

TELEPHONE & DATA SYSTEMS INC /DE/
Form 5
January 25, 2006

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 *
BARR JAMES III

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)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
12/31/2005

Director 10% Owner
 Officer (give title below) Other (specify below)
President of a subsidiary

535 JUNCTION ROAD

(Street)

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

6. Individual or Joint/Group Reporting

(check applicable line)

MADISON, WI 53717

(City) (State) (Zip)

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 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)
				(A) or (D)	Price		
Common Shares	12/31/2005	Â	J ⁽⁹⁾	230.9546 A	\$ 30.6255	5,116.9 D	Â
Common Shares	12/31/2005	Â	J ⁽¹⁾	45 A	\$ ⁽¹⁾	5,116.9 D	Â
Special Common Shares	05/13/2005	Â	J ⁽⁵⁾	4,851.7 A	\$ ⁽⁵⁾	4,887.8 D	Â
	12/31/2005	Â	J ⁽¹⁾	36.2 A	\$ ⁽¹⁾	4,887.8 D	Â

Special
Common
Shares

Common Shares	12/31/2005	Â	J ⁽²⁾	2.03	A	\$ ⁽²⁾	656.88	I	By 401K plan
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Special
Common
Shares ⁽⁵⁾

12/31/2005	Â	J ⁽²⁾⁽⁵⁾	659.56	A	\$ ⁽²⁾	659.56	I	By 401K Plan
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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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 and Underlying (Instr. 3 and 4)
					(A)	(D)	Date Exercisable	Expiration Date	
Option (Right to buy) ⁽⁵⁾ ⁽⁶⁾	\$ 104	05/13/2005	Â	J ⁽⁵⁾⁽⁶⁾	30,400	Â	Â ⁽³⁾	03/10/2010	Tandem Common and Special Common Shares ⁽⁶⁾
Option (Right to buy) ⁽⁵⁾ ⁽⁶⁾	\$ 99.44	05/13/2005	Â	J ⁽⁵⁾⁽⁶⁾	6,785	Â	12/15/2001	04/30/2011	Tandem Common and Special Common Shares ⁽⁶⁾
Option (Right to buy) ⁽⁵⁾ ⁽⁶⁾	\$ 66	05/13/2005	Â	J ⁽⁵⁾⁽⁶⁾	13,905	Â	04/30/2005	05/08/2014	Tandem Common and Special Common Shares ⁽⁶⁾
Option (Right to buy) ⁽⁵⁾ ⁽⁶⁾	\$ 77.36	05/13/2005	Â	J ⁽⁵⁾⁽⁶⁾	47,493	Â	12/15/2005	04/20/2015	Tandem Common and Special Common

Restricted Stock Units ⁽⁵⁾ ⁽⁸⁾	Â	05/13/2005	Â	J ⁽⁵⁾⁽⁸⁾	7,981	Â	12/15/2007	Â ⁽⁷⁾	Shares ⁽⁶⁾ Tandem Common and Special Common Shares ⁽⁸⁾
Option (Right to buy)	\$ 30.6255	12/31/2005	Â	J ⁽⁹⁾	Â	230.9546	12/31/2005	12/31/2005	Common Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BARR JAMES III 535 JUNCTION ROAD MADISON, WI 53717	Â X	Â	Â President of a subsidiary	Â

Signatures

Julie D. Mathews, by power of atty 01/24/2006

^{**}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) Voluntary acquisition of shares through the dividend reinvestment plan in 2005.
- (2) Voluntary reporting of 2005 share activity in the TDS 401K plan. The information is based on a plan statement dated 12/31/05. The number of shares fluctuates and is attributable to the price of the shares on 12/31/05.
- (3) Granted under the TDS 1998 Long Term Incentive Plan. The option was exercisable with respect to 6,080 common shares on 12/15/00, 12/15/01, 12/15/02, 12/15/03 and 12/15/04 for a total of 30,400 common shares.
- (4) Granted under the TDS Long Term Incentive Plan.
- (5) On May 13 TDS authorized a special common dividend to holders of common shares in which one special common share was distributed to all shareholders making this acquisition exempt from Section 16a-9(a).
Common shares were granted without consideration under the long-term incentive plan. As a result of the special common dividend, all options to purchase common shares as of May 13 under the long term incentive plan, whether vested or unvested, were adjusted into tandem options. The tandem option provides that upon exercise, the optionee purchases the number of common shares originally subject to the option plus an equal number of special common shares.
- (6) Restricted stock unit award pursuant to the 2004 Long-Term Incentive Plan. Stock units will become vested on December 15, 2007.
Restricted stock units for common shares were granted without consideration under the long term incentive plan. As a result of the special common stock dividend, all restricted stock units as of May 13 that are to be settled in common shares, whether vested or unvested, were adjusted to provide that such award will be settled in the number of common shares originally subject to the award plus an equal number of special common shares.
- (7) Disposition of option and acquisition of shares under the TDS Employee Stock Purchase Plan.

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

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