

HERBERT C THEODORE
Form 4
December 14, 2006

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
HERBERT C THEODORE

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

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
30 N. LASALLE ST., STE. 4000
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
12/12/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
VP Human Resources

CHICAGO, IL 60451

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

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

(City) (State) (Zip)

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 Ownership (Instr. 4)
				(A) or (D) Code V Amount Price			
Common Shares	12/12/2006		F ⁽¹⁾	D 2,352 \$ 53.88	18,191	D	
Common Shares	12/12/2006		M ⁽²⁾	A 2,663 2	18,191	D	
Special Common Shares	12/12/2006		M ⁽²⁾	A 2,663 2	27,124	D	
Special Common Shares	12/12/2006		F ⁽³⁾	D 883 \$ 49.85	27,124	D	

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to the option plus an equal number of special common. The exercise price of the tandem option is \$47.60.

- (3) Delivery of special common shares as settlement for taxes due in connection with the exercise of Employee Stock Options acquired under the Telephone and Data Systems, Inc. Long Term Incentive Plan.

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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