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

# FORM 4

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

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

| | |
|---|---|
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *
JACK D MICHAEL

(Last) (First) (Middle)

8401 GREENWAY BVD.

(Street)

MIDDLETON, WI 53562

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
TELEPHONE & DATA SYSTEMS INC /DE/ [TDS]

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

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Sr. VP - Corp. Controller

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1.Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Shares | 06/26/2007 | | M | | 7,040 | A | (2) | 7,220 | D | |
| Special Common shares | 06/26/2007 | | M | | 7,040 | A | (2) | 7,220 | D | |
| Special Common shares | 06/26/2007 | | M | | 22,288 | A | $ 40.95 | 29,508 | D | |
| Common Shares | 06/26/2007 | | S | | 7,040 | D | $ 61.8643 (4) | 180 | D | |

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

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

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SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**
**(*e.g.*, puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Option (Right to Buy) | $ 117.51 | 06/26/2007 | | M | | | 7,040 | (3) | 09/16/2010 | Tandem Common Shares and special common shares | 7,040 |
| Option (right to buy) | $ 40.95 | 06/26/2007 | | M | | | 22,288 | 12/15/2006 | 10/10/2016 | Tandem Common Shares and special common shares | 22,288 |

# Reporting Owners

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

# Signatures

| | |
|---|---|
| Julie D. Mathews, by power of atty | 06/27/2007 |
| **Signature of Reporting Person | Date |

# Explanation of Responses:

***** If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

****** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

**(1)** Granted under the 2004 Long-Term Incentive Plan.

**(2)** As a result of the special common dividend on 5/13/05, all options to purchase common shares were adjusted into tandem options. The tandem option provide that upon exercise, the optionee purchases the number of common shares originally subject to the option plus an equal number of special common shares.

**(3)** The option was exercisable with respect to 1760 common shares on Dec. 15 of each year 2001-2004.

**(4)** Average price

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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