

TELEPHONE & DATA SYSTEMS INC /DE/
 Form 5
 January 26, 2009

FORM 5

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).
 Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

1. Name and Address of Reporting Person *
 MEYERS KENNETH R

(Last) (First) (Middle)

TDS, 30 N. LASALLE ST. STE. 4000

(Street)

CHICAGO, IL 60602

(City) (State) (Zip)

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

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
 12/31/2008

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
 Executive Vice President & CFO

6. Individual or Joint/Group Reporting

(check applicable line)

Form Filed by One Reporting Person
 Form Filed by More than One Reporting Person

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

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | (A) or (D) | Price | 5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|------------|--------|--|--|---|
| Common Shares | 12/31/2008 | ^ | J(2) | 305.02 | A | \$ (2) | 1,658.77 | I | By 401K plan |
| Special Common Shares | 12/31/2008 | ^ | J(2) | 28.45 | A | \$ (2) | 827.07 | I | By 401k plan |
| Common Shares | ^ | ^ | ^ | ^ | ^ | ^ | 841.3111 | D | ^ |

| | | | | | | | | | |
|-----------------------------|------------|---|------------------|----------|---|--------------|------------|---|---------|
| Special Common Shares | 03/31/2008 | Â | J ⁽³⁾ | 670.2413 | A | \$ 31.705 | 1,590.4466 | D | Â |
| Common Shares | Â | Â | Â | Â | Â | Â | 500 | I | By Wife |
| Special Common Shares | Â | Â | Â | Â | Â | Â | 500 | I | By Wife |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

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

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title Underlying Instrument (Instr. 3) |
|--|--|--------------------------------------|--|--------------------------------|---|----------|--|------------------|---|
| | | | | | (A) | (D) | Date Exercisable | Expiration Date | Title |
| Option (Right to buy) | \$ 59.45 | Â | Â | Â | Â | Â | 12/15/2007 | 07/02/2017 | Spec Com Shar |
| Option (Right to buy) | \$ 35.35 | Â | Â | Â | Â | Â | Â ⁽⁴⁾ | 08/26/2018 | Spec Com Shar |
| Restricted Stock Units | Â | Â | Â | Â | Â | Â | 12/15/2009 | Â ⁽¹⁾ | Spec Com Shar |
| Restricted Stock Units | Â | Â | Â | Â | Â | Â | 12/15/2010 | Â ⁽⁵⁾ | Spec Com Shar |
| Option (right to buy) | \$ 31.705 | 03/31/2008 | Â | J ⁽³⁾ | Â | 670.2413 | 03/31/2008 | 03/31/2008 | Spec Com Shar |
| Deferred Compensation | Â | 12/31/2008 | Â | J ⁽⁶⁾ | 33.642 | Â | Â ⁽⁶⁾ | Â ⁽⁶⁾ | Spec Com Shar |

Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

Director 10% Owner Officer

Other

MEYERS KENNETH R

TDS

30 N. LASALLE ST. STE. 4000
CHICAGO, IL 60602

Â X

Â

Â Executive Vice President & CFO Â

Signatures

Julie D. Mathews, by power
of atty

01/26/2009

__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) Restricted stock unit award pursuant to the Long Term Incentive Plan. Stock units will become vested on December 15, 2009.
- (2) Voluntary reporting of shares acquired in 2008 in the TDS 401K. The information is based on a plan statement dated 12/31/08. The number of shares fluctuates and is attributable to the price of the shares on 12/31/08.
- (3) Disposition of option and acquisition of stock under the Telephone and Data Systems, Inc. Employee Stock Purchase Plan.
- (4) Granted under the 2004 Long-term Incentive Plan. Options vest over a 3 year period with one-third of the number of shares becoming exercisable on Aug. 26, 2009, one-third becoming exercisable on Aug. 26, 2010 and one-third becoming exercisable on Aug. 26, 2011.
- (5) Restricted stock unit award pursuant to the Long Term Incentive Plan. Stock units will become vested on December 15, 2010.
- (6) Reporting person deferred 2007 bonus pursuant to the 1998 Long Term Incentive Plan - bonus deferral totalled 2305.699 units and company match totalled 576.424 units. The employer match vests ratably 33%, 33% and 34% per year over a 3 year period (12/31/08 - 12/31/10). As of 12/31/08, a total of 2,529.561 shares are vested.

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.