Hanley Joseph R Form 4 May 18, 2012

FORM 4

OMB APPROVAL

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

OMB 3235-0287 Number:

if no longer subject to Section 16. Form 4 or

Check this box

January 31, Expires: 2005

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

Estimated average burden hours per response... 0.5

Form 5 obligations may continue. See Instruction

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(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *

2. Issuer Name and Ticker or Trading

Issuer

below)

Hanley Joseph R

Symbol **TELEPHONE & DATA SYSTEMS** INC /DE/ [TDS]

(Check all applicable)

5. Relationship of Reporting Person(s) to

(Last) (First) (Middle)

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

Director 10% Owner X_ Officer (give title Other (specify

30 N. LASALLE ST., STE. 4000

05/16/2012

below) Sr VP Tech., Services Strategy

6. Individual or Joint/Group Filing(Check

(Street) 4. If Amendment, Date Original

Applicable Line)

Filed(Month/Day/Year)

X Form filed by One Reporting Person Form filed by More than One Reporting

(Instr. 4)

Person

CHICAGO, IL 60602

(City) (State) (Zip)

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

1. Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year) Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D)

(Instr. 3, 4 and 5)

5. Amount of Securities Beneficially Owned

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (T)

(Instr. 4)

(A)

(Instr. 8)

Following Reported Transaction(s)

(Instr. 3 and 4)

Code V Amount (D) Price

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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

1. Title of Derivative Security

Conversion or Exercise

3. Transaction Date 3A. Deemed (Month/Day/Year)

Execution Date, if any

4. 5. Number of **Transaction**Derivative Code Securities

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Amount of **Underlying Securities** (Instr. 3 and 4)

Edgar Filing: Hanley Joseph R - Form 4

(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8	, c (Acquired or Dispose D) Instr. 3, 4 and 5)	ed of				
				Code V	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option (Right to Buy)	\$ 20.79	05/16/2012		A	,	34,200		(2)	05/16/2022	Common Shares	34,200
Restricted Stock Units	(1)	05/16/2012		A		4,600		12/01/2014	<u>(1)</u>	Common Shares	4,600

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Hanley Joseph R 30 N. LASALLE ST., STE. 4000 CHICAGO, IL 60602

Sr VP Tech., Services Strategy

Signatures

Julie D. Mathews, by power of atty

05/18/2012

**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 1, 2014.
- (2) Granted under the 2011 Long-Term Incentive Plan. Options vest over a 3 year period with one-third of the number of shares becoming exercisable on the first annual anniversary, one-third on the second annual anniversary and one-third on the third annual anniversary.

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

Reporting Owners 2