 30 years experience in retail and marketing. In addition, Mr. O'Leary has over 15 years of significant and high-level experience in management of large retail businesses with a large number of employees, including dealing with businesses outside the U.S. Because of the retail nature of the TDS businesses, the TDS board of directors believes that it is highly desirable to have a director with significant knowledge and experience in retail and marketing, as well as significant, high-level experience in managing retail businesses. In addition, Mr. O'Leary has experience as a member of the TDS Compensation Committee for many years.

Herbert S. Wander. Herbert S. Wander is currently a director who was last elected by the holders of Series A Common Shares and Preferred Shares at the 2015 annual meeting. The following provides information on the background of Mr. Wander, including the specific factors that led to the conclusion that he should serve as a director of TDS:

Mr. Wander has extensive experience with TDS and its subsidiaries and the industries in which they operate as a director of TDS since its founding in 1968. He has also been a member of the TDS Audit Committee since 1986 and a member and chairperson of the TDS Compensation Committee since 2006.

Established in 2015, Mr. Wander became founding Trustee of the American College of Governance Counsel.

Since 2013, Mr. Wander has been a member of the Compensation Committee Chair Advisory Council of the National Association of Corporate Directors or NACD.

Herbert S. Wander has been of counsel to the law firm of Katten Muchin Rosenman LLP since April 2015, and prior to that was partner of such law firm since 1979. He has been a lawyer since 1960, concentrating on all aspects of business law, including corporate governance and business acquisitions. Katten Muchin Rosenman LLP does not provide legal services to TDS or its subsidiaries.

In 2004, Mr. Wander was appointed by the chairman of the SEC, William Donaldson, to co-chair the SEC Advisory Committee on smaller public companies, which committee delivered its final report to the SEC in 2006.

Mr. Wander is former chair of the Corporate Laws Committee of the American Bar Association's Business Law Section and of the Business Law Section. Mr. Wander has been a frequent lecturer on topics of corporate governance.

Mr. Wander served two terms as a member of the Legal Advisory Committee to the NYSE Board of Governors and was a member of the Legal Advisory Committee to the National Association of Securities Dealers, Inc.

Mr. Wander previously served as a director of Advance Ross Corporation (formerly NASDAQ: AROS), the primary business of which was operating a value-added tax (VAT) refund service in Europe.

Mr. Wander has a law degree from Yale Law School.

Mr. Wander brings to the TDS board of directors substantial experience, expertise and qualifications as a result of his many years as a director of TDS, and as a corporate and acquisitions lawyer and corporate governance expert with a national reputation. In addition, he has significant experience as a member of the TDS Audit Committee and the TDS Compensation Committee for many years.

David A. Wittwer. David A. Wittwer is currently a director who was last elected by the holders of Series A Common Shares and Preferred Shares at the 2015 annual meeting. The following provides information on the background of Mr. Wittwer, including the specific factors that led to the conclusion that he should serve as a director of TDS:

Mr. Wittwer has primary responsibility for TDS Telecom's Wireline, Cable and HMS operations as the President and Chief Executive Officer of TDS Telecom. He has held such position since 2007. He is also a director of TDS Telecom.

Prior to that, Mr. Wittwer was Executive Vice President and Chief Operating Officer of TDS Telecom between 2006 and 2007. Prior to that, Mr. Wittwer was President of TDS Telecom's incumbent local exchange carrier operations between 2005 and 2006. Prior to that, he was Executive Vice President Staff Operations, Chief Financial Officer, Treasurer and Assistant Secretary of TDS Telecom for more than five years. Prior to that, Mr. Wittwer had been the controller and an accounting manager of TDS Telecom. He joined TDS Telecom in 1988. Prior to that, Mr. Wittwer had been employed by TDS' corporate division as an internal auditor since 1983.

Mr. Wittwer has been a member of the board of the Greater Madison Chamber of Commerce since 2007 and was previously board chair.

Mr. Wittwer is a Certified Public Accountant (inactive) and holds a BBA in accounting from the University of Wisconsin-Whitewater, and an MS in management and human resources from the University of Wisconsin-Madison.

Mr. Wittwer brings to the TDS board of directors substantial experience, expertise and qualifications with respect to TDS and its subsidiaries and the industries in which they operate as a result of his background as President and Chief Executive Officer of TDS Telecom since 2007, and as a result of his many years in other offices and positions at TDS Telecom. He brings substantial experience, expertise and qualifications in a wide range of critical areas in TDS' businesses, including management, accounting, finance, sales and marketing, regulatory affairs, engineering and network operations. As the President and Chief Executive Officer of TDS Telecom, one of TDS' two primary business units, the board of directors considers it appropriate and beneficial for Mr. Wittwer to serve on the TDS board to provide the board with his views on strategy and operations of TDS Telecom and its businesses.

Your board of directors unanimously recommends a vote "FOR" each of the above nominees for election by the holders of Series A Common Shares and Preferred Shares.

CORPORATE GOVERNANCE

Board of Directors

The business and affairs of TDS are managed by or under the direction of the board of directors. The board of directors consists of twelve members. Holders of Common Shares elect 25% of the directors rounded up plus one director, or a total of four directors based on a board size of twelve directors. Holders of Series A Common Shares and Preferred Shares elect the remaining eight directors. As of March 30, 2016, the TDS Voting Trust had approximately 94.7% of the voting power in the election of the eight directors elected by the holders of Series A Common Shares and Preferred Shares, approximately 6.0% of the voting power in the election of the four directors elected by the holders of Common Shares and approximately 56.3% of the voting power in all other matters.

Board Leadership Structure

Under the leadership structure selected for TDS, the same person does not serve as both the Chief Executive Officer and Chairman of the Board. Walter C. D. Carlson, who is not an employee or officer of TDS, serves as the non-executive Chairman of the Board and presides over meetings of the full board of directors. LeRoy T. Carlson, Jr., who is an officer and employee of TDS, serves as President and Chief Executive Officer and is responsible for day-to-day leadership and performance of TDS. This leadership structure is set forth in TDS' Bylaws. TDS has determined that this leadership structure is appropriate given the specific characteristics and circumstances of TDS. In particular, TDS considers it appropriate that the person who is the President and Chief Executive Officer of TDS also not serve as the Chairman of the Board in order to separate the executive who is primarily responsible for the performance of the company from the person who presides over board meetings at which performance of TDS is evaluated.

Board Role in Risk Oversight

The following discloses the extent of the board of directors' role in the risk oversight of TDS, including how the board administers its oversight function, and the effect of the board's leadership structure discussed above on risk oversight.

The TDS board of directors is primarily responsible for oversight of the risk assessment and risk management process of TDS. Although the TDS board of directors can delegate this responsibility to board committees, the TDS board has not done so, and continues to have full responsibility relating to risk oversight. Although the TDS board of directors has oversight responsibilities, the actual risk assessment and risk management is carried out by the President and Chief Executive Officer and other officers of TDS and reported to the board.

TDS has established an Enterprise Risk Management (ERM) program, which applies to TDS and all of its business units. This program was designed with the assistance of an outside consultant and was integrated into TDS' existing management and strategic planning processes. The ERM program provides a common enterprise-wide language and discipline around risk identification, quantification and mitigation. The TDS board of directors receives periodic updates about the status and progress of this ERM program and takes action to the extent appropriate based on such updates.

Although the TDS board of directors has ultimate oversight authority over risk and has not delegated such responsibility to any committees, certain TDS committees also have certain responsibilities relating to risk.

Under NYSE listing standards, and as set forth in its charter, the Audit Committee is required to "discuss policies with respect to risk assessment and risk management." NYSE listing standards further provide that, "while it is the job of the CEO and senior management to assess and manage the listed company's exposure to risk, the audit committee must discuss guidelines and policies to govern the process by which this is handled. The audit committee should discuss the listed company's major financial risk exposures and the steps management has taken to monitor and control such exposures. The audit committee is not required to be the sole body responsible for risk assessment and management, but, as stated above, the committee must discuss guidelines and policies to govern the process by which risk assessment and management is undertaken."

Accordingly, pursuant to the foregoing requirements, the Audit Committee discusses TDS' major financial risk exposures and the steps management has taken to monitor and control such exposures in connection with its review of financial statements and related matters on a quarterly basis.

In addition, as part of the ERM program, the Audit Committee discusses guidelines and policies to govern the process by which risk assessment and risk management are handled. The Audit Committee receives updates and discusses policies with respect to risk assessment and risk management on a regular basis. The Audit Committee is not solely responsible for ERM, but the committee discusses guidelines and policies to govern the process by which ERM is undertaken.

In addition, in connection with the functions of the Compensation Committee relating to the compensation of the executive officers of TDS (other than executive officers of U.S. Cellular), the Compensation Committee considers risks relating to the compensation of executive officers of TDS, as discussed below in the Compensation Discussion and Analysis. In addition, the Compensation Committee has responsibilities under its charter and evaluates risk with respect to long-term compensation for all employees, which is discussed below under "Risks from Compensation Policies and Practices."

Also, the TDS Corporate Governance and Nominating Committee may consider certain risks in connection with its responsibilities relating to corporate governance and director nominations, as described below.

In March 2015, TDS established a Technology Advisory Group. The functions of the Technology Advisory Group include, inter alia, to review, monitor and inform the board of directors on technology matters, including spectrum, radio transmission, end user equipment, network technology, information technology, security, data storage, retrieval, and handling, and other matters relating to technology used or proposed to be used by TDS' business units and by their customers and by competitors of TDS' business units and by their customers, as well as developments and trends in the communication industry related to technology. This includes reviewing matters relating to technology security, threats, risks and internal controls, including safeguards, vulnerabilities, preparedness, disaster recovery plans, cybersecurity-insurance and similar matters. Related to this, the board of directors also established a Technology Advisory Group Committee of the board of directors that consists of directors who participate in the Technology Advisory Group. See below for further information on the Technology Advisory Group Committee and the Technology Advisory Group.

TDS believes that the leadership structure described above facilitates risk oversight because the role of the President and Chief Executive Officer, who has primary operating responsibility to assess and manage TDS' exposure to risk, is separated from the role of the Chairman of the Board, who sets the agenda for and presides over board of directors' meetings at which the TDS board exercises its oversight responsibility with respect to risk.

Board Oversight of Cybersecurity

TDS believes oversight of cybersecurity risks is the responsibility of the full board of directors and receives annual updates regarding TDS' assessment of threats and mitigation plans. The Audit Committee also exercises oversight over the control-related cybersecurity risks and mitigation plans and receives updates bi-annually. The Technology Advisory Group, as described above, also reviews cybersecurity topics bi-annually.

Director Independence and New York Stock Exchange Listing Standards

TDS Common Shares are listed on the NYSE. Accordingly, TDS is subject to the listing standards applicable to companies that have equity securities listed on the NYSE.

Under listing standards of the NYSE, TDS is a "controlled company" as such term is defined by the NYSE. TDS is a controlled company because over 50% of the voting power for the election of directors of TDS is held by the trustees of the TDS Voting Trust (i.e., the TDS Voting Trust has over 90% of the voting power in the election of directors elected by the holders of Series A Common Shares and Preferred Shares and thus has the voting power to elect eight of the twelve directors, or 66.7% of the directors). Accordingly, it is exempt from certain listing standards that require listed companies that are not controlled companies to (i) have a board composed of a majority of directors who qualify as independent under the rules of the NYSE, (ii) have a compensation committee composed entirely of directors who qualify as independent under the rules of the NYSE, and (iii) have a nominating/corporate governance committee composed entirely of directors who qualify as independent under the rules of the NYSE.

As a controlled company, TDS is required to have at least three directors who qualify as independent to serve on the Audit Committee. The TDS Audit Committee has four members. Such directors must qualify as independent under the NYSE Listed Company Manual, including Section 303A.02(a) and Section 303A.02(b). Such directors must also qualify as independent under Section 303A.06, which incorporates the independence requirements of Rule 10A-3 under Section 10A-3 of the Securities Exchange Act of 1934, as amended (collectively, "Section 10A-3"). Except as required by listing standards or SEC rule, TDS does not have any categorical standards of independence that must be satisfied.

Pursuant to the requirements of the NYSE Listed Company Manual, the TDS board of directors affirmatively determined that each member of the TDS Audit Committee has no material relationship with TDS or any other member of the TDS consolidated group ("TDS Consolidated Group"), either directly or as a partner, shareholder or officer of an organization that has a relationship with any member of the TDS Consolidated Group, and that each of such persons is independent (pursuant to Section 303A.02(a), Section 303A.02(b) and Section 10A-3) considering all relevant facts and circumstances, including commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, if any.

Such relevant facts and circumstances included the following: None of such persons is an employee or officer of TDS or any other member of the TDS Consolidated Group. None of such persons has any direct or indirect business relationships and/or fee arrangements with the TDS Consolidated Group and none of such persons receives any compensation from the TDS Consolidated Group except compensation for his services as a director and member of board committees of TDS. None of such persons has any relationship or arrangement with the TDS Consolidated Group other than in his capacity as a director of TDS. Each of such persons qualifies as independent under each of the categorical standards in Section 303A.02(b) of the NYSE Listed Company Manual. Each of such persons qualifies as independent under Section 10A-3 because (i) none of such persons receives any compensatory fee from any member of the TDS Consolidated Group (excluding permitted compensation for his services as a director and member of board committees of TDS); and (ii) none of such persons is an "affiliated person" (as defined by the SEC) with respect to any member of the TDS Consolidated Group (because none of such persons is an executive officer, or the beneficial owner of more than 10% of any class of voting equity security, of TDS or any other member of the TDS Consolidated Group). None of such persons is an "immediate family member" (as defined by Section 303A.02(b)) of any person who is not independent under Section 303A.02 of the NYSE Listed Company Manual. The only relationship and/or fee arrangement which such persons have with the TDS Consolidated Group are as directors and members of board committees of TDS.

In addition, incumbent directors Christopher D. O'Leary and Gary L. Sugarman would qualify as independent directors under the listing standards of the NYSE. As a result, six of the twelve incumbent directors, or 50% of the directors, have been determined to qualify or would qualify as independent under the listing standards of the NYSE.

Meetings of Board of Directors

The board of directors held five meetings during 2015. Each director attended at least 75% of the total number of meetings of the board of directors held during 2015 (at which time such person was a director) and at least 75% of the total number of meetings held during 2015 by each committee of the board on which such person served (during the period that such person served).

Corporate Governance Guidelines

Under NYSE listing standards, TDS is required to adopt and disclose corporate governance guidelines that address certain specified matters. TDS has adopted Corporate Governance Guidelines that address:

Board of directors structure	Director qualification standards	Board committees
Director compensation and stock ownership	Board resources and access to management and independent advisors	Annual performance evaluation of the board and committees
Director responsibilities, orientation and continuing education	Management succession	Periodic review of the guidelines

A copy of such guidelines is available on TDS' website, *www.tdsinc.com*, under Corporate Governance Governance Guidelines.

Board Self-Assessment. Pursuant to these Guidelines, under the leadership of the Chairman of the Board, the board of directors performed a self-assessment and evaluated its performance and effectiveness as a board in 2015. This self-assessment covered matters relating to board meetings, board composition, committees, board oversight, and other matters. Similarly, each committee of the board of directors evaluated its performance and effectiveness in 2015.

Corporate Governance and Nominating Committee

Under NYSE listing standards, a controlled company is not required to have a corporate governance/nominating committee. In addition, if a controlled company voluntarily establishes a corporate governance/nominating committee, it is not required to be composed entirely of independent directors. Although not required to do so under NYSE listing standards, TDS voluntarily has established a Corporate Governance and Nominating Committee. The members of the Corporate Governance and Nominating Committee are Walter C. D. Carlson (chairperson), LeRoy T. Carlson, Jr. and Mitchell H. Saranow. Mr. Saranow qualifies as an independent director under NYSE listing standards. The primary function of the Corporate Governance and Nominating Committee is to advise the board on corporate governance matters, including developing and recommending to the board the corporate governance guidelines for TDS. In addition, the charter of the committee provides that the committee will develop selection objectives and oversee the search for qualified individuals to serve on the board of directors and recommend to the board prospective nominees and the re-nomination of incumbent directors as it deems appropriate. For a complete description of the Director Nomination process, please see "Director Nomination Process" below. A copy of the committee charter is available on TDS' website, *www.tdsinc.com*, under Corporate Governance Board of Directors Board Committees & Charters.

The Corporate Governance and Nominating Committee held five meetings during 2015.

Audit Committee

The Audit Committee is currently composed of four members all of whom qualify as independent under NYSE listing standards, including Section 10A-3. The current members of the Audit Committee are George W. Off (chairperson), Clarence A. Davis, Mitchell H. Saranow and Herbert S. Wander. The board of directors has determined that each of the members of the Audit Committee is financially literate and has "accounting or related financial management expertise" pursuant to listing standards of the NYSE. The board has made a determination that each of Clarence A. Davis and Mitchell H. Saranow is an "audit committee financial expert" as such term is defined by the SEC.

The purpose and primary functions of the Audit Committee are to (a) assist the board of directors of TDS in its oversight of (1) the integrity of TDS' financial statements, (2) TDS' compliance with legal and regulatory requirements, (3) the qualifications and independence of TDS' registered public accounting firm, and (4) the performance of TDS' internal audit function and registered public accounting firm;

(b) prepare an audit committee report as required by the rules of the SEC to be included in TDS' annual proxy statement and (c) perform such other functions as set forth in the Audit Committee charter, which shall be deemed to include the duties and responsibilities set forth in Section 10A-3. A copy of the Audit Committee charter is available on TDS' website, *www.tdsinc.com*, under Corporate Governance Board of Directors Board Committees & Charters.

In addition, the Audit Committee has certain responsibilities relating to risk management as discussed above under "Board Role in Risk Oversight."

In accordance with the SEC's safe harbor rule for "audit committee financial experts," no member designated as an audit committee financial expert shall (i) be deemed an "expert" for any other purpose or (ii) have any duty, obligation or liability that is greater than the duties, obligations and liabilities imposed on a member of the board or the audit committee not so designated. Additionally, the designation of a member or members as an "audit committee financial expert" shall in no way affect the duties, obligations or liabilities of any member of the audit committee, or the board, not so designated.

The Audit Committee held eight meetings during 2015. Certain of these meetings were joint meetings with the U.S. Cellular audit committee, which regularly meets with the TDS Audit Committee.

Pre-Approval Procedures

The Audit Committee has adopted a policy pursuant to which all audit and non-audit services by TDS' principal independent registered public accounting firm must be pre-approved by the Audit Committee. The following describes the policy as amended. Under no circumstances may TDS' principal independent registered public accounting firm provide services that are prohibited by the Sarbanes Oxley Act of 2002 or rules issued thereunder. Non-prohibited audit related services and certain tax and other services may be provided to TDS, subject to such pre-approval process and prohibitions. The Audit Committee has delegated to the chairperson together with one other member of the Audit Committee the authority to pre-approve services by the principal independent registered public accounting firm. In the event the chairperson is unavailable, pre-approval may be given by any two members of the Audit Committee. Specified services have been pre-approved in detail up to specified dollar limits pursuant to the policy. All services are required to be reported to the full Audit Committee at each of its regularly scheduled meetings.

Review, Approval or Ratification of Transactions with Related Persons

The Audit Committee charter provides that the Audit Committee has responsibilities with respect to related party transactions, as such term is defined by the rules of the NYSE. Related party transactions are addressed in Section 314.00 of the NYSE Listed Company Manual.

Section 314.00 of the NYSE Listed Company Manual states that "Related party transactions normally include transactions between officers, directors, and principal shareholders and the company." In general, "related party transactions" would include transactions required to be disclosed in TDS' 2016 Proxy Statement pursuant to Item 404 of Regulation S-K of the SEC. Pursuant to Item 404, TDS is required to disclose any transaction, which includes any financial transaction, arrangement, or relationship (including any indebtedness or guarantee of indebtedness) or a series of transactions, that has taken place since the beginning of TDS' last fiscal year or any currently proposed transaction in which: (1) TDS was or is to be a participant, (2) the amount involved exceeds $120,000 and (3) any "related person" had or will have a direct or indirect material interest in the transaction during any part of the fiscal year. For this purpose, in general, the term "related person" includes any director or executive officer of TDS, any nominee for director, any beneficial owner of more than five percent of any class of TDS' voting securities and any "immediate family member" of such persons, within the meaning of Item 404.

Section 314.00 of the NYSE Listed Company Manual provides that "Each related party transaction is to be reviewed and evaluated by an appropriate group within the listed company involved. While the NYSE does not specify who should review related party transactions, the NYSE believes that the Audit Committee or another comparable body might be considered as an appropriate forum for this task.

Following the review, the company should determine whether or not a particular relationship serves the best interest of the company and its shareholders and whether the relationship should be continued or eliminated."

Accordingly, pursuant to such provisions, the TDS Audit Committee has responsibilities over transactions that are deemed to be related-party transactions under Section 314.00 of the NYSE Listed Company Manual. Other than the foregoing, TDS has no related party policies or procedures relating to (i) the types of transactions that are covered by such policies and procedures; (ii) the standards to be applied pursuant to such policies and procedures; or (iii) the persons or groups of persons on the board of directors or otherwise who are responsible for applying such policies and procedures, and TDS does not maintain any written document evidencing such policies and procedures.

See Executive and Director Compensation Compensation Committee Interlocks and Insider Participation Certain Relationships and Related Transactions for discussion of any related party transactions since the beginning of the last fiscal year.

Compensation Committee

Although not required to do so under NYSE listing standards because it is a controlled company, TDS voluntarily has established a Compensation Committee comprised solely of directors who qualify as independent under the rules of the NYSE.

Under the Dodd-Frank Act, the SEC directed the NYSE to adopt listing standards prohibiting the listing of any equity security of an issuer that does not comply with specified listing requirements, including with respect to the independence of members of the compensation committee of the board of directors of such issuer, except that this provision of the Dodd-Frank Act expressly provides that it does not apply to an issuer that is a controlled company. In 2013, the NYSE adopted listing standards as required pursuant to such SEC direction. Although such listing standards are not applicable to TDS because it is a controlled company, the members of the Compensation Committee would qualify as independent under these listing standards of the NYSE. In particular, each member of the Compensation Committee is independent under the general NYSE listing standards as noted under "Director Independence and New York Stock Exchange Listing Standards" above, none of such members receives any compensation from the TDS Consolidated Group except permitted compensation for services as a TDS director and committee member, and none of such members is affiliated with the TDS Consolidated Group by reason of being an executive officer, or the beneficial owner of more than 10% of any class of voting equity security, of any member of the TDS Consolidated Group.

The primary functions of the Compensation Committee are to discharge the board of directors' responsibilities relating to the compensation of the executive officers of TDS, other than executive officers of U.S. Cellular or any of its subsidiaries. The responsibilities of the Compensation Committee include the review of salary, bonus, long-term compensation and all other elements of compensation of such executive officers.

For these purposes, "executive officers" means all officers that are employees who are or will be identified in TDS' annual proxy statement as "executive officers," including the President and Chief Executive Officer of TDS Telecom and the President and Chief Executive Officer of U.S. Cellular, except that the compensation of the President and Chief Executive Officer of U.S. Cellular is established and administered by U.S. Cellular's chairman and long-term incentive compensation committee, as described in U.S. Cellular's 2016 proxy statement.

The Compensation Committee is comprised of at least two non-employee members of TDS' board of directors, each of whom is an "outside director" within the meaning of section 162(m) of the Internal Revenue Code of 1986, as amended, and a "Non-Employee Director" within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended. As noted above, such members also qualify as independent under the rules of the NYSE. The members of the Compensation Committee are Herbert S. Wander (chairperson), George W. Off, Christopher D. O'Leary and Gary L. Sugarman. These persons do not have any compensation committee interlocks and are not related to any other directors.

The Compensation Committee charter permits it to delegate some or all of the administration of the long-term incentive plans or programs of TDS to the President and Chief Executive Officer or other executive officers of TDS as the committee deems appropriate, to the extent permitted by law and the applicable long-term incentive plan or program, but not regarding any award to the President and Chief Executive Officer. However, the Compensation Committee has not delegated any of its authority with respect to any of the officers identified in the below Summary Compensation Table.

The Compensation Committee's charter provides that the Compensation Committee will obtain advice and assistance from the Chief Executive Officer and the Vice President Human Resources and from any other officer or employee of TDS, as it determines is appropriate. TDS' Human Resources Department also supports the Compensation Committee in its work. As discussed below, the Compensation Committee also utilizes the services of an independent compensation consultant. See the Compensation Discussion and Analysis below for information about compensation consultants, which information is incorporated by reference herein.

The Compensation Committee does not approve director compensation. It is the view of the TDS board of directors that this should be the responsibility of the full board of directors. Only non-employee directors receive compensation in their capacity as directors and, as a result, the view of the TDS board of directors is that all directors should participate in such compensation decisions, rather than only some or all of the non-employee directors.

A copy of the charter of the Compensation Committee is available on TDS' website, *www.tdsinc.com*, under Corporate Governance Board of Directors Board Committees & Charters.

The Compensation Committee held eleven meetings during 2015.

Pricing Committee

TDS has a Pricing Committee, consisting of LeRoy T. Carlson, Jr., as chairperson, and Kenneth R. Meyers, as a regular member. Walter C. D. Carlson is an alternate member of this committee. The Pricing Committee does not have a charter. Pursuant to resolutions of the TDS board of directors from time to time, the Pricing Committee is authorized to take certain actions with respect to financing and capital transactions of TDS, such as the issuance, redemption or repurchase of debt or the repurchase of shares of capital stock of TDS.

Technology Advisory Group Committee

In March 2015, the board of directors established the Technology Advisory Group Committee of the board of directors. The Technology Advisory Group Committee does not have a charter.

The members of the Technology Advisory Group Committee are LeRoy T. Carlson, Jr. (chairman), George W. Off and Christopher D. O'Leary. The members of the Technology Advisory Group Committee are also members of the Technology Advisory Group, the purpose of which is to review, monitor and inform the board of directors on technology matters, including spectrum, radio transmission, end user equipment, network technology, information technology, security, data storage, retrieval, and handling, and other matters relating to technology used or proposed to be used by TDS' business units and by their customers and by competitors of TDS' business units and by their customers, as well as developments and trends in the communications industry relating to technology. The Technology Advisory Group does not have authority to take action with respect to any technology matter, but serves solely in an informational and advisory role. The Technology Advisory Group Committee and the Technology Advisory Group report to the board of directors.

The Technology Advisory Group Committee held two meetings during 2015.

Director Nomination Process

As discussed above, because TDS is a controlled company, it is not required under NYSE listing standards to have a corporate governance/nominating committee or, if it has one, that it be composed entirely of independent directors. Although not required to do so under NYSE listing standards, TDS voluntarily has established a Corporate Governance and Nominating Committee. The charter of the committee provides that the committee will develop selection objectives and oversee the search for qualified individuals to serve on the board of directors and recommend to the board of directors prospective nominees and the re-nomination of incumbent directors as it deems appropriate. The committee does not nominate directors. It only recommends to the board of directors prospective nominees and the re-nomination of incumbent directors as it deems appropriate. The entire board of directors determines whether to nominate prospective nominees and re-nominate incumbent directors.

The charter of the Corporate Governance and Nominating Committee provides that the functions of such committee include the following: "Develop selection objectives and oversee the search for qualified individuals to serve on the Board, and recommend to the Board prospective nominees and the re-nomination of incumbent directors as it deems appropriate. As part of developing selection objectives, the Committee will consider, among other things, whether the Board has the right mix of experience, skills, backgrounds, diversity and other characteristics, and whether the Committee should recommend that candidates with additional desired experience, skills, backgrounds and characteristics be recruited and nominated for the Board."

In 2013, the Corporate Governance and Nominating Committee established and since then follows a process relating to board refreshment and committee composition. Related to this:

The Corporate Governance and Nominating Committee identifies and reviews the desired experience, skills, backgrounds, and characteristics of potential new board members.

In its annual board assessment, the full board of directors also considers its composition and discusses expertise that may be needed in the future.

In connection with the nominations of directors for election, the Corporate Governance and Nominating Committee and the full board of directors consider the tenure, qualifications and expertise of all of the incumbent directors.

The Corporate Governance and Nominating Committee and the full board of directors also consider the appropriate composition of each of the committees of the board of directors on an annual basis.

Taking into account the above matters, as well as TDS' business and structure, the Corporate Governance and Nominating Committee recommended the re-nomination of, and the full board of directors re-nominated, the directors identified above under "Election of Directors" for the reasons described above.

TDS does not have a formal policy with regard to the consideration of any director candidates recommended by shareholders. However, because the TDS Voting Trust has over 90% of the voting power in the election of directors elected by the holders of Series A Common Shares and Preferred Shares, nominations of directors for election by the holders of Series A Common Shares and Preferred Shares are based on the recommendation of the trustees of the TDS Voting Trust. With respect to candidates for director to be elected by the holders of Common Shares, the Corporate Governance and Nominating Committee and/or the TDS board may from time to time informally consider candidates recommended by shareholders that hold a significant number of Common Shares. Although TDS has no formal procedures to be followed by shareholders to recommend candidates to be nominated as directors, shareholders that desire to nominate directors must follow the procedures set forth in TDS' Bylaws.

Except to the extent provided in the next two paragraphs, TDS does not have any specific, minimum qualifications that the board believes must be met by a nominee for a position on the TDS board of directors, or any specific qualities or skills that the board believes are necessary for one or more of the TDS directors to possess. The TDS board believes that substantial judgment, diligence and care are required to identify and select qualified persons as directors and does not believe that it would be appropriate to place limitations on its own discretion, except to the extent provided in the next paragraph. The TDS board has consistently sought to nominate to the board of directors eminently qualified individuals whom the board believes would provide substantial benefit and guidance to TDS.

Considering the importance of Federal Communications Commission ("FCC") licenses to TDS, the TDS Bylaws provide that a person will not be eligible to serve or to continue to serve as a director unless he or she is eligible to serve as a director of a company that controls licenses granted by the FCC, as determined by the TDS Corporate Governance and Nominating Committee or the board of directors with the advice of counsel. Another qualification requirement provides that a person will not be eligible to serve or to continue to serve as a director if he or she is or becomes affiliated with, employed by or a representative of, or has or acquires a material personal involvement with, or material financial interest in, a Business Competitor (as defined in the TDS Bylaws), as determined by the TDS Corporate Governance and Nominating Committee or the board of directors. Another qualification requirement provides that a person will not be eligible to serve or to continue to serve as a director if, as determined by the TDS Corporate Governance and Nominating Committee or the board of directors with the advice of counsel, (i) such person's election as a director would violate federal, state or foreign law or applicable stock exchange requirements (other than those related to independence) or (ii) such person has been convicted, including a plea of guilty or nolo contendere, of any felony, or of any misdemeanor involving moral turpitude.

Section 1.15 of the TDS Bylaws provides that a person properly nominated by a shareholder for election as a TDS director shall not be eligible for election as a director unless he or she signs and returns to the Secretary of TDS, within fifteen days of a request therefor, written responses to any questions posed by the Secretary, that are intended to (i) determine whether such person may qualify as independent and would qualify to serve as a director of TDS under rules of the FCC, and (ii) obtain information that would be disclosed in a proxy statement with respect to such person as a nominee for election as a director and other material information about such person.

The TDS Corporate Governance and Nominating Committee does not have a policy with regard to the consideration of diversity in identifying director nominees. However, as reflected in its Code of Business Conduct, TDS values diversity and does not discriminate on the basis of gender, age, race, color, sexual orientation, religion, ancestry, national origin, marital status, disability, military or veteran status or citizenship status. In considering whether to recommend that individuals be nominated as director candidates, the Corporate Governance and Nominating Committee takes into account all facts and circumstances, including diversity. For this purpose, diversity broadly means a variety of backgrounds, experience, skills, education, attributes, perspectives and other differentiating characteristics. TDS believes that it is desirable for a board to have directors who can bring the benefit of diverse backgrounds, experience, skills and other characteristics to permit the board to have a variety of views and insights. Accordingly, the Corporate Governance and Nominating Committee considers how director candidates can contribute to board diversity as one of the many factors it considers in identifying nominees for director.

Whether or not the Corporate Governance and Nominating Committee will recommend that the TDS board re-nominate, and the TDS board will re-nominate, existing directors for re-election depend on all facts and circumstances, including views on how the director has performed and is performing his or her duties. In the event of a vacancy on the board of a director elected by the holders of Series A Common Shares and Preferred Shares, nominations are based on the recommendation of the trustees of the TDS Voting Trust. In the event of a vacancy on the board of a director elected by the holders of Common Shares, TDS may use various sources to identify potential candidates, including an executive search firm. In addition, the Corporate Governance and Nominating Committee may consider recommendations by shareholders that hold a significant number of Common Shares. Potential candidates are initially screened by the Corporate Governance and Nominating Committee and by other persons as the Corporate Governance and Nominating Committee designates. Following this process, the Corporate Governance and Nominating Committee will consider whether one or more candidates should be considered by the full board of directors. When appropriate, information about the candidate is presented to and discussed by the full board of directors.

All of the nominees approved by the TDS board for inclusion on TDS' proxy card for election at the 2016 Annual Meeting are incumbent directors and were recommended for re-nomination by the Corporate Governance and Nominating Committee.

From time to time, TDS may pay a fee to an executive search firm to identify potential candidates for election as directors. TDS did not pay a fee in 2015 or 2016 to any third party or parties to identify or evaluate or assist in identifying or evaluating potential new nominees for election as directors at the 2016 Annual Meeting.

Shareholder Engagement

The TDS board of directors and management value the views of our shareholders and are committed to doing what is in the best interests of all shareholders over the long term.

TDS has a long record of shareholder engagement. Quarterly, we conduct earnings conference calls both telephonically and by webcast to discuss financial results with shareholders. Also, senior management attends and all directors are encouraged to attend each Annual Meeting of Shareholders, and shareholders have the opportunity to make comments and ask questions at such meeting. We also regularly attend investor conferences and hold one-on-one meetings with shareholders and potential investors throughout the United States as well as overseas. In addition, we have telephonic calls with shareholders and analysts on a regular basis, review correspondence submitted by shareholders to management and/or the board of directors, and have discussions with proxy advisory services.

TDS also has an open door policy. If shareholders are in the Chicago area and would like to meet members of management, the Investor Relations team will try to accommodate them, calendars permitting.

We spend significant time meeting with our shareholders, listening to their concerns and responding to their feedback on company performance, corporate governance, executive compensation and other matters. Our shareholder engagement efforts with respect to corporate governance topics are not intended to occur only during the proxy season and our outreach continued outside of the proxy season in the fall of 2015. Our engagement team is led by our Vice President of Corporate Relations and Corporate Secretary and, depending on the particular engagement, may include independent directors of TDS, or executive officers of TDS, U.S. Cellular and/or TDS Telecom, including the Chairman, President/CEO and/or CFO of such entities. In addition, such engagement often includes LeRoy T. Carlson, Jr., who is President and CEO of TDS and Chairman of U.S. Cellular and TDS Telecom, as well as a director, a trustee of the Voting Trust that controls TDS and a beneficial owner of a significant equity interest in TDS.

Our shareholder engagement program will at all times be conducted in accordance with applicable law, including Regulation FD, and we do not share material non-public information with any shareholder, investor or analyst. Further, our shareholder engagement program in no way replaces or diminishes other ways in which shareholders can communicate with management or the board of directors.

Shareholders have multiple avenues to provide input. We provide our shareholders with the ability to voice their perspectives to management or the board of directors by mail or email, with an option to direct such communications to any individual director, a specific committee, all independent directors, all non-employee directors or all directors.

We encourage you to share your opinions, interests and concerns and invite you to write to us with your views and suggestions. Our company's Investor Relations department is the key point of contact for shareholder interaction with TDS, and shareholders are encouraged to call, write or email us with comments or questions. Shareholders may access information about TDS and obtain contact information through the Investor Relations section of our website, *www.tdsinc.com*. If you would like to communicate directly to our board of directors, please refer to the next section entitled "Shareholder Communication with Directors."

Shareholder Communication with Directors

Shareholders or other interested parties may send communications to the TDS board of directors, to the Chairman of the Board, to the non-management or independent directors or to specified individual directors of TDS at any time. Shareholders or other interested parties should direct their communication to such persons or group in care of the Secretary of TDS at its corporate headquarters, 30 N. LaSalle

St., Suite 4000, Chicago IL 60602. Any shareholder or other communications that are addressed to the board of directors, the Chairman of the Board, the non-management or independent directors or specified individual directors will be delivered by the Secretary of TDS to such persons or group.

For more information, see the instructions on TDS' website, *www.tdsinc.com*, under Corporate Governance Board of Directors Contact the Board.

Meetings of Non-Management and Independent Directors

As required by NYSE listing standards, the non-management directors of TDS meet at regularly scheduled executive sessions without management. The TDS Chairman of the Board, Walter C. D. Carlson, a non-management director, presides at all meetings of the non-management directors. In addition, as required by NYSE listing standards, the independent directors of TDS meet at least once per year in an executive session without management or directors who are not independent.

TDS Policy on Attendance of Directors at Annual Meeting of Shareholders

All directors are invited and encouraged to attend each Annual Meeting of shareholders, which is normally followed by a meeting of the board of directors. In general, all directors attend each Annual Meeting of shareholders unless they are unable to do so due to unavoidable commitments or intervening events. All of the persons serving as directors at the time, other than Prudence E. Carlson, attended the 2015 annual meeting.

Stock Ownership Guidelines

The TDS Corporate Governance Guidelines provide that, within three years after the date on which a director first became a director and thereafter for so long as each director remains a director of TDS, each director shall own Series A Common Shares and/or Common Shares having a combined value of at least $165,000. The board of directors reviews this minimum ownership requirement periodically. The stock ownership guidelines are included in TDS' Corporate Governance Guidelines, which have been posted to TDS' website, *www.tdsinc.com*, under Corporate Governance Governance Guidelines.

Although TDS does not have stock ownership guidelines for executive officers, certain executive officers are directors and, therefore, are subject to the foregoing director stock ownership guidelines. In particular, as of February 29, 2016, the following executive officers were directors and subject to such stock ownership guidelines and each beneficially owned considerably more shares of common stock (Common Shares and Series A Common Shares) than required: excluding stock option awards, restricted stock units and phantom awards, LeRoy T. Carlson, Jr., President and Chief Executive Officer of TDS owned 3,998,180 shares; Kenneth R. Meyers, President and Chief Executive Officer of U.S. Cellular owned 69,813 shares; and David A. Wittwer, President and Chief Executive Officer of TDS Telecommunications Corporation owned 22,927 shares.

Code of Business Conduct and Ethics Applicable to Directors

As required by Section 303A.10 of the NYSE Listed Company Manual, TDS has adopted a Code of Business Conduct and Ethics for Officers and Directors. This code has been posted to TDS' website, *www.tdsinc.com*, under Corporate Governance Officer & Director Code of Conduct.

EXECUTIVE OFFICERS

The following executive officers of TDS were identified in the above tables regarding the election of directors: LeRoy T. Carlson, Jr., President and Chief Executive Officer of TDS; Kenneth R. Meyers, President and Chief Executive Officer of U.S. Cellular; and David A. Wittwer, President and Chief Executive Officer of TDS Telecommunications Corporation. In addition to the executive officers identified in the tables regarding the election of directors, set forth below is a table identifying current officers of TDS and its subsidiaries who are executive officers of TDS under SEC rules. Unless otherwise indicated, the position held is an office of TDS. The age of the following persons is as of the date of this 2016 Proxy Statement.

Name	*Age*	*Position*
Joseph R. Hanley	49	Senior Vice President Technology, Services and Strategy
Jane W. McCahon	55	Senior Vice President Corporate Relations and Corporate Secretary
Peter L. Sereda	57	Senior Vice President Finance and Treasurer
Douglas D. Shuma	55	Senior Vice President Finance and Chief Accounting Officer
Kurt B. Thaus	57	Senior Vice President and Chief Information Officer
Scott H. Williamson	65	Senior Vice President Acquisitions and Corporate Development
C. Theodore Herbert	80	Vice President Human Resources

Joseph R. Hanley. Joseph R. Hanley was appointed Senior Vice President Technology, Services and Strategy of TDS in 2012. Prior to that, he was Vice President Technology Planning and Services of TDS for more than five years.

Jane W. McCahon. Jane W. McCahon was appointed Senior Vice President Corporate Relations and Corporate Secretary in March 2016. Prior to that, she was Vice President Corporate Relations and Corporate Secretary since 2013. She joined TDS as Vice President Corporate Relations in 2009.

Peter L. Sereda. Peter L. Sereda was appointed Senior Vice President Finance and Treasurer of TDS in 2011. Prior to that, Mr. Sereda was Vice President and Treasurer of TDS for more than five years. In 2014, Mr. Sereda was appointed to the board of directors of U.S. Cellular.

Douglas D. Shuma. Douglas D. Shuma was appointed Senior Vice President Finance and Chief Accounting Officer in March 2015. Prior to that, he was the Senior Vice President and Controller for more than five years. Pursuant to the TDS Bylaws, Mr. Shuma has been chief accounting officer of TDS since 2007 and has been the chief financial officer of TDS since 2013. Mr. Shuma was appointed Chief Accounting Officer of U.S. Cellular and TDS Telecom in 2011. Mr. Shuma is a Certified Public Accountant (inactive). In 2014, Mr. Shuma was appointed to the board of directors of U.S. Cellular. He is also a director of TDS Telecom.

Kurt B. Thaus. Kurt B. Thaus has been the Senior Vice President and Chief Information Officer of TDS for more than five years. In 2014, Mr. Thaus was appointed to the board of directors of U.S. Cellular.

Scott H. Williamson. Scott H. Williamson has been the Senior Vice President Acquisitions and Corporate Development of TDS for more than five years.

C. Theodore Herbert. C. Theodore Herbert has been the Vice President Human Resources of TDS for more than five years.

All of our executive officers devote all of their employment time to the affairs of TDS and/or its subsidiaries.

Codes of Business Conduct and Ethics Applicable to Officers

As required by Section 303A.10 of the NYSE Listed Company Manual, TDS has adopted a Code of Business Conduct and Ethics for Officers and Directors, that also complies with the definition of a "code of ethics" as set forth in Item 406 of Regulation S-K of the SEC. The foregoing code has been posted to TDS' Internet website, *www.tdsinc.com*, under Corporate Governance Officer & Director Code of Conduct.

In addition, TDS has adopted a broad Code of Business Conduct that is applicable to all officers and employees of TDS and its subsidiaries. The foregoing code has been posted to TDS' Internet website, *www.tdsinc.com*, under Corporate Governance Code of Conduct.

TDS intends to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding any amendment to any of the foregoing codes, by posting such information to TDS' Internet website. Any waivers of any of the foregoing codes for directors or executive officers will be approved by TDS' board of directors or an authorized committee thereof, as applicable, and disclosed in a Form 8-K that is filed with the SEC within four business days of such waiver. There were no such waivers during 2015.

PROPOSAL 2
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

What am I being asked to vote on in Proposal 2?

In Proposal 2, we are requesting shareholders to ratify the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2016. This proposal gives our shareholders the opportunity to express their views on TDS' independent registered public accounting firm for the current fiscal year.

How does the board of directors recommend that I vote on this proposal?

The board of directors unanimously recommends a vote **FOR** approval of the ratification of the selection of PricewaterhouseCoopers LLP as TDS' independent registered public accounting firm for the fiscal year ending December 31, 2016.

We anticipate continuing the services of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the current year. Representatives of PricewaterhouseCoopers LLP, who served as our independent registered public accounting firm for the last fiscal year, are expected to be present at the 2016 Annual Meeting and will have the opportunity to make a statement and to respond to appropriate questions raised by shareholders at the 2016 Annual Meeting or submitted in writing prior thereto.

Is this vote binding on the board of directors?

This vote is an advisory vote only, and therefore it will not bind TDS, our board of directors or the Audit Committee. We are not required to obtain shareholder ratification of the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm by our Bylaws or otherwise. However, we have elected to seek such ratification by the affirmative vote of the holders of a majority of the votes which could be cast by shares present or represented by proxy at the 2016 Annual Meeting and entitled to vote with respect to such matter. Should the shareholders fail to ratify the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm, the Audit Committee will review whether to retain such firm for the fiscal year ending December 31, 2016.

Your board of directors unanimously recommends a vote "FOR" the approval of Proposal 2.

FEES PAID TO PRINCIPAL ACCOUNTANTS

The following sets forth the aggregate fees (including expenses) billed by TDS' principal accountants PricewaterhouseCoopers LLP for 2015 and 2014:

	2015	2014
Audit Fees(1)	$ 4,673,181	$ 5,249,029
Audit Related Fees(2)	352,004	582,461
Tax Fees(3)		22,500
All Other Fees(4)	16,740	85,737
Total Fees	$ 5,041,925	$ 5,939,727

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(1) Represents the aggregate fees billed by PricewaterhouseCoopers LLP for professional services rendered for the audit of the annual financial statements for the years 2015 and 2014 included in TDS' and U.S. Cellular's Forms 10-K for those years and the reviews of the financial statements included in TDS' and U.S. Cellular's Forms 10-Q for those years, including the attestation and report relating to internal control over financial reporting. Also includes fees for services that are normally incurred in connection with statutory and regulatory filings or engagements, such as comfort letters, statutory audits, attest services, consents, and review of documents filed with the SEC.

(2) Represents the aggregate fees billed by PricewaterhouseCoopers LLP for assurance and related services that are reasonably related to the performance of the audit or review of TDS' and U.S. Cellular's financial statements that are not reported under Audit Fees. In 2015 and 2014, this amount represents fees billed for audits of subsidiaries, and also in 2014, for work related to TDS' and U.S. Cellular's preparation for the new revenue recognition program.

(3) Represents the aggregate fees billed by PricewaterhouseCoopers LLP for 2014 tax compliance, tax advice, and tax planning; no such work was performed in 2015.

(4) Represents the aggregate fees billed by PricewaterhouseCoopers LLP for services, other than services described in Notes (1), (2) and (3). In 2014, the substantial majority of this amount represents Systems Implementation Assessment advisory work relating to U.S. Cellular's billing and operational support system (B/OSS) project. In both 2015 and 2014, this amount includes the fee for access to a virtual accounting research service.

See "Corporate Governance Audit Committee Pre-Approval Procedures" above for a description of the Audit Committee's pre-approval policies and procedures with respect to TDS' independent registered public accounting firm.

AUDIT COMMITTEE REPORT

This report is submitted by the current members of the Audit Committee of the board of directors of TDS. The Audit Committee operates under a written charter adopted by the TDS board of directors, a copy of which is available on TDS' website, *www.tdsinc.com*, under Corporate Governance Board of Directors Board Committees & Charters.

Management is responsible for TDS' internal controls and the financial reporting process. TDS has an internal audit staff, which performs testing of internal controls and the financial reporting process. TDS' independent registered public accounting firm is responsible for performing an independent audit of TDS' consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) (the "PCAOB") and issuing a report thereon. The Audit Committee's responsibility is to monitor and oversee these processes.

In this context, the Audit Committee held meetings with management, the internal audit staff and representatives of PricewaterhouseCoopers LLP, TDS' independent registered public accounting firm for 2015. In these meetings, the Audit Committee reviewed and discussed the audited financial statements as of and for the year ended December 31, 2015. Management represented to the Audit Committee that TDS' consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States of America, and the Audit Committee reviewed and discussed the consolidated financial statements with management and representatives of PricewaterhouseCoopers LLP.

The discussions with PricewaterhouseCoopers LLP also included the matters required to be discussed by PCAOB Auditing Standard No. 1301, Communications with Audit Committees, relating to information regarding the scope and results of the audit. The Audit Committee also received from PricewaterhouseCoopers LLP written disclosures and a letter regarding its independence as required by applicable requirements of the PCAOB regarding the independent accountant's communications with the Audit Committee concerning independence, and this information was discussed with PricewaterhouseCoopers LLP.

Based on and in reliance upon these reviews and discussions, the Audit Committee recommended to the board of directors that the audited financial statements as of and for the year ended December 31, 2015 be included in TDS' Annual Report on Form 10-K for the year ended December 31, 2015.

In addition to the foregoing report required by SEC rules, the following represents supplemental information voluntarily disclosed by the Audit Committee:

The Audit Committee holds regularly scheduled meetings in person on a quarterly basis, and also holds quarterly meetings by teleconference to review and approve the financial results for the immediately preceding period. The Audit Committee reviews TDS' Quarterly and Annual Reports on Form 10-Q and Form 10-K, respectively, prior to filing with the SEC. The Audit Committee's agenda for meetings is established by the Audit Committee's chairperson and the TDS Vice President of Internal Audit.

During 2015, at each of its regularly scheduled meetings, the Audit Committee met with the senior members of TDS' financial management team. Additionally, the Audit Committee had separate private sessions, during its regularly scheduled meetings, with TDS management, TDS' Vice President of Internal Audit, TDS' General Counsel, and representatives of PricewaterhouseCoopers LLP, at which candid discussions regarding financial management, legal, accounting, auditing and internal control issues took place.

The Audit Committee is updated periodically on management's process to assess the adequacy of TDS' system of internal control over financial reporting, the framework used to make the assessment and management's conclusions on the effectiveness of TDS' internal control over financial reporting. The Audit Committee also discussed with PricewaterhouseCoopers LLP TDS' internal control assessment process, management's assessment with respect thereto and its evaluation of TDS' system of internal control over financial reporting.

The Audit Committee reviewed with senior members of management, including the Vice President of Internal Audit and General Counsel, TDS' policies and procedures with respect to risk assessment and risk management. The overall adequacy and effectiveness of TDS' legal, regulatory and ethical compliance programs, including TDS' Code of Business Conduct, were also reviewed.

The Audit Committee evaluates the performance of PricewaterhouseCoopers LLP, including the senior audit engagement team, each year and determines whether to reengage PricewaterhouseCoopers LLP or consider other audit firms. In doing so, the Audit Committee considers the quality and efficiency of the services provided by the auditors, the auditors' capabilities and the auditors' technical expertise and knowledge of TDS' operations and industry. Based on this evaluation, the Audit Committee decided to engage PricewaterhouseCoopers LLP as TDS' independent registered public accountants for the year ending December 31, 2016, and reviewed with senior members of TDS' financial management team, PricewaterhouseCoopers LLP and the Vice President of Internal Audit, the overall audit scope and plans, the results of internal and external audit examinations, evaluations by management and PricewaterhouseCoopers LLP of TDS' internal controls over financial reporting and the quality of TDS' financial reporting. Although the Audit Committee has the sole authority to appoint the independent registered public accounting firm, TDS anticipates that it will continue to request shareholders to ratify the selection of the independent registered public accounting firm at annual meetings of shareholders. Proposal 2 in this 2016 Proxy Statement includes a proposal for consideration at the 2016 Annual Meeting requesting that shareholders ratify the selection of

PricewaterhouseCoopers LLP as TDS' independent registered public accountants for the year ending December 31, 2016.

In fulfilling its oversight responsibilities, the Audit Committee reviewed and discussed with management and PricewaterhouseCoopers LLP the audited financial statements of TDS, including the quality, not just the acceptability, of the financial reporting, the reasonableness of significant accounting judgments and estimates, the clarity of disclosures in the financial statements, and the assessment of TDS' internal controls over financial reporting.

The Audit Committee considered and concluded that the provision of non-audit services by PricewaterhouseCoopers LLP to TDS during 2015 was compatible with their independence.

In performing all of these functions, the Audit Committee acts in an oversight capacity. In its oversight role, the Audit Committee relies on the work and assurances of TDS management, which has the primary responsibility for establishing and maintaining adequate internal control over financial reporting and for preparing the financial statements and other reports, and of PricewaterhouseCoopers LLP, who are engaged to audit and report on the consolidated financial statements of TDS and its subsidiaries and the effectiveness of TDS' internal control over financial reporting.

By the members of the Audit Committee of the board of directors of TDS:

George W. Off Chairperson	Clarence A. Davis	Mitchell H. Saranow	Herbert S. Wander

PROPOSAL 3
ADVISORY VOTE ON EXECUTIVE COMPENSATION

What am I being asked to vote on in Proposal 3?

In Proposal 3, we are providing shareholders with a vote to approve, on an advisory basis, the compensation of our named executive officers as disclosed in this 2016 Proxy Statement pursuant to compensation disclosure rules set forth in Item 402 of Regulation S-K of the SEC (which disclosure includes the Compensation Discussion and Analysis, the Summary Compensation Table and the other related tables and disclosure). This vote is required to be submitted to shareholders pursuant to SEC rules adopted under provisions in the Dodd-Frank Act codified in Section 14A of the Securities Exchange Act of 1934, as amended. The advisory vote on executive compensation described in this proposal is commonly referred to as a "Say-on-Pay" vote.

TDS is required to request shareholders to vote, on an advisory basis, on the frequency of holding Say-on-Pay votes, commonly referred to as a "Say-on-Frequency" vote, at least once every six years. TDS held a Say-on-Frequency vote at the 2011 Annual Meeting. At that meeting, shareholders voted by a substantial majority to hold a Say-on-Pay vote every year. Based on the results of the Say-on-Frequency vote in 2011, the TDS board of directors adopted a policy to hold the Say-on-Pay vote every year, as was previously disclosed in TDS' Current Report on Form 8-K dated May 19, 2011. Accordingly, TDS is holding a Say-on-Pay vote every year unless and until this policy is changed. After the Say-on-Pay vote in 2016, the next Say-on-Pay vote will be held in 2017. TDS intends to next submit the Say-on-Frequency proposal to shareholders at the 2017 Annual Meeting.

This proposal gives our shareholders the opportunity to express their views on the overall compensation of our named executive officers and the compensation philosophy, policies and practices described in this 2016 Proxy Statement.

How does the board of directors recommend that I vote on this proposal?

The board of directors unanimously recommends a vote **FOR** approval of the Say-on-Pay proposal.

TDS believes that its executive compensation program is reasonable, competitive and strongly focused on pay for performance. TDS' compensation objectives for executive officers are to support the overall business strategy and objectives, attract and retain high-quality management, link compensation to both individual and company performance, and provide compensation that is both competitive and consistent with our financial performance.

Consistent with these goals and as disclosed in the Compensation Discussion and Analysis, the Compensation Committee has developed and approved an executive compensation philosophy to provide a framework for TDS' executive compensation program featuring the policies and practices described in the Executive Summary of the Compensation Discussion and Analysis below.

Is this vote binding on the board of directors?

The Say-on-Pay vote is an advisory vote only, and therefore will not bind TDS, our board of directors or the Compensation Committee. However, the board of directors and the Compensation Committee will consider the voting results as appropriate when making future decisions regarding executive compensation.

The results of the Say-on-Pay vote will be disclosed on a Form 8-K.

Your board of directors unanimously recommends a vote "FOR" the approval of Proposal 3.

EXECUTIVE AND DIRECTOR COMPENSATION

The following discussion and analysis of our compensation practices and related compensation information should be read in conjunction with the Summary Compensation Table and other tables included below, as well as our financial statements and management's discussion and analysis of financial condition and results of operations included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

Compensation Discussion and Analysis

Compensation Philosophy and Objectives

TDS and its business units are committed to providing the very best in customer satisfaction, achieving long-term profitable growth, and building the high-quality teams required to make this possible. As such, we focus on operating in a fiscally responsible manner, and on recruiting and retaining talented employees who believe in the company's values and long-term perspective.

The objectives of TDS' compensation programs for executive officers are to:

- support TDS' overall business strategy and objectives;
- attract and retain high quality management;
- link individual compensation with attainment of individual performance goals and with attainment of business unit and TDS objectives; and
- provide competitive compensation opportunities consistent with the financial performance of TDS.

The primary financial focus of TDS as a consolidated enterprise is the increase of long-term shareholder value through growth, measured primarily in such terms as consolidated operating revenue growth, consolidated adjusted earnings before interest, taxes, depreciation, and amortization, and consolidated simple free cash flow. Operating units of TDS may have somewhat different primary financial measures. TDS' compensation policies for executive officers are designed to reward the achievement of such corporate performance goals.

TDS' compensation programs are designed to reward performance of TDS on both a short-term and long-term basis. With respect to the named executive officers identified in the Summary Compensation Table, the design of compensation programs and performance rewarded is similar but with some differences for each of the named executive officers depending on such officer's position and responsibilities. TDS' policies establish incentive compensation performance goals for executive officers based on factors over which such officers have some control and which are viewed as important to TDS' long-term success. TDS believes compensation should be related to the performance of TDS. References to "CEO" below refer to the Chief Executive Officer and may refer to the President and CEO of TDS, U.S. Cellular or TDS Telecom, as indicated.

The Compensation Committee evaluates the performance of the President and CEO of TDS in light of the annual and ongoing objectives for TDS and for its primary business units and the degree of attainment of those objectives, and sets the elements of compensation for the President and CEO of TDS based on such performance evaluation and compensation principles, as discussed below.

With respect to the other executive officers identified in the Summary Compensation Table, the Compensation Committee reviews management's evaluation of the performance of such executive officers and determines and approves the elements of compensation for such executive officers based on such performance evaluations and compensation principles and the Compensation Committee's own assessment on the performance of these officers, as discussed below.

Executive Compensation Best Practices

We annually review all elements of compensation and where appropriate may make changes. The following table provides a summary of "what we do" and "what we don't do".

What we do	***What we don't do***
We have a Compensation Committee, comprised solely of independent directors, that reviews and approves the salaries, bonuses and long-term compensation of executive officers (other than the President and Chief Executive Officer of U.S. Cellular, which compensation is approved by the U.S. Cellular's chairman and long-term incentive compensation committee)	TDS does not backdate options or have any program, plan or practice to time the grant of awards in coordination with the release of material non-public information
	Hedging by officers is prohibited
We designed our compensation programs to motivate executive officers to act in the long-term interest of TDS	
	Except in limited circumstances, our plans, awards and agreements do not include tax gross-ups
Our executive officer compensation levels are based in part on competitive market compensation data supplied by our Compensation Committee's independent compensation consultant, Compensation Strategies, Inc., and by our compensation consultant, Willis Towers Watson	A change in control does not automatically trigger adjustments to awards under the 2011 Long-Term Incentive Plan
A major compensation goal is to provide compensation and benefit programs that are both attractive and fiscally responsible	
We provide few perquisites ("perks") to our officers	
We believe our executive bonus program is appropriately balanced between company and individual performance	
The maximum amount of the TDS bonus paid to officers related to company performance is 200% of the target opportunity allocated to company performance	
TDS may seek to adjust or recover awards or payments if performance measures are restated or otherwise adjusted as described under "Clawback" below	
Beginning in 2016, adding performance-based shares to the Long-term Incentive Program in response to shareholder feedback and best practices	

PAY FOR PERFORMANCE

Say-on-Pay Vote

SEC rules require TDS to disclose whether and, if so, how it considered the results of the most recent Say-on-Pay vote in determining compensation policies and decisions and, if so, how that consideration has affected its executive compensation decisions and policies.

At our 2015 annual meeting, 87% of the votes represented were cast FOR the Say-on-Pay proposal with respect to 2014 named executive officer compensation, as disclosed in TDS' 2015 proxy statement.

When considering your Say-on-Pay vote, please consider that we took feedback from our annual shareholder engagement and will be changing our long-term incentive plan in 2016 to include performance-based shares.

Changes to Compensation Policies

As required by SEC rules, the following discloses any changes to compensation policies and decisions due to the results of the Say-on-Pay vote in 2015, as well as other changes to the compensation policies and decisions since the 2015 proxy statement. Because of the substantial support from shareholders in 2015, the Compensation Committee did not make any changes to TDS' executive compensation policies and decisions with respect to 2015 executive compensation as a result of the Say-on-Pay vote in 2015. However, the following changes were made to executive compensation policies in 2015 compared to prior years unrelated to the Say-on-Pay vote.

The performance measures considered in evaluating TDS quantitative performance under the 2015 Executive Bonus Plan included Adjusted EBITDA, which is adjusted earnings before interest, taxes, depreciation and amortization. The similar bonus plan for 2014 included Adjusted income before income taxes (AIBIT). AIBIT is similar to Adjusted EBITDA with the exception that AIBIT does not exclude the impact of (Gain)/loss on (normal) asset disposals. This was done because TDS changed its primary measure of operating profitability from AIBIT to Adjusted EBITDA beginning in 2015.

In addition, the weightings of certain performance measures in the 2014 plan were changed for the 2015 plan. In particular, the weighting for AIBIT had been 30% in the 2014 plan whereas the weighting for Adjusted EBITDA in the 2015 plan is 40%, and the weighting of simple free cash flow, which had been 30% in the 2014 plan, was decreased to 20% in the 2015 plan.

Also, the company performance component of the bonus was increased from 60% in the 2014 plan to 70% in the 2015 plan, and the individual performance component of the bonus was decreased from 40% to 30%.

Further, the maximum bonus for individual performance was decreased from 200% in the 2014 plan to 160% in the 2015 plan.

TDS' Compensation Program

The elements of executive compensation include both annual cash and long-term equity compensation. Annual compensation decisions are based on both individual and corporate short-term and long-term performance. TDS has chosen to pay and provide these elements of compensation after considering common compensation practices of peers and other companies with similar characteristics, in order to support TDS' overall business strategy and objectives. Executive compensation is intended to provide an appropriate balance between long-term and short-term performance.

Long-term equity compensation is intended to compensate executives primarily for their contributions to long-term increases in shareholder value and is primarily through the grant of stock options and restricted stock units.

Elements of Compensation

Annual Cash Compensation	***Equity Compensation***	***Other Benefits Available to Named Executives***	***Other Generally Applicable Benefits and Plans***
Salary	Stock Awards	Deferred compensation	Tax-Deferred Savings Plan (401(k))
Bonus	Stock Options	Perquisites	Pension Plan
		Supplemental Executive Retirement Plan ("SERP")	Welfare Benefits During Employment

Post-Retirement Welfare Benefits

The Compensation Committee does not consider an officer's outstanding equity awards or stock ownership levels when determining the value of the long-term incentive award component of such officer's compensation. The Compensation Committee makes long-term incentive awards based on performance for a particular year and other considerations as described herein and does not consider outstanding equity awards and stock ownership to be relevant in connection therewith.

Risks Relating to Compensation to Executive Officers

TDS does not believe that the incentives in compensation arrangements maintained by TDS encourage executive officers to take unnecessary, excessive or inappropriate risks that could threaten the value of TDS, or that risks arising from TDS' compensation policies and practices for executive officers are reasonably likely to have a material adverse effect on TDS. Also, TDS does not believe that risks arising from TDS' compensation policies and practices for its employees, including non-executive officers, are reasonably likely to have a material adverse effect on TDS. See discussion under "Risks from Compensation Policies and Practices" below.

Compensation Consultant

Willis Towers Watson is TDS management's primary compensation consultant. Willis Towers Watson is engaged by TDS management who provides from time to time to the Compensation Committee various materials provided to TDS by Willis Towers Watson as described below. Willis Towers Watson also provides compensation consulting and other services to TDS' subsidiary, U.S. Cellular, which are described in the U.S. Cellular 2016 proxy statement. The TDS Compensation Committee has no involvement in such consulting or other services provided to U.S. Cellular.

As required by SEC rules, the following discloses the role of Willis Towers Watson in determining or recommending the amount or form of executive officer compensation, the nature and scope of the assignment, and the material elements of the instructions or directions given to Willis Towers Watson with respect to the performance of its duties under its engagement: Willis Towers Watson provides external market compensation data to TDS from its executive compensation survey database. See "Benchmarking/Market Compensation Data" below. Willis Towers Watson also performs other services for TDS, which may include consulting on TDS compensation plans.

The Compensation Committee's charter provides that the Compensation Committee shall have the authority to engage advisors as it deems necessary to carry out its duties and that TDS shall provide appropriate funding, as determined by the Compensation Committee, for payment of any advisor retained by the Compensation Committee, as well as ordinary administrative expenses of the Compensation Committee that are necessary or appropriate in carrying out its duties. Pursuant to such authority, since 2008, the Compensation Committee has retained and obtained the advice of Compensation Strategies, Inc., a provider of executive compensation consulting services. TDS management has no role in the engagement of Compensation Strategies and Compensation Strategies does not provide any services to TDS or its affiliates other than its services to the Compensation Committee.

As required by SEC rules, the following discloses the role of Compensation Strategies in determining or recommending the amount or form of executive officer compensation, the nature and scope of the assignment, and the material elements of the instructions or directions given to Compensation Strategies with respect to the performance of its duties under its engagement: Compensation Strategies reviews TDS' various compensation elements and programs and provides independent analysis and advice to the Compensation Committee for the purpose of evaluating such elements and programs. As discussed below under "Benchmarking/Market Compensation Data", Compensation Strategies conducted a competitive review of compensation levels of TDS executive officers in 2015 as a cross-check to the information provided by Willis Towers Watson. In 2015, Compensation Strategies also provided advice to the Compensation Committee relating to changes to the bonus program discussed above and advice on other elements of compensation.

Compensation Consultant Conflicts of Interest

As required by SEC and NYSE rules, with regard to each of Willis Towers Watson and Compensation Strategies, the Compensation Committee considered if their work raised any conflict of interest.

Based on its review, the Compensation Committee determined that the work did not raise any conflict of interest considering the factors identified in Rule 10C-1 under the Securities Exchange Act of 1934, as amended.

Although the independence rules of Section 303.05 of the NYSE Listed Company Manual are not applicable to TDS because it is a controlled company, the Compensation Committee believes that Compensation Strategies would nonetheless satisfy the independence requirements of such rules if they were applicable, considering the factors identified in Rule 10C-1.

Neither Willis Towers Watson nor Compensation Strategies provides any advice as to director compensation.

Unrealized Components of Compensation

The compensation reported under "Stock Awards" and "Option Awards" in the Summary Compensation Table represents grant date values as required by SEC rules, and does not represent currently realized or realizable compensation. The named executive officers will not realize cash from such awards unless and until any stock awards are vested and the shares received upon vesting are sold for cash, or unless and until any stock options become exercisable, are exercised and the shares received upon exercise are sold for cash There is no assurance that this will occur. In general, awards are subject to a risk of forfeiture and the options will expire if not exercised during their term, which may occur if the stock price does not appreciate and/or remain above the exercise price during the option's term. The compensation actually realized by a named executive officer may be more or less than the amount reported in the Summary Compensation Table below depending on the performance of the TDS stock price. With respect to 2015, the amount of compensation realized by each named executive officer can be approximated by (i) deducting from the "Total" in the 2015 Summary Compensation Table the amounts reported in the "Stock Awards" and "Option Awards" columns for such officer, and (ii) adding the values realized in 2015 by such officer from the 2015 Option Exercises and Stock Vested table below. However, other unrealized components of compensation also may be included in the Summary Compensation Table, such as retirement plan contributions that are subject to a vesting schedule.

Benchmarking/Market Compensation Data

TDS does not engage in "benchmarking" as defined by the SEC, which would entail using compensation data about other companies as a reference point either wholly or in part to base, justify or provide a framework for a compensation decision. Although TDS does obtain, review and consider a broad-based third-party survey of market compensation data from Willis Towers Watson, this is used more generally as described below.

In addition, the Compensation Committee obtains peer group information from its independent compensation consultant, Compensation Strategies. In particular, with respect to 2015, Compensation Strategies provided market data for a peer group for purposes of a competitive review of compensation levels of TDS' executive officers. This was done as a cross-check against the information provided by Willis Towers Watson in connection with the approval of 2015 compensation, as described below.

Market compensation data is obtained from the Willis Towers Watson Executive Compensation Database. For compensation decisions in 2015, data was obtained from the 2014 database, which contained data for over 1,100 companies that represented a diverse range of companies across all industries, including companies from the telecommunications, retail, financial, electronics, pharmaceutical, manufacturing and consumer products sectors. This database was used to identify the ranges of annual cash compensation considered to be appropriate for the named executive officers, as discussed below. This database also was used in evaluating the equity compensation awards of the named executive officers, as discussed below. TDS believes this approach provides a reasonably accurate reflection of the competitive market for such elements of compensation necessary to retain current executives and attract future executives to positions at TDS. In addition, TDS believes this methodology is more statistically valid than solely benchmarking these elements of compensation to the limited number of companies in the peer group used for the "Stock Performance Graph" that is included in the TDS Annual Report to shareholders, as discussed below.

The identities of the individual component companies that are included in the Willis Towers Watson database are neither disclosed to nor considered by TDS or the Compensation Committee. TDS and the Compensation Committee rely upon and consider to be material only the aggregated survey data prepared by Willis Towers Watson. They do not obtain or consider information on the identities of the individual companies included in the survey in connection with any compensation decisions because this information is not considered to be material.

As a cross-check of 2015 compensation, Compensation Strategies created an industry peer group that consisted of the following 19 publicly-traded companies: Cablevision Systems Corporation, CenturyLink, Charter Communications, Cincinnati Bell, Crown Castle International, DISH Network Corporation, Earthlink, Equinix, Fairpoint Communications, Frontier Communications, Harris Corp., IDT Corp., Level 3 Communications, NII Holdings, Rackspace Hosting, SBA Communications, tw telecom, Vonage Holdings and Windstream. These companies were included in this analysis because they are companies somewhat similar in size to TDS in similar industries. This peer group did not change compared to the group used for the cross-check of 2014 compensation.

TDS also generally considers compensation arrangements at the companies in the peer group index included in the "Stock Performance Graph" that is included in the TDS Annual Report to shareholders, as discussed below, as well as other companies in the telecommunications industry and other industries, to the extent considered appropriate, based on similar size, function, geography or otherwise. This information is used to generally understand the market for compensation arrangements for executives, but is not used for benchmarking purposes.

TDS selected the Dow Jones U.S. Telecommunications Index, a published industry index, as its peer group for the Stock Performance Graph in the 2015 Annual Report. As of December 31, 2015, the Dow Jones U.S. Telecommunications Index had been composed of the following companies: 8X8 Inc., AT&T Inc., CenturyLink Inc., Frontier Communications Corp., Level 3 Communications Inc., SBA Communications Corp., Sprint Corp., T-Mobile US Inc., Telephone and Data Systems, Inc. (TDS) and Verizon Communications, Inc.

Company Performance

On a weighted basis, U.S. Cellular achieved 100.3% of its targets which produced a payout of 129% of target for the company performance portion of its 2015 executive bonus plan, as disclosed in the U.S. Cellular 2016 proxy statement. The TDS Telecom company performance for purposes of its 2015 bonus plan was determined to be 100.7% of target, as disclosed in TDS' Current Report on Form 8-K dated March 10, 2016. For bonuses relating to 2015 performance paid in 2016, TDS company performance was based on consolidated results of TDS. The TDS consolidated company performance for purposes of its 2015 bonus paid in 2016 was determined to be 142% of target.

For 2015, the TDS consolidated company performance was based on the following three metrics with the following weights: consolidated operating revenue growth (40%), consolidated adjusted earnings before interest, taxes, depreciation and amortization (40%), and consolidated simple free cash flow (20%).

The forgoing reflects changes from the prior year as described and for the reasons discussed under "Changes to Compensation Policies" above.

The following shows TDS' calculation of consolidated company performance with respect to 2015. The below amounts are based on the performance metrics established specifically for bonus purposes and may not agree with TDS' financial statements, which are based on accounting principles generally accepted in the United States of America ("GAAP"), or with other publicly disclosed measures. As compared to GAAP, the below bonus results and targets are adjusted for amounts relating to items such as acquisitions and divestitures and other non-operating or non-core amounts (the "Bonus Metric Amounts"). The below bonus results and targets are intended to reflect the regular operating results over which TDS officers have significant influence.

Performance Measures	*Final Bonus Results for 2015*	*Final Target for 2015*	*Bonus Results as a % of Target*	*Minimum Threshold Performance (as a % of Target)*	*Maximum Performance (as a % of Target)*	*Interpolated % of Target Bonus Earned (if within Minimum and Maximum Range)*	*Weight*	*Weighted Avg % of Target Bonus*
Consolidated Operating Revenue Growth(1)	3.3%	14.2%	23.5%	15%	185%	54.9%	40%	22%
Consolidated Adjusted Earnings before Interest, Taxes, Depreciation and Amortization(2)	$ 1,166 million	$ 1,011 million	115.4%	87%	113%	200.0%	40%	80%
Consolidated Simple Free Cash Flow(3)	$ 413 million	$ 224 million	184.6%	27%	173%	200.0%	20%	40%
Overall Company Performance							100%	142%

(1) Consolidated Operating Revenue Growth is based on consolidated "Operating revenues" including U.S. Cellular "Equipment sales revenues" as adjusted for Bonus Metric Amounts.

(2) Consolidated Adjusted Earnings before Interest, Taxes, Depreciation and Amortization represents consolidated "Adjusted EBITDA" as set forth in Note 19 Business Segment Information, in the notes to the consolidated financial statements included in the accompanying Annual Report to Shareholders for the year ended December 31, 2015, which is also included as Exhibit 13 to the TDS Annual Report on Form 10-K for the year ended December 31, 2015, as adjusted for the Bonus Metric Amounts.

(3) Consolidated Simple Free Cash Flow represents consolidated "Adjusted Earnings before Interest, Taxes, Depreciation and Amortization," less capital expenditures excluding capitalized interest, as adjusted for the Bonus Metric Amounts.

If a metric does not meet the minimum threshold performance level, no bonus will be paid with respect to such metric. If maximum performance or greater is achieved, 200% of the bonus opportunity for that metric will be funded. As shown above, the minimum threshold was achieved with respect to all of the three metrics, but performance was less than maximum performance for consolidated operating revenue growth. As a result, the payout level was interpolated as indicated above based on the formula included in the TDS bonus plan.

In accordance with this methodology, the overall percentage deemed to have been achieved by TDS for company performance with respect to 2015 was 142%.

Personal Objectives and Performance

In addition to TDS and/or business unit performance, the Compensation Committee may consider personal objectives and performance. There was no minimum level of achievement of any personal objectives that was required for any cash compensation decision. The assessment of the achievement of personal objectives is not formulaic, objective or quantifiable. Instead, the individual performance considerations are factors, among others, that are taken into account in the course of making subjective judgments in connection with compensation decisions.

TDS Corporate Objectives and Accomplishments

In addition to achieving overall TDS performance for 2015 of 142% of target as discussed above, TDS took actions in furtherance of the following objectives:

- supporting the development of strategies to achieve performance in line with TDS' portfolio strategy;
- working with the business units to formulate effective business strategies;
- finding and evaluating attractive additional growth opportunities;
- helping the business units identify and realize additional cost savings and cost efficiencies;
- developing and, as appropriate, executing financing strategies for growth initiatives while minimizing financing and other risk;

working with U.S. Cellular to maximize the value of its non-strategic assets;

working with trade groups and regulators to obtain fair rules for future FCC auctions;

evaluating U.S. Cellular's VoLTE trial results and reviewing plans to roll out VoLTE;

assisting TDS Telecom in sourcing, evaluating and acquiring attractive cable/broadband companies; and

executing capital allocation strategy taking into account the funding needs and corporate strategy of the enterprise and the impact on medium and long term share value.

The following shows certain considerations relating to compensation paid by TDS in or with respect to 2015:

	LeRoy T. Carlson, Jr.	***Kenneth R. Meyers***	***Douglas D. Shuma***	***Scott H. Williamson***	***David A. Wittwer***
Position at TDS	Director and President and CEO	Director and Executive Officer	Senior Vice President Finance and Chief Accounting Officer (chief financial officer and chief accounting officer)	Senior Vice President Acquisitions and Corporate Development	Director and Executive Officer
Position at U.S. Cellular	Director and Chairman	Director and President and CEO	Director and Chief Accounting Officer	N/A	N/A
Position at TDS Telecom	Director and Chairman	N/A	Director and Chief Accounting Officer	N/A	Director and President and CEO
Year Appointed to Current Officer Title	1981 (President) and 1986 (CEO)	2013	2015	1998	2007
Year First Involved with TDS or its Subsidiaries as Director or Employee	1968	1987	2007	1995	1983
Primary Responsibilities for 2015	Primary responsibility for operations and performance of TDS and subsidiaries as TDS CEO	Primary responsibility for operations and performance of U.S. Cellular as its CEO	Primary responsibility for accounting policies and financial affairs of TDS	Primary responsibility for acquisitions and corporate development of TDS and subsidiaries	Primary responsibility for operations and performance of TDS Telecom as its CEO

Meyers Letter Agreement

U.S. Cellular and Kenneth R. Meyers are parties to a letter agreement dated July 25, 2013 relating to his appointment as President and CEO effective June 22, 2013 (the "Meyers Letter Agreement"). The Meyers Letter Agreement provided for Mr. Meyers' cash compensation and equity awards for 2013, and includes provisions relating to annual equity awards in subsequent years, cash reimbursements or payments with respect to retiree medical/life insurance benefits and a related tax gross-up, and severance (pursuant to which Mr. Meyers would be entitled to his then current annual base salary in the event that U.S. Cellular terminates Mr. Meyers' employment involuntarily without cause prior to June 22, 2019). See footnote (2) to the Summary Compensation Table below for further details.

Annual Cash Compensation

Annual cash compensation decisions, consisting of base salary for the current year and bonus based on performance, are generally made concurrently by the Compensation Committee each year for each of the named executive officers (other than the President and CEO of U.S. Cellular, whose compensation is not determined by the Compensation Committee). Annual compensation decisions are based partly on individual and corporate short-term performance and partly on individual and corporate cumulative long-term performance during the executive's tenure in his or her position, particularly with regard to the President and CEO.

As part of the process of determining the appropriate elements of annual cash compensation for the named executive officers, the Compensation Committee is provided with information about the compensation of similar executive officers at other companies, including chief executive officers of companies, chief executive officers and chief operating officers of principal business units, if available, chief financial officers and other officers with responsibilities comparable to the TDS named executive officers, as reported in the survey data discussed above and the proxy statements of other companies. The Compensation Committee also considers recommendations from the President and CEO of TDS regarding compensation for the named executive officers other than himself, each of which reports directly to him. The TDS Vice President Human Resources prepares for the Compensation Committee an analysis of compensation paid to similar executive officers of other comparable companies. See "Benchmarking/Market Compensation Data" above.

Annually, the nature and extent of each executive officer's personal accomplishments and contributions for the year are determined, based on information submitted by the executive and by others familiar with his or her performance, including the President and CEO of TDS in the case of the named executive officers other than himself. The Compensation Committee evaluates the information in terms of the personal objectives established for such executive officer for the performance appraisal period.

The Compensation Committee also assesses how well TDS did as a whole during the year, as discussed above, and the extent to which the President and CEO of TDS believes the executive officers other than the President and CEO of TDS contributed to the results, as discussed below. With respect to executive officers having primary responsibility over a certain business unit or division of TDS, the Compensation Committee considers the performance of the business unit or division and the contribution of the executive officer thereto.

In general, other facts and circumstances that the Compensation Committee considers in determining the annual cash compensation of the named executive officers and/or that the President and CEO considers in his evaluation and recommendation to the Compensation Committee with respect to the other named executive officers include the following: TDS' status as a public company and a controlled company; the publicly-available market cash compensation information of TDS' publicly-held peers and other publicly-held companies, as discussed above; the fact that TDS is primarily a regional competitor and that some of its competitors are national or global telecommunications companies that are much larger than TDS and possess greater resources than TDS; and TDS' primary financial focus of increasing long-term shareholder value through growth. Additional facts and circumstances considered with respect to the named executive officers are discussed below in the discussion relating to each such officer.

The Compensation Committee uses these sources and makes the determination of appropriate elements of compensation and ranges for such elements for such named executive officers based on its informed judgment, using the information provided to it by the Vice President Human Resources, including information from Willis Towers Watson, and information from its independent compensation consultant, Compensation Strategies. The Compensation Committee also has access to numerous performance measures and financial statistics prepared by TDS. This financial information includes the audited financial statements of TDS, as well as internal financial reports such as budgets and actual results, operating statistics and other analyses. The Compensation Committee may also consider such other factors as it deems appropriate in making its compensation decisions.

The elements of compensation and ranges for such elements are not based on any formal analysis. No specific measures of performance or factors are considered determinative in the compensation of executive officers. Instead, various facts and circumstances are taken into consideration by the Compensation Committee. Ultimately, it is the informed judgment of the Compensation Committee, after reviewing all the facts and circumstances, that determines the elements of compensation and total compensation for the executive officers.

Base Salary

The base salary of each officer is set within the range identified for this element based on an assessment of the responsibilities and the performance of such officer, also taking into account the performance of TDS and/or its business units or divisions, other comparable companies, the industry and the overall economy during the preceding year. Column (c), "Salary," in the Summary Compensation Table includes the dollar value of base salary (cash and non-cash) earned by the named executive officers during 2015, 2014 and 2013, whether or not paid in such year.

The following shows certain information relating to the rate of base salary in 2015 compared to 2014 for the named executive officers.

	LeRoy T. Carlson, Jr.	Douglas D. Shuma	Scott H. Williamson	David A. Wittwer
2014 Base Salary effective 1/1/14	$ 1,352,700	$ 353,900	$ 627,500	$ 587,000
2014 Base Salary as revised effective 7/1/14	N/A	$ 402,000	N/A	N/A
2015 Base Salary effective 1/1/15	$ 1,352,700	$ 417,000	$ 645,000	$ 608,000
$ Change in 2015	$	$ 15,000	$ 17,500	$ 21,000
% Change in 2015	0%	4%	3%	4%

The increase to Mr. Shuma's base salary effective July 1, 2014 was to reflect his performance and his increased responsibilities.

The TDS Compensation Committee reviews the base salary and bonus of the executive officers on an aggregate basis as described below under "Total Cash Compensation."

Bonus

TDS established the 2015 Officer Bonus Program for awarding bonuses to certain officers. This bonus program covered all TDS officers other than the President and CEO of TDS and the Chairman Emeritus of TDS. This program was filed by TDS as Exhibit 10.1 to TDS' Form 8-K dated August 7, 2015. For bonuses relating to 2015 performance that were paid in 2016, in general, 30% of an officer's target bonus was based on the officer's individual performance and the remaining 70% was based on company performance (utilizing the weightings and metrics described above under "Company Performance"). The maximum amount of the bonus based on company performance cannot exceed 200% of the target bonus based on company performance and the maximum bonus based on individual performance cannot exceed 160% of the target bonus related to such performance.

The program provided that the TDS Telecom President and CEO would have the same company and individual performance weightings as the other TDS executive officers, provided that in such case the company performance was to be based on TDS Telecom's performance rather than TDS' consolidated performance. However, the amount of the bonus payable to the TDS Telecom President and CEO was not formulaic and was based on TDS Telecom's bonus plan, TDS Telecom metrics and various other performance measures in the discretion of the TDS President and CEO and the TDS Compensation Committee.

In addition, TDS has established performance guidelines and procedures for awarding bonuses to the President and CEO of TDS. These guidelines and procedures were filed by TDS as Exhibit 10.2 to TDS' Form 8-K dated November 19, 2008, and an amendment to such guidelines and procedures was filed by TDS as Exhibit 10.1 to TDS' Form 8-K dated November 18, 2009. These guidelines and procedures provide that the Compensation Committee in its sole discretion determines whether an annual bonus will be payable to the President and CEO of TDS for a performance year and, if so, the amount of such bonus, and describe factors that may be considered by the Compensation Committee in making such determination, including any factors that the Compensation Committee in the exercise of its judgment and discretion determines relevant. The guidelines and procedures provide that no single factor will be determinative and no factor will be applied mechanically to calculate any portion of the bonus of the President and CEO. The entire amount of the bonus is discretionary. The guidelines and procedures provide that the President and CEO will have no right or expectation with respect to any bonus until the Compensation Committee has determined whether a bonus will be paid for a performance year.

The TDS 2015 Officer Bonus Program does not cover the President and CEO of U.S. Cellular, who is subject to separate guidelines as described in U.S. Cellular's 2016 proxy statement.

Summary of Bonus Payments

The following shows information with respect to each named executive officer that received a bonus for 2015 performance (paid in 2016) from TDS, showing the amount of bonus awarded. The bonus for Mr. Meyers for 2015 performance was paid by U.S. Cellular as described in the U.S. Cellular 2016 proxy statement.

As noted above under "Company Performance," the overall percentage achieved by TDS with respect to company performance for 2015 was determined to be 142%. Certain amounts below are rounded.

		Formula	***LeRoy T. Carlson, Jr.***	***Douglas D. Shuma***	***Scott H. Williamson***	***David A. Wittwer***
a	2015 base salary		$ 1,352,700	$ 417,000	$ 645,000	$ 608,000
b	Target bonus percentage (informal for Mr. Carlson and Mr. Wittwer)		90%	55%	50%	75%
c	Target bonus for 2015	a × b	$ 1,217,430	$ 229,350	$ 322,500	$ 456,000
d	Percentage of 2015 target bonus based on company performance (informal for Mr. Carlson and Mr. Wittwer)		70%	70%	70%	70%
e	Target bonus for company performance	c × d	$ 852,201	$ 160,545	$ 225,750	$ 319,200
f	Calculation of amount reported under "Non-Equity Incentive Plan Compensation" column based on company performance in 2015(1)	e × 142%	N/A	$ 227,974	$ 320,565	N/A
	Calculation of amount reported under "Bonus" column:					
g	Amount of discretionary bonus based on individual performance		N/A	$ 88,226	$ 123,735	N/A
h	Discretionary bonus(1)		$ 1,400,000	N/A	N/A	$ 507,300
i	Subtotal of amount reported under "Bonus" column	g + h	$ 1,400,000	$ 88,226	$ 123,735	$ 507,300
	Total bonus for 2015 paid in 2016 (sum of amount reported under "Non-Equity Incentive Plan Compensation" column and amount reported under "Bonus" column)	f + i	$ 1,400,000	$ 316,200	$ 444,300	$ 507,300

(1) Unlike the TDS 2015 Officer Bonus Program, which provides that a specified percentage of an officer's bonus will be determined based on company performance measures (as described above) and that the remaining percentage will be discretionary based on individual performance, the bonus guidelines for the President and CEO of TDS (LeRoy T. Carlson, Jr.), do not provide such specificity and provide that the entire amount of the bonus is discretionary. Accordingly, the entire amount of the bonus for LeRoy T. Carlson, Jr. is reported under the "Bonus" column of the Summary Compensation Table. In addition, although the U.S. Cellular and TDS Telecom bonus plans are used as guidelines for the bonus for the President and CEO of each of such subsidiaries, the actual amount of the bonus paid is not formulaic and is based on the bonus plans and metrics of such subsidiaries and various other facts and circumstances. Accordingly, the entire amount of the bonus for David A. Wittwer is reported under the "Bonus" column of the Summary Compensation Table.

As indicated above, the TDS Compensation Committee approved the following bonuses for the above named executive officers with respect to 2015:

	LeRoy T. Carlson, Jr.	Douglas D. Shuma	Scott H. Williamson	David A. Wittwer
2015 Bonus Paid in 2016	$ 1,400,000	$ 316,200	$ 444,300	$ 507,300
Target Bonus	$ 1,217,430	$ 229,350	$ 322,500	$ 456,000
Percentage of Target Bonus	115%	138%	138%	111%

Mr. Carlson's informal target bonus with respect to the 2015 bonus paid in 2016 was 90% of his 2015 base salary of $1,352,700, or $1,217,430. In the Compensation Committee's subjective judgment and based on its analysis and consultation with Compensation Strategies, it believed that Mr. Carlson's cash bonus for 2015 should be $1,400,000, or approximately 115% of this target. This reflects the Compensation Committee's subjective judgment of the bonus that Mr. Carlson should receive based on company performance, individual performance and other factors, including Mr. Carlson's total cash compensation of base salary and bonus, as discussed below.

Mr. Shuma's bonus of $316,200 represents a bonus of approximately 142% of his target bonus for company performance and approximately 128% of his target bonus for individual performance. The individual performance percentage was based on the recommendation of the TDS President and CEO, based on his subjective judgment of Mr. Shuma's personal achievements and performance in 2015.

Mr. Williamson's bonus of $444,300 represents a bonus of approximately 142% of his target bonus for company performance and approximately 128% of his target bonus for individual performance. The individual performance percentage was based on the recommendation of the TDS President and CEO, based on his subjective judgment of Mr. Williamson's personal achievements and performance in 2015.

Mr. Wittwer's informal target bonus with respect to the 2015 bonus paid in 2016 was 75% of his 2015 base salary of $608,000, or $456,000. As described above, TDS Telecom's overall company performance for 2015 was 100.7% of target. Mr. Wittwer's bonus of $507,300 was approximately 111% of his target for 2015. This primarily reflects TDS Telecom's overall company performance for 2015 of 100.7% and the TDS President and CEO and TDS Compensation Committee's subjective judgment of the TDS Telecom team performance and Mr. Wittwer's personal achievements and performance in 2015.

Kenneth R. Meyers did not receive a bonus from TDS with respect to 2015. His bonus with respect to 2015 was paid by U.S. Cellular as described in U.S. Cellular's 2016 proxy statement.

Total Cash Compensation

The following shows information relating to total cash compensation in 2015 for the named executive officers that received a bonus with respect to 2015 from TDS:

	LeRoy T. Carlson, Jr.	Douglas D. Shuma	Scott H. Williamson	David A. Wittwer
Base Salary in 2015	$ 1,352,700	$ 417,000	$ 645,000	$ 608,000
2015 Bonus Paid in 2016	$ 1,400,000	$ 316,200	$ 444,300	$ 507,300
Total Cash Compensation in 2015	$ 2,752,700	$ 733,200	$ 1,089,300	$ 1,115,300
Total Cash Compensation per Willis Towers Watson Survey:				
25th percentile	$ 1,790,000	$ 405,000	$ 540,000	$ 885,000
50th percentile	$ 2,415,000	$ 495,000	$ 700,000	$ 1,185,000
75th percentile	$ 3,265,000	$ 600,000	$ 805,000	$ 1,570,000

The amount reported above as Base Salary represents the named executive officer's 2015 base salary. The Compensation Committee, based on its analysis and consultation with Compensation Strategies, believes that total cash compensation paid to TDS executive officers is in line with TDS' peers, but that a greater proportion of the total cash compensation should be paid as bonus and less should be paid as salary compared to peers.

The basis of the Compensation Committee for the above levels of compensation is as follows:

Mr. Carlson's total cash compensation represents the Compensation Committee's subjective view of the appropriate total cash compensation considering the importance of Mr. Carlson's responsibilities, the performance of TDS and its subsidiaries and Mr. Carlson's performance as President and CEO.

Mr. Shuma's total cash compensation represents the Compensation Committee's subjective view of the appropriate total cash compensation considering his performance at TDS since he was employed by TDS in 2007, the fact that he has served as the chief accounting officer of TDS since his employment by TDS commenced and the fact that he also began serving as the chief financial officer of TDS in 2013.

Mr. Williamson's total cash compensation represents the Compensation Committee's subjective view of the appropriate total cash compensation considering his many years of service, the importance of Mr. Williamson's responsibilities and his performance over a long period of time.

Mr. Wittwer's total cash compensation represents the Compensation Committee's subjective view of the appropriate total cash compensation considering the compensation of officers at comparable companies with similar responsibilities and the performance of TDS Telecom and Mr. Wittwer.

Long-Term Equity Compensation

The Compensation Committee also determines long-term equity compensation awards for the named executive officers under the TDS 2011 Long-Term Incentive Plan.

The Compensation Committee also determines long-term equity compensation awards to the named executive officers (other than the President and CEO of U.S. Cellular) under the TDS long-term incentive plans, which include options, restricted stock units and bonus match units, as discussed below. Grants of options, restricted stock units and bonus match units by TDS to the President and CEO and the other executive officers are generally made to all such officers at the same time in a particular year. In 2015, options and restricted stock units were granted on May 11, 2015. Bonus match units were granted on March 13, 2015 (the date that the related bonus was determined). TDS may also make grants of equity awards during other times of the year as it deems appropriate. All option, restricted stock unit and bonus match unit awards are expensed over the applicable vesting periods.

Although the Compensation Committee has the discretion to grant various awards, it generally only grants service-based restricted stock units and service-based options. In addition, officers may receive employer stock match awards in connection with deferred bonus as described below under "Information Regarding Nonqualified Deferred Compensation." With respect to long-term compensation, the Vice President Human Resources prepares for the Compensation Committee an analysis of long-term compensation paid to similar officers of comparable companies (see "Benchmarking/Market Compensation Data" above). This information is presented to the Compensation Committee, which approves the long-term compensation of the named executive officers in part based on such information. The Compensation Committee also looks at the mix of salary, bonus and long-term incentive compensation, and obtains additional information from its compensation consultant, Compensation Strategies, as discussed above.

Long-term compensation awards for executive officers are based, in part, on company and individual performance, with the goal of increasing long-term company performance and shareholder value. Stock options, restricted stock units and bonus match units generally vest over several years, to reflect the goal of relating long-term executive compensation to increases in shareholder value over the same period. The President and CEO of TDS may recommend to the Compensation Committee long-term compensation in the form of stock option and restricted stock unit grants or otherwise for executive officers other than the President and CEO.

Performance is also a factor in determining the number of shares subject to awards made to the executive officers. A named executive officer receives an award of restricted stock units in the current year based in part on the achievement of certain levels of corporate performance in the immediately preceding year, and an award of options in the current year based in part on the achievement of certain levels of individual performance in the immediately preceding year.

Executive officers do not become entitled to any options or restricted stock units as a result of the achievement of any corporate or individual performance levels. The award of options and restricted stock units is entirely discretionary and a named executive officer has no right to any options or restricted stock units unless and until they are awarded. Pursuant to SEC rules, awards with respect to 2014 performance granted in 2015 are included in the Summary Compensation Table below as 2015 compensation.

The named executive officers received an award of restricted stock units in 2015, in part, based on the achievement of certain levels of corporate performance in 2014. Column (e), "Stock Awards," of the Summary Compensation Table includes the aggregate grant date fair value computed in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 718, Compensation Stock Compensation ("FASB ASC 718"). The grant date fair value of restricted stock units is calculated as the product of the number of shares underlying the award and the closing price of the underlying shares on the grant date, reduced by the estimated value of the discounted cash flows of dividends that would normally be received with respect to the underlying shares (because restricted stock units do not receive credit for dividends prior to vesting).

The restricted stock units granted in 2015 vest in full (cliff vesting) on the third anniversary following the grant date or on May 11, 2018, subject to continued employment.

The named executive officers also received an award of options in 2015 based, in part, on the achievement of certain levels of individual performance in 2014. Column (f), "Option Awards," of the Summary Compensation Table includes the aggregate grant date fair value computed in accordance with FASB ASC 718. The grant date fair value of stock options is calculated using the Black-Scholes valuation model.

Options granted in 2015 vest in full (cliff vesting) on the third anniversary following the grant date or on May 11, 2018 and are exercisable until the tenth anniversary of the date of grant, in each case subject to continued employment.

For awards granted in 2015 based on 2014 performance, 50% of the total target long-term incentive value was delivered in stock options and 50% of such value was delivered in restricted stock units.

The total target long-term incentive value is determined by multiplying the officer's salary for the immediately preceding year by a multiple. The multiple is determined by the officer's job responsibilities and the market compensation data from Willis Towers Watson. See "Benchmarking/Market Compensation Data" above. The target value is also adjusted for performance, as indicated in the below table.

The following summarizes the TDS option and restricted stock unit grants made by the Compensation Committee on May 11, 2015 to the following named executive officers (the amounts below may be rounded).

		Formula	LeRoy T. Carlson, Jr.	Douglas D. Shuma	Scott H. Williamson	David A. Wittwer
a	2014 Salary		$ 1,352,700	$ 402,000	$ 627,500	$ 587,000
b	Multiple used		220%	100%	150%	200%
c	Long-Term Incentive Target Value	a × b	$ 2,976,000	$ 402,000	$ 941,000	$ 1,174,000
d	Options Target(1)	(c × 50%) / $7.56	197,000	26,600	62,200	77,600
e	Individual Performance % for 2014		120%	118%	118%	123%
f	Options Granted	d × e	236,100	31,356	73,418	95,452
g	Target RSUs(1)	(c × 50%) / $27.17	54,774	7,398	17,317	21,605
h	Company/Business Unit Performance % for 2014		94.5%	94.5%	94.5%	125%
i	RSUs Granted	g × h	51,761	6,992	16,371	27,010

(1) The values used for stock options and restricted stock units were determined using methodology based on FASB ASC 718. The values calculated for 2015 were $7.56 per TDS stock option and $27.17 per TDS restricted stock unit.

The Company/Business Unit Performance percentage in the above table represents the overall performance of TDS (or in the case of Mr. Wittwer, TDS Telecom). The overall company performance for TDS in 2014 was 94.5%. The business unit performance for TDS Telecom in 2014 was 125%.

The individual performance percentage in the above table is based on each officer's individual performance assessment relating to 2014.

The individual performance percentage used for the TDS President and CEO was based on the Compensation Committee's subjective judgment of the individual performance of the TDS President and CEO in 2014.

The individual performance percentage used for each of Douglas D. Shuma, Scott H. Williamson and David A. Wittwer was based on the Compensation Committee's subjective judgment of the individual performance of such officers, considering the TDS President and CEO's evaluation and recommendation to the Compensation Committee for such officers with respect to 2014.

Mr. Meyers participates in the U.S. Cellular long-term incentive plans.

Analysis of Compensation

The following table identifies the percentage of each element of total compensation of each of the named executive officers based on the Summary Compensation Table for 2015:

	LeRoy T. Carlson, Jr.	Kenneth R. Meyers	Douglas D. Shuma	Scott H. Williamson	David A. Wittwer
Salary	22.3%	15.3%	33.8%	29.5%	22.8%
Bonus	23.1%	16.3%	7.2%	5.7%	19.0%
Stock Awards	24.1%	33.4%	15.7%	20.7%	27.9%
Stock Options	29.8%	33.4%	19.5%	25.7%	27.4%
Non-Equity Incentive Plan Compensation	0%	0%	18.5%	14.6%	0%
Other	.7%	1.6%	5.3%	3.8%	2.9%
	100.0%	100.0%	100.0%	100.0%	100.0%

As indicated in the Summary Compensation Table, LeRoy T. Carlson, Jr.'s total compensation for 2015 was $6,067,162 and the total compensation for the other named executive officers for 2015 ranged from a high of $5,929,327 to a low of $1,233,339. Accordingly, Mr. Carlson's total compensation for 2015 is approximately 1.02 times the total compensation of the next highest compensated named executive officer with respect to 2015.

The following explains the reasons for the disparity between the compensation of the TDS President and CEO and the other named executive officers, and the disparities in compensation among the other named executive officers. TDS determines the amount of compensation to pay or provide to each named executive officer considering compensation practices of peers and other companies with similar characteristics, in order to support TDS' overall business strategy and objectives. As noted herein, TDS recognizes that it must compensate its executive officers in a competitive manner comparable to similar companies in order to attract and retain high quality management.

Considering the foregoing, TDS recognizes that it needs to and believes that it should compensate the TDS President and CEO at a level that considers the compensation of presidents and chief executive officers of similar companies, which compensation is higher than the compensation of other named executive officers of such companies. TDS believes that this is necessary to attract and retain a highly qualified person to serve as the president and chief executive officer of TDS and to compete successfully against other companies. A level of compensation similar to that paid to the TDS President and CEO is not necessary to attract and retain, and therefore is not appropriate for, the other named executive officers. However, TDS recognizes that it needs to and believes that it should compensate the other named executive officers at levels that reflect the compensation of similarly situated positions at similar companies in order to attract and retain high quality persons for such positions at TDS.

The Compensation Committee believes that the elements of compensation and total compensation of the above named executive officers of TDS were set at an appropriate level considering the foregoing principles.

Other Benefits and Plans Available to Named Executive Officers

The named executive officers participate in certain other benefits and plans, as described below.

To achieve the above-described compensation objectives, the Compensation Committee believes that the named executive officers must be offered a competitive compensation package, including benefits and plans. TDS' compensation packages are designed to compete with other companies for talented employees. TDS' benefits and plans are part of this package and are also designed to enable TDS to attract and retain highly qualified employees, including the named executive officers. Thus, the benefits and plans fit into TDS' overall compensation objectives primarily by helping TDS achieve the second objective of TDS' overall compensation objectives, which is to attract and retain high quality management. Benefits and plans are an important part of the mix of compensation used to attract and retain management, but do not otherwise significantly affect decisions relating to other elements of annual or long-term compensation, which are provided consistent with the above compensation objectives, including to support TDS' overall business strategy and objectives, link individual compensation with TDS goals and objectives and provide competitive compensation opportunities consistent with the financial performance of TDS, as well as attract and retain high quality management.

Deferred Salary and Bonus under Deferred Compensation Arrangements

Deferred Salary and/or Bonus Arrangements. The named executive officers are permitted to defer salary and/or bonus into an interest-bearing arrangement pursuant to deferred compensation agreements or plans. The entire amount of the salary earned is reported in the Summary Compensation Table in column (c) under "Salary," whether or not deferred. The entire amount of the bonus earned is reported in the Summary Compensation Table in column (d) under "Bonus," or in column (g) under "Non-Equity Incentive Plan Compensation," whether or not deferred. Pursuant to the agreement or plan, the officer's deferred compensation account is credited with interest compounded monthly, computed at a rate equal to one-twelfth of the sum of the average thirty-year Treasury Bond rate for amounts deferred as an employee of TDS or TDS Telecom, or the twenty-year Treasury Bond rate for amounts deferred as an employee of U.S. Cellular, plus 1.25 percentage points, until the deferred compensation amount is paid to such person. As required by SEC rules, column (h) in the Summary Compensation Table includes any portion of such interest that exceeded that calculated utilizing the rate specified by the Internal Revenue Service that is 120% of the applicable federal long-term rate, with compounding (as prescribed under section 1274(d) of the Internal Revenue Code) (such specified rate, the "AFR"), at the time each monthly interest rate was set. The deferred compensation accounts are paid at the time and in the form provided in the applicable plan or agreement, which permits certain distribution elections by the officer.

As indicated in the below tables, certain of the named executive officers have deferred a specified portion of their salaries or bonuses pursuant to the above-described arrangements. The executive is always 100% vested in all salary or bonus amounts that have been deferred and any interest credited with respect thereto. Accordingly, the executive is entitled to 100% of the amount deferred and all earnings thereon upon any termination. Such amounts are reported below in the Nonqualified Deferred Compensation table and, because there would not be any increased benefit or accelerated vesting in the event of any termination or change in control, are not included in the below Table of Potential Payments upon Termination or Change in Control.

Deferred Bonus under Long-Term Incentive Plan. In addition to being permitted to defer some or all of their bonuses into an interest-bearing arrangement as described immediately above, the named executive officers are also permitted to defer some or all of their bonuses pursuant to a long-term incentive plan. The entire amount of the bonus earned is reported in the Summary Compensation Table in column (d) under "Bonus," or in column (g) under "Non-Equity Incentive Plan Compensation," whether or not deferred. Deferred bonus is deemed invested, as applicable, in phantom TDS Common Shares under the applicable TDS long-term incentive plan and in phantom USM Common Shares under the applicable U.S. Cellular long-term incentive plan, as discussed below. The named executive officers receive a distribution of the deferred compensation account at the earlier of the date elected by the officer and the officer's separation from service (or, with respect to amounts subject to section 409A of the Internal Revenue Code, the seventh calendar month following the calendar month of the officer's separation from service). The named executive officers who defer bonus into phantom shares also receive a company match from TDS, other than the President and CEO of U.S. Cellular, who participates in and may receive a match from U.S. Cellular under the applicable U.S. Cellular long-term incentive plan, as described in the U.S. Cellular 2016 proxy statement.

As indicated in the below tables, certain of the named executive officers have deferred a specified portion of their bonuses pursuant to the above-described arrangements. The executive is always 100% vested in all bonus amounts that have been deferred and any dividends credited with respect thereto. Such amounts are reported below in the Nonqualified Deferred Compensation table and, because there would not be any increased benefit or accelerated vesting in the event of any termination or change in control, are not included in the below Table of Potential Payments upon Termination or Change in Control.

TDS 2011 Long-Term Incentive Plan

Long-term compensation awards under the TDS 2011 Long-Term Incentive Plan were discussed above in this Compensation Discussion and Analysis. Under the TDS 2011 Long-Term Incentive Plan, TDS is authorized to grant incentive stock options, nonqualified stock options, stock appreciation rights ("SARs"), bonus stock awards, restricted stock awards, restricted stock unit awards, performance share awards and employer match awards for deferred bonus. The following provides certain additional information relating to the TDS 2011 Long-Term Incentive Plan.

TDS adopted the TDS 2011 Long-Term Incentive Plan to replace the TDS 2004 Long-Term Incentive Plan for awards granted after January 24, 2012. A total of six million Common Shares were initially reserved for issuance under the TDS 2011 Long-Term Incentive Plan and an additional five million Common Shares were reserved following approval by shareholders at the 2014 Annual Meeting.

Under the TDS 2011 Long-Term Incentive Plan, if they elect, executives are permitted to defer receipt of all or a portion of their annual bonuses earned in 2013 or thereafter and to receive stock unit matches on the amount deferred. Deferred compensation is deemed invested in phantom TDS Common Shares, and the TDS match amounts depend on the amount of annual bonus that was deferred into stock units. Vested stock units are credited with dividend equivalents.

If the officer enters into competition with, or misappropriates confidential information of, TDS or any affiliate thereof, or the officer's employment with TDS or any affiliate thereof is terminated on account of the officer's negligence or willful misconduct, then all awards held by the officer under the TDS 2011 Long-Term Incentive Plan shall terminate and be forfeited. In addition, the TDS 2011 Long-Term Incentive Plan provides that the Compensation Committee may impose other conditions on an award, and pursuant thereto, certain awards under the plan have been granted subject to forfeiture in the event of the officer's violation of non-solicitation and non-disparagement agreements. Also see "Clawback" below.

The TDS 2011 Long-Term Incentive Plan and related award agreements provide various rights upon resignation (with prior consent of the TDS board of directors), retirement, special retirement, disability, death, or other termination or separation from service, and upon a change in control thereunder, as summarized below. See the below Table of Potential Payments upon Termination or Change in Control for additional information.

The TDS 2011 Long-Term Incentive Plan provides that if an outstanding award expires or terminates unexercised or is canceled or forfeited, then the shares subject to such outstanding award would again be available under the plan. The TDS 2011 Long-Term Incentive Plan also provides that if a share subject to an award is not delivered by reason of the settlement of such award in cash, then such share shall again be available under the plan. However, the TDS 2011 Long-Term Incentive Plan expressly provides that such "share recycling" will not occur in the event the option exercise price or tax withholding with respect to an award is satisfied by the delivery or netting of shares, rather than the payment of cash.

The 2011 Long-Term Incentive Plan broadly prohibits, without shareholder approval and other than in connection with a change in control, "repricings," including the reduction of the exercise price of an outstanding stock option or the base price of an outstanding SAR or the cash buyout of underwater stock options.

The 2011 Long-Term Incentive Plan does not have a provision automatically replenishing the shares available under the plan without shareholder approval, known as an "evergreen" provision.

Change in Control

The following summarizes the change in control provisions of the 2011 Long-Term Incentive Plan:

Notwithstanding any other provision in the 2011 Long-Term Incentive Plan or any agreement, in the event of a 2011 LTIP Change in Control (as described below), the board of directors (as constituted prior to the 2011 LTIP Change in Control) may in its discretion, but will not be required to, make such adjustments to outstanding awards under the 2011 Long-Term Incentive Plan as it deems appropriate, including without limitation, (i) accelerating the vesting or exercisability of some or all outstanding awards, and/or to the extent legally permissible, causing any applicable restriction or performance period to lapse in full or part; (ii) causing any applicable performance measures to be deemed satisfied at the target, maximum or any other level determined by the board of directors (as constituted prior to the 2011 LTIP Change in Control); (iii) requiring that the shares of stock into which Common Shares are converted pursuant to the 2011 LTIP Change in Control be substituted for some or all of the Common Shares subject to outstanding awards, with an appropriate adjustment as determined by the Compensation Committee; and/or (iv) requiring outstanding awards, in whole or part, to be surrendered to TDS in exchange for a payment of cash, shares of capital stock of the company resulting from or succeeding to the business of TDS in connection with the 2011 LTIP Change in Control, or the parent thereof, or a combination of cash and shares.

The definition of Change in Control is set forth in Section 8.9(b) of the TDS 2011 Long-Term Incentive Plan. Generally, a "Change in Control" is defined in the Plan as: (i) an acquisition by a person or entity of the then outstanding securities of TDS (the "Outstanding Voting Securities") (x) having sufficient voting power of all classes of capital stock of TDS to elect at least 50% or more of the members of the TDS board of directors or (y) having 50% or more of the combined voting power of the Outstanding Voting Securities entitled to vote generally on matters (without regard to the election of directors), subject to certain exceptions; (ii) unapproved changes in the majority of the members of the TDS board of directors; (iii) certain corporate restructurings, including certain reorganizations, mergers, consolidations or sales or other dispositions of all or substantially all of the assets of TDS; or (iv) approval by the shareholders of TDS of a plan of complete liquidation or dissolution of TDS.

The foregoing outlines the potential effect of a 2011 LTIP Change in Control relating to all awards available under the 2011 Long-Term Incentive Plan. However, TDS currently only has outstanding under the 2011 Long-Term Incentive Plan restricted stock units, options and phantom stock units related to deferred compensation accounts.

Because a 2011 LTIP Change in Control would or may result in the acceleration of vesting of stock options, restricted stock units and bonus match units, the effects of such accelerated vesting in such event are included in the below Table of Potential Payments upon Termination or Change in Control.

A copy of the TDS 2011 Long-Term Incentive Plan was filed with the SEC as Exhibit B to TDS' Notice of Annual Meeting of Shareholders and Proxy Statement dated April 18, 2014 and a copy of Amendment Number One to the TDS 2011 Long-Term Incentive Plan was filed with the SEC as Exhibit A to TDS' Notice of Annual Meeting of Shareholders and Proxy Statement dated April 18, 2014.

TDS 2004 Long-Term Incentive Plan

Under the TDS 2004 Long-Term Incentive Plan, TDS was previously authorized to grant incentive stock options, nonqualified stock options, SARs, bonus stock awards, restricted stock awards, restricted stock unit awards, performance share awards and employer match awards for deferred bonus. As described above, TDS adopted the TDS 2011 Long-Term Incentive Plan to replace the TDS 2004 Long-Term Incentive Plan for awards granted after January 24, 2012, the effective time of the Reclassification, except as they relate to deferred bonus for calendar years commencing prior to January 1, 2013 for which elections were made prior to such effective time. Deferred bonus for calendar years commencing prior to January 1, 2013 is subject to the TDS 2004 Long-Term Incentive Plan. No additional awards will be granted under the TDS 2004 Long-Term Incentive Plan. Only options and phantom stock units related to deferred compensation accounts are outstanding under the TDS 2004 Long-Term Incentive Plan. These awards were subject to vesting periods specified at the time of grant and now are fully vested.

The 2004 Long-Term Incentive Plan prohibits, without shareholder approval, a "repricing" involving the reduction of the exercise price of an outstanding stock option.

Change in Control

In the event of a 2004 LTIP Change in Control pursuant to clause (iii) in the next paragraph below, there may be substituted for each Common Share under the TDS 2004 Long-Term Incentive Plan the number and class of shares into which each outstanding Common Share is converted pursuant to such 2004 LTIP Change in Control, with an appropriate adjustment as determined by the Compensation Committee.

Generally, a "2004 LTIP Change in Control" is defined in the 2004 Long-Term Incentive Plan as: (i) an acquisition by a person or entity of 25% or more of the combined voting power of the then outstanding securities of TDS entitled to vote generally on matters (without regard to the election of directors), subject to certain exceptions; (ii) unapproved changes in the majority of the members of the board of directors; (iii) certain corporate restructurings, including certain reorganizations, mergers, consolidations or sales or other dispositions of all or substantially all of the assets of TDS; or (iv) approval by the shareholders of TDS of a plan of complete liquidation or dissolution of TDS.

Because awards outstanding under the TDS 2004 Long-Term Incentive Plan are fully vested, no amounts are reported in the below Table of Potential Payments upon Termination or Change in Control. A copy of the 2004 Long-Term Incentive Plan was filed with the SEC as Exhibit 10.1 to TDS' Current Report on Form 8-K dated April 11, 2005, and amendments to TDS' 2004 Long-Term Incentive Plan were filed with the SEC as Exhibits to TDS' Current Reports on Form 8-K dated December 10, 2007 and December 22, 2008.

U.S. Cellular Long-Term Incentive Plans

The U.S. Cellular President and CEO does not participate in the TDS long-term incentive plans. Instead, the U.S. Cellular President and CEO is eligible to participate in the U.S. Cellular long-term incentive plans. The Meyers Letter Agreement specifies the terms of certain equity awards granted to Mr. Meyers under the U.S. Cellular 2013 Long-Term Incentive Plan in 2013 and annually prior to June 22,

2019. See footnote (2) to the Summary Compensation Table. Mr. Meyers also received grants of equity awards under the U.S. Cellular 2013 Long-Term Incentive Plan in 2015. The U.S. Cellular long-term incentive plans are described in U.S. Cellular's 2016 proxy statement.

SERP

Each of the named executive officers participates or formerly participated in a supplemental executive retirement plan or SERP, which is a non-qualified defined contribution plan. The SERP is not intended to provide substantial benefits other than to replace the benefits which cannot be provided under the TDS Pension Plan as a result of tax law limitations on the amount and types of annual employee compensation which can be taken into account under a tax qualified pension plan. The SERP is unfunded. The amount of the SERP contribution with respect to the executives identified in the Summary Compensation Table is included in column (i), "All Other Compensation," of the Summary Compensation Table. Participants are credited with interest on balances of the SERP. Pursuant to SEC rules, column (h) of the Summary Compensation Table includes any portion of interest earned under the SERP calculated utilizing a rate that exceeds the AFR at the time the rate was set.

A participant is entitled to distribution of his or her entire account balance under the SERP if the participant has a separation from service without cause, after either (a) his or her attainment of age 65; or (b) his or her completion of at least ten years of service. If a participant has a separation from service under circumstances other than those set forth in the preceding sentence, without cause, the participant will be entitled to distribution of 10% of his or her account balance for each year of service up to ten years. Upon a separation from service under circumstances that permit payments under the SERP, the participant will be paid his or her vested account balance in one of the following forms as elected by the participant prior to the first day of the first plan year in which the participant commences participation in the SERP: (a) a single lump sum or (b) annual installments over a period of 5, 10, 15, 20 or 25 years. The SERP does not include any provision that would increase benefits or accelerate amounts upon any termination or change in control and, accordingly, no amount is included in the below Table of Potential Payments upon Termination or Change in Control. The balance of the SERP as of December 31, 2015 for each named executive officer is set forth below in the "Nonqualified Deferred Compensation" Table.

Perquisites

TDS does not provide any significant perquisites to its officers. See note (i) under "Explanation of Columns" under the Summary Compensation Table for information about perquisites provided to the named executive officers. In addition, TDS has no formal plan, policy or procedure pursuant to which executive officers are entitled to any perquisites following termination or change in control. However, from time to time, TDS may enter into employment, retirement, severance or similar agreements that may provide for certain limited perquisites. See the description of the Meyers Letter Agreement in footnote (2) to the Summary Compensation Table. Perquisites and personal benefits represent a relatively insignificant portion of the named executive officers' total compensation. Accordingly, they do not materially influence the Compensation Committee's consideration in setting compensation.

Other Generally Applicable Benefits and Plans

Tax-Deferred Savings Plan

TDS sponsors the Tax-Deferred Savings Plan (TDSP), a tax-qualified defined contribution plan under Sections 401(a) and 401(k) of the Internal Revenue Code. This plan is available to employees of TDS and participating subsidiaries which have adopted the TDSP, including U.S. Cellular. Employees contribute amounts from their compensation, and TDS and participating employers make matching contributions to the plan in cash equal to 100% of an employee's contributions up to the first 3% of such employee's compensation, and 40% of an employee's contributions up to the next 2% of such employee's compensation. Participating employees have the option of investing their contributions and their employer matching contributions in a TDS Common Share fund, a U.S. Cellular Common Share fund and certain unaffiliated funds.

The amount of the matching contribution with respect to the executives identified in the Summary Compensation Table is included in column (i), "All Other Compensation," of the Summary Compensation Table. SEC rules do not require the Summary Compensation Table to include earnings or other amounts with respect to tax-qualified defined contribution plans.

Under the TDS Tax-Deferred Savings Plan, employees are always fully vested in their employee contributions, but are subject to a two year graduated vesting schedule (34% vesting at one year of service and 100% vesting at two years of service) for employer matching contributions. Vesting in employer matching contributions is not accelerated upon a change in control or termination event, except a termination by reason of death, total and permanent disability, or after an employee attains age 65. The vested portion of an employee's account becomes payable following the employee's termination of employment as (a) a lump sum (full or partial) or (b) a series of annual or more frequent installments. This plan does not discriminate in scope, terms, or operation in favor of executive officers and is available generally to all employees, and benefits are not enhanced upon any termination (other than a termination by reason of death, total and permanent disability or after an employee attains age 65) or change in control. Accordingly, no amounts are reported in the below Table of Potential Payments upon Termination or Change in Control.

Pension Plan

TDS sponsors a tax-qualified noncontributory defined contribution Pension Plan for the eligible employees of TDS and its participating subsidiaries, including U.S. Cellular. Under this plan, pension costs are calculated separately for each participant based on the applicable pension formula, and are funded annually by TDS and its participating subsidiaries. The Pension Plan is designed to provide retirement benefits for eligible employees of TDS and its participating subsidiaries. The amount of the contribution with respect to the executives identified in the Summary Compensation Table is included in column (i), "All Other Compensation," of the Summary Compensation Table. SEC rules do not require the Summary Compensation Table to include earnings or other amounts with respect to tax-qualified defined contribution plans.

Benefits under the TDS Pension Plan are subject to a five year graduated vesting schedule (20% vesting at two years of service, 40% vesting at three years of service, 60% vesting at four years of service and 100% vesting at five years of service). Vesting is not accelerated upon a change in control or termination event, except a termination of employment due to death, a total and permanent disability or after the employee has attained his or her Early or Normal Retirement Date as defined in the plan. The vested portion of an employee's account becomes payable following the employee's termination of employment as (a) an annuity or (b) a lump sum payment. This plan does not discriminate in scope, terms, or operation in favor of executive officers and is available generally to all employees of participating employers (subject to certain restrictions for employees hired after December 31, 2014), and benefits are not enhanced upon any termination (except due to death, a total and permanent disability or after the employee has attained his or her Early or Normal Retirement Date) or change in control. Accordingly, no amounts are reported in the below Table of Potential Payments upon Termination or Change in Control.

Retiree Welfare Benefits

TDS sponsors retiree medical and life insurance plans for eligible retirees of TDS and subsidiaries of TDS which have adopted the plans. These plans do not discriminate in scope, terms, or operation in favor of executive officers and are available generally to all employees of participating employers, and benefits are not enhanced upon any termination or change in control. Accordingly, no amounts are reported in the below Table of Potential Payments upon Termination or Change in Control.

Welfare Benefits during Employment

TDS also provides customary health and welfare and similar plans for the benefit of its employees. These group life, health, disability, medical reimbursement and/or similar plans do not discriminate in scope, terms or operation in favor of executive officers and are available generally to all employees, and benefits are not enhanced upon any termination or change in control. Accordingly, no amounts are reported in the below Table of Potential Payments upon Termination or Change in Control.

Impact of Accounting and Tax Treatments of Particular Forms of Compensation

The Compensation Committee considers the accounting and tax treatments of particular forms of compensation. Accounting treatments do not significantly impact the Compensation Committee's determinations of the appropriate compensation for TDS executive officers. The Compensation Committee considers the accounting treatments primarily to be informed and to confirm that company personnel understand and recognize the appropriate accounting that will be required with respect to compensation.

The Compensation Committee places more significance on the tax treatments of particular forms of compensation, because these may involve an actual cash expense to the company or the executive.

Subject to certain exceptions, Section 162(m) of the Internal Revenue Code provides a one million dollar annual limit on the amount that a publicly held corporation is allowed to deduct as compensation paid to each of the corporation's principal executive officer ("PEO") and the corporation's three most highly compensated officers, exclusive of the corporation's PEO and principal financial officer. In evaluating whether to structure executive compensation components as performance-based compensation under Section 162(m) and thus, exempt from the one million dollar deduction limit, TDS considers the net cost, and its ability to effectively administer executive compensation to promote corporate goals and in the long-term interest of shareholders. TDS believes that it is important to preserve flexibility in administering compensation programs in a manner designed to promote corporate goals. Accordingly, although TDS considers the deductibility of particular forms of compensation, TDS may approve elements of compensation that are consistent with the objectives of our executive compensation program, but that may not be fully deductible. Furthermore, Section 162(m) and the regulations thereunder have uncertainties and any attempted compliance or deduction may be challenged by the IRS. There can be no assurance that any amount of compensation will be deductible under Section 162(m).

TDS generally does not have any arrangements with its executive officers pursuant to which it has agreed to "gross-up" payments due to taxes or to otherwise reimburse officers for the payment of taxes, except with respect to certain reimbursements related to Mr. Meyers' retiree medical benefits as noted below and certain perquisites.

Clawback

Depending on the facts and circumstances, TDS may seek to adjust or recover awards or payments if the relevant TDS performance measures upon which they are based are restated or otherwise adjusted in a manner that would reduce the size of an award or payment. Under the Dodd-Frank Act, TDS will be required to adopt a formal clawback policy that satisfies SEC and NYSE requirements after the requirements are adopted.

TDS Policy on Stock Ownership

TDS does not have a formal policy relating to stock ownership by executive officers. However, because the President and CEO of TDS, the President and CEO of U.S. Cellular and the President and CEO of TDS Telecom are also directors of TDS, they are subject to the stock ownership guidelines applicable to directors. See "Corporate Governance Stock Ownership Guidelines" above. In addition, it should be noted that the President and CEO of TDS is a substantial shareholder of TDS. See "Security Ownership of Certain Beneficial Owners and Management" below.

TDS' Policy Regarding Insider Trading and Confidentiality provides that persons subject to such policy may not, under any circumstances, trade options for, pledge, or sell "short," any securities of TDS or U.S. Cellular, and may not enter into any hedging, monetization or margin transactions with respect to any such securities. The Dodd-Frank Act instructs the SEC to adopt rules requiring public companies to include a proxy statement disclosure of their policies regarding hedging of company equity securities by directors or employees. TDS will review such rules after they are finalized to determine if it will make any changes to its policies.

Compensation Committee Report

The Compensation Committee of the board of directors of TDS oversees TDS' compensation program on behalf of the board of directors. In fulfilling its oversight responsibilities, the Compensation Committee reviewed and discussed with management the Compensation Discussion and Analysis set forth above in this 2016 Proxy Statement.

In reliance on the review and discussions referred to above, the Compensation Committee recommended to the board of directors that the above Compensation Discussion and Analysis be included in TDS' Annual Report on Form 10-K for the fiscal year ended December 31, 2015 and TDS' 2016 Proxy Statement related to the 2016 Annual Meeting.

This Compensation Committee Report is submitted by Christopher D. O'Leary, George W. Off, Gary L. Sugarman and Herbert S. Wander (Chairperson).

Risks from Compensation Policies and Practices

TDS does not believe that risks arising from TDS' compensation policies and practices for its employees, including non-executive officers, are reasonably likely to have a material adverse effect on TDS. The following describes the process undertaken to reach the conclusion, and the basis for the conclusion, that TDS' compensation policies and practices are not reasonably likely to have a material adverse effect on TDS.

With respect to compensation in 2015, representatives of TDS took the steps set forth below to assess the risks associated with TDS' compensation policies and practices. Various elements of compensation (including plans and arrangements) provided to executive officers, non-executive officers and all other employees were identified and cataloged. The potential risks associated with each element of compensation were identified and evaluated for materiality and likelihood. Controls and potential mitigating factors were then identified and evaluated. Based on this process, documentation was prepared which maps and identifies TDS' various compensation elements, describes their characteristics and purposes, identifies potential risks associated with each compensation element, and then describes controls and mitigating factors. This documentation was used to evaluate the potential risks of the various elements of compensation, which are summarized below.

In addition, TDS considered the following processes and matters. TDS has internal controls in place and has processes to identify deficiencies, including significant deficiencies and material weaknesses. These processes have not identified any compensation policies or practices that are reasonably likely to have a material adverse effect on TDS. TDS also has an Enterprise Risk Management process (as described above under Corporate Governance Board Role in Risk Oversight) that has not identified any compensation policies or practices that are reasonably likely to have a material adverse effect on TDS. In addition, in connection with its process to review and identify risks for its Annual Report on Form 10-K, TDS did not identify any compensation policies or practices that are reasonably likely to have a material adverse effect on TDS. Furthermore, TDS has not had any incident in which TDS' compensation policies and practices have resulted in a material adverse effect on TDS. Although TDS' compensation policies and practices have evolved over time, their risk characteristics have not changed in any material respect for several years. TDS does not believe that its compensation policies and practices are unusual in any significant respect and believes that they are comparable in many respects with those of many other commercial public companies. TDS' compensation policies and practices have been developed over time with the assistance of its nationally-recognized compensation consultant, Willis Towers Watson. Such policies and practices also have been reviewed by the Compensation Committee's independent compensation consultant, Compensation Strategies.

TDS believes that its policies and practices of compensating its employees, including non-executive officers, as they relate to risk management practices and risk-taking incentives, involve less risk than its compensation policies and practices relating to executive officers, as discussed in the above

Compensation Discussion and Analysis. As discussed therein, TDS does not believe that its compensation policies and practices relating to executive officers are reasonably likely to have a material adverse effect on TDS. To an even greater extent, TDS does not believe that its compensation policies and practices relating to its employees, including non-executive officers, are reasonably likely to have a material adverse effect on TDS, for the reasons discussed below.

As a company engaged in Wireless, Wireline, Cable and HMS businesses, TDS faces general business risks similar to many other businesses and certain other risks specific to such businesses (as disclosed in TDS' most recent Annual Report on Form 10-K). Both of TDS' principal business units, U.S. Cellular and TDS Telecom, are primarily telecommunications companies, and TDS does not have any business units that have significantly different risk profiles from TDS' risk profile (such as a business unit involved in finance, securities, investing, speculation or similar activities), or where compensation expense is a dominant percentage of the business unit's revenues or with a risk and reward structure that varies significantly from the overall risk and reward structure of TDS. In general, TDS and both of its principal business units have similar compensation policies and practices.

The general design philosophy of the compensation policies and practices for employees, including non-executive officers, of TDS and its business units is similar to the design philosophy discussed with respect to executive officers in the Compensation Discussion and Analysis above. In addition to such executive officers, the employees whose behavior would be most affected by the incentives established by such policies and practices are the non-executive officers and director-level employees of TDS and each of its principal business units.

Similar to the compensation of executive officers, non-executive officers and director-level employees are compensated using a mix of short and long-term compensation. Each such employee receives a substantial portion of compensation in the form of a fixed salary, which does not encourage any risk taking, and may receive a portion of compensation as long-term incentive compensation, which discourages short-term risk taking.

A portion of the long-term incentive compensation of such employees may include restricted stock units, which retain value even if stock prices decline to some degree. As a result, as long as the stock continues to have some value, such awards will not expire without value and, as a result, do not encourage risk taking to attempt to avoid having awards expire without value, as could occur with stock options. Although such employees may also receive stock options, an exercise period that is generally ten years reduces the potential for excessive risk taking and, in any event, options are only one of several elements of compensation.

Although employees, including non-executive officers, may be entitled to an annual bonus that relates, in part, to annual company performance, such bonuses are limited and represent only a portion of compensation. Also, such compensation is not designed to compensate non-executive employees for results that might be achieved by taking significant risks because non-executive employees do not have the authority to take significant risks. TDS and its business units are subject to an authorization policy that requires various levels of approvals for employees to take action depending on the dollar amount involved, and internal controls, procedures and processes to monitor and review such actions. Under such policy, actions that could have a material effect on TDS would need to be approved by the board of directors and/or one or more executive officers of TDS and/or such business units. TDS' compensation policies and practices relating to non-executive employees are not designed to provide incentives to such employees to take action which they have no authority to take. In addition, there is a significant amount of discretion in awarding bonuses as well as other compensation and, as a result, such compensation could be reduced, or not awarded or not increased, if an employee undertook unauthorized risk. Also, depending on the facts and circumstances, TDS may seek to adjust or recover awards or payments if the relevant performance measures upon which they are based are restated or otherwise adjusted in a manner that would reduce the size of an award or payment.

As a result, considering the foregoing, TDS does not believe that its compensation policies and practices for employees, including non-executive officers, provide incentives to such employees to undertake risks that are reasonably likely to have a material adverse effect on TDS.

Compensation Tables

Summary of Compensation

The following table summarizes the compensation earned by the named executive officers in 2015, 2014 and 2013. Compensation reported under "Stock Awards" and "Option Awards" in the below table represents grant date values as required by SEC rules, and does not represent currently realized or realizable compensation. The named executive officers will not realize cash from such awards unless and until any stock awards are vested and the shares received upon vesting are sold for cash, or unless and until any stock options become exercisable, are exercised and the shares received upon exercise are sold for cash There is no assurance that this will occur. In general, awards are subject to a risk of forfeiture and the options will expire if not exercised during their term, which may occur if the stock price does not appreciate and/or remain above the exercise price during the option's term. The compensation actually realized by a named executive officer may be more or less than the amount reported in the below Summary Compensation Table depending on the performance of the TDS stock price. With respect to 2015, the amount of compensation realized by each named executive officer can be approximated by (i) deducting from the "Total" in the 2015 Summary Compensation Table the amounts reported in the "Stock Awards" and "Option Awards" columns for such officer, and (ii) adding the values realized in 2015 by such officer from the 2015 Option Exercises and Stock Vested table below. However, other unrealized components of compensation also may be included in the Summary Compensation Table, such as retirement plan contributions that are subject to a vesting schedule.

2015 Summary Compensation Table

Name and Principal Position(a)	*Year (b)*	*Salary ($)(c)*	*Bonus ($)(d)*	*Stock Awards ($)(e)*	*Option Awards ($)(f)*	*Non-Equity Incentive Plan Compensation ($)(g)*	*Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)(h)*	*All Other Compensation ($)(i)*	*Total ($)(j)*
LeRoy T. Carlson, Jr.									
(1)(6)(7)	2015	$ 1,352,700	$ 1,400,000	$ 1,463,182	$ 1,809,161	$	$ 4,278	$ 37,841	$ 6,067,162
President and CEO of	2014	$ 1,352,700	$ 900,000	$ 1,245,634	$ 1,948,251	$	$ 4,826	$ 22,974	$ 5,474,385
TDS	2013	$ 1,352,700	$ 875,000	$ 1,355,788	$ 1,302,969	$	$ 4,721	$ 70,902	$ 4,962,080
Kenneth R. Meyers									
(2)(6)(7)	2015	$ 905,300	$ 964,000	$ 1,982,307	$ 1,978,484	$	$ 16,911	$ 82,325	$ 5,929,327
President and CEO of USM since 6/22/13	2014 2013	$ 865,300	$ 743,000	$ 1,763,012	$ 1,754,325	$	$ 10,684	$ 84,886	$ 5,221,207
and Executive Vice	USM	$ 438,877	$ 664,000	$ 1,786,950	$ 2,335,511	$	$ 3,056	$ 40,187	$ 5,268,581
President and CFO	TDS	$ 323,030	$	$ 668,116	$ 1,242,157	$	$ 7,633	$ 35,815	$ 2,276,751
of TDS prior to 6/22/13	Total	$ 761,907	$ 664,000	$ 2,455,066	$ 3,577,668		$ 10,689	$ 76,002	$ 7,545,332
Douglas D. Shuma									
(3)(6)(7)	2015	$ 417,000	$ 88,226	$ 193,091	$ 240,271	$ 227,974	$ 519	$ 66,258	$ 1,233,339
Senior Vice President	2014	$ 377,950	$ 92,230	$ 142,468	$ 220,031	$ 102,570	$ 475	$ 57,010	$ 992,734
Finance and Chief Accounting Officer of TDS (chief financial officer of TDS since 7/19/13 and chief accounting officer of TDS since 2007)	2013	$ 353,900	$ 88,900	$ 115,868	$ 208,853	$ 65,200	$ 386	$ 56,525	$ 889,632
Scott H. Williamson									
(4)(7)	2015	$ 645,000	$ 123,735	$ 452,102	$ 562,579	$ 320,565	$ 3,913	$ 81,527	$ 2,189,421
Senior Vice President	2014	$ 627,500	$ 162,004	$ 378,912	$ 606,114	$ 177,896	$ 4,230	$ 80,720	$ 2,037,376
Acquisitions and Corporate	2013	$ 627,500	$ 183,300	$ 402,960	$ 781,375	$ 128,400	$ 4,284	$ 78,729	$ 2,206,548

Development of TDS									
David A. Wittwer									
(5)(7)	2015	$ 608,000	$ 507,300	$ 745,908	$ 731,419	$	$ 19,331	$ 59,965	$ 2,671,923
President and CEO	2014	$ 587,000	$ 490,000	$ 729,673	$ 746,431	$	$ 14,402	$ 49,371	$ 2,616,877
of TDS Telecom	2013	$ 568,000	$ 464,500	$ 452,023	$ 769,109	$	$ 21,538	$ 47,108	$ 2,322,278

Explanation of Columns:

(a)

Pursuant to SEC rules, includes the following "named executive officers": all individuals serving as TDS' principal executive officer or acting in a similar capacity during the last completed fiscal year; all individuals serving as the principal financial officer or acting in a similar capacity during the last completed fiscal year; and the three most highly compensated executive officers other than the foregoing who were serving as executive officers at the end of the last completed fiscal year, including executive officers of subsidiaries. The determination as to which executive officers are most highly compensated is made by reference to total compensation for the last completed fiscal year as set forth in column (j), reduced by any amount in column (h).

(b)

For additional details relating to 2014, see the TDS proxy statement filed with the SEC on Schedule 14A on April 17, 2015. For additional details relating to 2013, see the TDS proxy statement filed with the SEC on Schedule 14A on April 18, 2014.

(c)

Represents the dollar value of base salary (cash and non-cash) earned by the named executive officer during the fiscal year, whether or not paid in such year. Only Kenneth R. Meyers deferred a portion of his 2015 base salary, all of which salary is included in column (c) whether or not deferred. Mr. Meyers deferred 11% of his 2015 salary to an interest-bearing account. The total amount of salary deferred in 2015 was $102,505. See "Information Regarding Nonqualified Deferred Compensation" below.

(d)

Represents the dollar value of bonus (cash and non-cash) earned by the named executive officer during the fiscal year, whether or not paid in such year.

LeRoy T. Carlson, Jr. deferred 15% of his 2014 bonus paid in 2015 into TDS phantom stock. Kenneth R. Meyers deferred 25% of his 2014 bonus paid in 2015 into U.S. Cellular phantom stock, and 10% of such bonus into an interest-bearing arrangement. In the case of the deferrals by Mr. Carlson, the amount deferred was deemed invested in phantom stock units in TDS Common Shares and in the case of Mr. Meyers, the amount deferred was deemed invested in phantom stock units in USM Common Shares. See "Information Regarding Nonqualified Deferred Compensation" below. The entire amount of bonus, including any amount deferred, is included in the Summary Compensation Table above.

The following is a summary of the amount of bonus for 2014 performance paid in 2015 and the amount deferred (shares with respect to Mr. Carlson are TDS Shares and shares with respect to Mr. Meyers are USM Shares):

	LeRoy T. Carlson, Jr.	***Kenneth R. Meyers***
Total 2014 Bonus Paid in 2015	$ 900,000	$ 743,000
Percentage Deferred to Interest Account		10%
Amount Deferred to Interest Account	$	$ 74,300
Percentage Deferred to Phantom Stock	15%	25%
Amount Deferred to Phantom Stock	$ 135,000	$ 185,750
Number of Underlying Shares	5,323	5,165
Company Match see Note (e) below	$ 33,750	$ 46,438
Number of Underlying Shares	1,331	1,291

The bonus was paid and the related phantom stock awards were granted in March 2015.

The foregoing dollar amounts of the Company Match awarded in 2015 are included in column (e), Stock Awards. See note (e) below.

LeRoy T. Carlson, Jr., deferred 15% of his 2015 bonus paid in 2016 into TDS phantom stock. Kenneth R. Meyers deferred 25% of his 2015 bonus paid in 2016 into U.S. Cellular phantom stock and 25% of such bonus into an interest-bearing arrangement.

This will be reflected in next year's proxy statement.

(e)

Represents the aggregate grant date fair value computed in accordance with FASB ASC 718, as reflected in the below table of "Grants of Plan-Based Awards." In the case of restricted stock units, in accordance with FASB ASC 718, such value is reduced by the estimated value of the discounted cash flows of dividends that would normally be received with respect to such shares (because restricted stock units do not receive credit for dividends prior to vesting). Assumptions made in the valuation of the stock awards in this column are described in Note 17 Stock-Based Compensation in TDS' financial statements for the year ended December 31, 2015 included in the accompanying Annual Report to Shareholders for the year ended December 31, 2015, which is also included as Exhibit 13 to the TDS Annual Report on Form 10-K for the year ended December 31, 2015.

Includes the aggregate grant date fair value computed in accordance with FASB ASC 718 relating to restricted stock units in TDS Common Shares under the TDS 2011 Long-Term Incentive Plan and/or relating to restricted stock units in USM Common Shares under the U.S. Cellular 2013 Long-Term Incentive Plan. See "Information Regarding Plan-Based Awards" below for vesting and other information.

Also, as noted in note (d) above, includes the aggregate grant date fair value computed in accordance with FASB ASC 718 relating to phantom stock bonus match units awarded to such officer in 2015 with respect to deferred bonus compensation. Vested TDS phantom stock units are credited with dividend equivalents. U.S. Cellular does not currently pay regular dividends. For information relating to U.S. Cellular, see U.S. Cellular's 2016 proxy statement.

As noted above, LeRoy T. Carlson, Jr. and Kenneth R. Meyers deferred part of their 2014 bonus which was paid in 2015 and Mr. Carlson received a stock unit match in phantom TDS Common Shares in 2015 and Mr. Meyers received a stock unit match in phantom USM Common Shares in 2015. Column (e) above includes the aggregate grant date fair value computed in accordance with FASB ASC 718 related to such awards in 2015. See "Information Regarding Nonqualified Deferred Compensation" below.

Pursuant to SEC rules and interpretations, column (e) includes the grant date value of stock awards even if the awards are subsequently forfeited.

(f)

Represents the aggregate grant date fair value computed in accordance with FASB ASC 718, as reflected in the below table of "Grants of Plan-Based Awards." The dates on which the options granted in 2015 become exercisable and expire are set forth below under "Grants of Plan-Based Awards." Assumptions made in the valuation of the option awards in this column are described in Note 17 Stock-Based Compensation, in TDS' financial statements for the year ended December 31, 2015 included in the accompanying Annual Report to Shareholders for the year ended December 31, 2015, which is also included as Exhibit 13 to the TDS Annual Report on Form 10-K for the year ended December 31, 2015.

Pursuant to SEC rules and interpretations, column (f) includes the grant date value of stock option awards even if the awards are subsequently forfeited.

(g)

Represents the portion of the bonus that represents non-equity incentive plan compensation pursuant to SEC rules. See the discussion under "Bonus" in the above Compensation Discussion and Analysis and in Note (7) below to the above Summary Compensation Table.

(h)

As required by SEC rules, column (h) includes the portion of interest that exceeded the amount calculated utilizing the AFR at the time the interest rate was set. Each of the named executive officers currently participates (or formerly participated) in a supplemental executive retirement plan or SERP. The interest rate under the SERP for 2015 was set as of the last trading date of 2014 at 3.8392% per annum, based on the yield on ten year BBB rated industrial bonds at such time. Such rate exceeded the AFR of 3.29% at such time. Accordingly, pursuant to SEC rules, column (h) of the Summary Compensation Table for 2015 includes the portion of such interest that exceeded that calculated utilizing the AFR at the time the interest rate was set. In addition, column (h) includes interest on any deferred salary or bonus that exceeded that calculated utilizing the AFR, as indicated in the below table. Interest on deferred salary or bonus is compounded monthly, computed at a rate equal to one-twelfth of the sum of the average thirty-year Treasury Bond rate for salary or bonus deferred as an employee of TDS, or the twenty-year Treasury Bond rate for salary or bonus deferred as an employee of U.S. Cellular, plus 1.25 percentage points.

	LeRoy T. Carlson, Jr.	*Kenneth R. Meyers*	*Douglas D. Shuma*	*Scott H. Williamson*	*David A. Wittwer*
Excess Earnings:					
SERP	$ 4,278	$ 4,504	$ 519	$ 3,913	$ 1,439
TDS Deferred Salary and Bonus		10,467			17,892
U.S. Cellular Deferred Salary and Bonus		1,940			
Total Excess Earnings	$ 4,278	$ 16,911	$ 519	$ 3,913	$ 19,331

Column (h) does not include any changes in pension values because TDS and U.S. Cellular do not have any defined benefit pension plans (including supplemental defined benefit pension plans). The named executive officers only participate in tax-qualified defined contribution plans and a non-qualified defined contribution plan which, under SEC rules, are not required to be reflected in column (h). Both the TDS Tax-Deferred Savings Plan (TDSP) and the TDS Pension Plan are tax-qualified defined contribution plans and the supplemental executive retirement plan (SERP) is a non-qualified defined contribution plan.

(i)

Does not include any discount amount under the TDS dividend reinvestment plans because such discounts are available generally to all security holders of TDS.

Does not include perquisites and other personal benefits, or property, unless the aggregate amount of such compensation is $10,000 or more. Perquisites do not include expenditures that are used exclusively for business purposes.

Includes the following: (1) if applicable, the total of perquisites and personal benefits if they equal or exceed $10,000, summarized by type, or specified for any perquisite or personal benefit that exceeds the greater of $25,000 or 10% of the total amount of perquisites and personal benefits for each officer, in each case, valued on the basis of the aggregate incremental cost of such perquisite or personal benefit to TDS, including any related tax gross up (if the total amount is less than $10,000, the following indicates "N/A") and (2) contributions by TDS for the benefit of the named executive officer under (a) the TDS Tax-Deferred Savings Plan, which is referred to as the TDSP, (b) the TDS Pension Plan and (c) the TDS supplemental executive retirement plan, which is referred to as the SERP:

	LeRoy T. Carlson, Jr.	*Kenneth R. Meyers*	*Douglas D. Shuma*	*Scott H. Williamson*	*David A. Wittwer*
Perquisites (if $10,000 or more):					
Corporate automobile allowance and related expenses	$ 17,414	$ 14,844	$ 16,223	$ 13,142	$
Travel allowance					10,500
Tax gross up relating to corporate automobile allowance and travel allowance	10,357	4,411	5,895	5,315	5,654
Total Perquisites if $10,000 or more	$ 27,771	$ 19,255	$ 22,118	$ 18,457	$ 16,154

Contributions to Benefit Plans					
TDSP	$ 10,070	$ 10,070	$ 10,070	$ 10,070	$ 10,070
Pension Plan		12,345	12,345	36,549	16,741
SERP		40,655	21,725	16,451	17,000
Total, including perquisites if $10,000 or more	$ 37,841	$ 82,325	$ 66,258	$ 81,527	$ 59,965

TDS and its subsidiaries do not provide any significant perquisites to their executive officers. Perquisites are valued based on the incremental cost to TDS. No amount is reported if the executive officer reimburses the cost to TDS. In 2015, perquisites primarily included an automobile allowance and related expenses to certain executive officers, and an allowance for travel, meals and accommodations for an executive officer and his spouse to attend company-sponsored awards banquets. Also, TDS and U.S. Cellular reimbursed the officers' additional taxes related to the automobile allowance and the travel allowance.

TDS and U.S. Cellular purchase tickets to various sporting, civic, cultural, charity and entertainment events. They use these tickets for business development, partnership building, charitable donations and community involvement. If not used for business purposes, they may make these tickets available to employees, including the named executive officers, as a form of recognition and reward for their efforts. Because such tickets have already been purchased, we do not believe that there is any aggregate incremental cost to TDS or U.S. Cellular if a named executive officer uses a ticket for personal purposes.

The TDSP and Pension Plan are tax-qualified defined contribution retirement plans that do not discriminate in scope, terms or operation in favor of executive officers and are available generally to all eligible employees of participating employers. TDS and its participating subsidiaries make annual employer contributions to the plans for each participant.

The SERP is a non-qualified defined contribution plan that is available only to board-approved officers. This plan provides supplemental benefits to the TDS Pension Plan to offset the reduction of benefits under the TDS Pension Plan caused by limitations under the Internal Revenue Code for tax qualified pension plans, including the limitation on annual employee compensation which can be considered. TDS and its participating subsidiaries make annual employer contributions for each participant.

(j)

Represents the dollar value of total compensation for the fiscal year based on the sum of all amounts reported in columns (c) through (i). See the above Compensation Discussion and Analysis for a discussion of the proportions of each of the compensation elements to total compensation.

Footnotes:

(1)

LeRoy T. Carlson, Jr., as President and CEO of TDS, is included in the above table as TDS' principal executive officer. He is also Chairman of U.S. Cellular and TDS Telecom. TDS does not have any employment, severance or similar agreement with LeRoy T. Carlson, Jr. Mr. Carlson is the son of Chairman

Emeritus, LeRoy T. Carlson, and the brother of non-executive Chairman of the Board and director, Walter C. D. Carlson, director, Letitia G. Carlson, M.D., and director, Prudence E. Carlson.

(2)

Until June 21, 2013, Kenneth R. Meyers was compensated by TDS as the Executive Vice President and CFO of TDS and, accordingly, his compensation during such time is included in the above table. In addition, effective June 22, 2013, Mr. Meyers was appointed President and CEO of U.S. Cellular. In such capacity, he is deemed to be an executive officer of TDS under SEC rules. On and after June 22, 2013, Mr. Meyers' compensation is paid by U.S. Cellular, which is a public company and an SEC registrant. On July 25, 2013, U.S. Cellular and Mr. Meyers entered into a letter agreement related to Mr. Meyers' employment as U.S. Cellular's President and CEO effective June 22, 2013 (the "Meyers Letter Agreement"). A copy of the Meyers Letter Agreement was attached as Exhibit 10.1 to U.S. Cellular's Current Report on Form 8-K dated July 25, 2013. The following is a brief description of the terms provided in the Meyers Letter Agreement that continue after 2013.

(i)

Annual Equity Awards: The Meyers Letter Agreement provides that the U.S. Cellular Chairman will recommend that the U.S. Cellular Long-Term Incentive Compensation Committee approve (and pursuant to such recommendation, the U.S. Cellular Long-Term Incentive Compensation Committee approved) the following terms with respect to annual equity awards granted to Mr. Meyers on or before June 22, 2019 (the "Pre-June 22, 2019 Annual Awards"). Provided that Mr. Meyers remains employed by U.S. Cellular through June 22, 2019 and satisfies the Equity Conditions, following his retirement any Pre-June 22, 2019 Annual Awards will continue to vest in accordance with their original vesting schedules through the third anniversary of his retirement (subject to accelerated vesting to the extent provided in the standard form of award agreement maintained by U.S. Cellular at the time of grant). In addition, provided that he remains employed by the company through June 22, 2019 and satisfies the Equity Conditions, he will be eligible to exercise options granted to him on or before June 22, 2019, to the extent vested, through the earlier of (i) the third anniversary of his retirement date and (ii) the tenth anniversary of the date the option was granted. For purposes hereof, the "Equity Conditions" are that Mr. Meyers terminates without cause, performs reasonably requested consulting services and does not compete with the company or misappropriate the company's confidential information through the earlier of (i) the third anniversary of his retirement date and (ii) the tenth anniversary of the date the award was granted.

(ii)

Retiree Medical and Life Insurance Benefits: Because the transfer of Mr. Meyers' employment from TDS to U.S. Cellular caused him to be ineligible for certain retiree medical and life insurance benefits that may have been available to him had he retired from TDS, U.S. Cellular agreed to make certain cash reimbursements or payments to Mr. Meyers following his retirement from U.S. Cellular pursuant to the terms and conditions specified in the Meyers Letter Agreement. The reimbursements related to retiree medical benefits will include a gross-up for additional taxes payable by Mr. Meyers as a result of such reimbursements.

(iii)

Severance: The Meyers Letter Agreement provides that, in the event that U.S. Cellular terminates Mr. Meyers' employment involuntarily without cause prior to June 22, 2019, U.S. Cellular shall pay him a severance amount equal to his then current annual base salary.

Further information about Mr. Meyers' compensation is included in the U.S. Cellular 2016 proxy statement.

(3)

Douglas D. Shuma is included in the above table because he is TDS' principal financial officer. Mr. Shuma was appointed Senior Vice President Finance and Chief Accounting Officer in March 2015. Prior to that, he was Senior Vice President and Controller of TDS since 2007. TDS does not have any employment, severance or similar agreement with Douglas D. Shuma.

(4)

Scott H. Williamson, Senior Vice President Acquisitions and Corporate Development of TDS, is one of the three most highly compensated executive officers other than the principal executive officer or principal financial officer of TDS who was serving as an executive officer at the end of the last completed fiscal year, including executive officers of subsidiaries. TDS does not have any employment, severance or similar agreement with Scott H. Williamson.

(5)

David A. Wittwer, President and CEO of TDS Telecom, is one of the three most highly compensated executive officers other than the principal executive officer or principal financial officer of TDS who was serving as an executive officer at the end of the last completed fiscal year, including executive officers of subsidiaries. TDS does not have any employment, severance or similar agreement with David A. Wittwer.

(6)

Each of LeRoy T. Carlson, Jr., Kenneth R. Meyers and Douglas D. Shuma is also an executive officer and director of U.S. Cellular. Effective June 22, 2013, Mr. Meyers was appointed President and CEO of U.S. Cellular. Prior to that date, he received his compensation from TDS as the Executive Vice President and CFO of TDS and did not receive any compensation directly from U.S. Cellular. After that date, Mr. Meyers received compensation directly from U.S. Cellular. Although Mr. Carlson, Chairman of U.S. Cellular, and Douglas D. Shuma, Chief Accounting Officer of U.S. Cellular, were officers of U.S. Cellular in 2015, they were compensated by TDS in connection with their services for TDS and TDS subsidiaries, including U.S. Cellular. A portion of their compensation expense incurred by TDS is allocated to U.S. Cellular by TDS, along with the allocation of other compensation expense and other expenses of TDS. This allocation by TDS to U.S. Cellular is done in the form of a single management fee pursuant to an Intercompany Agreement between TDS and U.S. Cellular. There is no identification or quantification of the compensation of such persons to U.S. Cellular, or of any other allocated expense in this management fee. The management fee is recorded as a single expense by U.S. Cellular, U.S. Cellular does not obtain details of the components that make up this fee and does not segregate this fee or allocate any part of the management fee to other accounts such as compensation expense. All of the compensation of LeRoy T. Carlson, Jr. and Douglas D. Shuma in 2015 was approved by the TDS Compensation Committee and none of it was subject to approval by any U.S. Cellular directors or officers. Accordingly, all of such compensation expense incurred by TDS is reported in the above table by TDS and is not reported by U.S. Cellular. U.S. Cellular discloses the amount of the management fee that it pays to TDS in its proxy statement together with a description of the Intercompany Agreement.

(7)

The following summarizes the bonus amounts in the 2015 row in the Summary Compensation Table for the named executive officers that were paid a bonus in 2016 for 2015 performance:

	LeRoy T. Carlson, Jr.	*Kenneth R. Meyers*	*Douglas D. Shuma*	*Scott H. Williamson*	*David A. Wittwer*
Bonus paid in 2016 for 2015 Performance	$ 1,400,000	$ 964,000	$ 316,200	$ 444,300	$ 507,300
Less amount reported as Non-Equity Incentive Plan Compensation			$ 227,974	$ 320,565	
Total Amount reported as Bonus for 2015	$ 1,400,000	$ 964,000	$ 88,226	$ 123,735	$ 507,300

Unlike the bonus program for other executive officers, which provides that a specified percentage of an officer's bonus will be determined based on company performance and on individual performance, the bonus guidelines for the President and CEO of TDS (LeRoy T. Carlson, Jr.), do not provide such specificity and provide that the entire amount of the bonus is discretionary. Accordingly, the entire amount of the bonus for LeRoy T. Carlson, Jr. is reported under the "Bonus" column of the Summary Compensation Table. This approach is also used for the bonuses paid to Kenneth R. Meyers and David A. Wittwer.

Information Regarding Plan-Based Awards

The following table shows, as to the executive officers who are named in the Summary Compensation Table, certain information regarding plan-based awards in 2015.

2015 Grants of Plan-Based Awards

Name (a)	Grant Date (b)	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards Threshold($) (c)	Target($) (d)	Maximum($) (e)	All Other Stock Awards: Number of Shares of Stock or Units (#) (i)	All Other Option Awards: Number of Securities Underlying Options (#) (j)	Exercise or Base Price of Option Awards ($/Sh) (k)	Grant Date Fair Value of Stock and Option Awards (l)
LeRoy T. Carlson, Jr.								
Awards in TDS Shares(2)								
TDS Restricted Stock Units	5/11/15				51,761			$ 1,429,432
TDS Phantom Stock Match Units for 2014 Bonus paid in 2015(4)	3/13/15				1,331			$ 33,750
Total Grant Date Value of Stock Awards					53,092			$ 1,463,182
TDS Options	5/11/15							