TELEPHONE & DATA SYSTEMS INC /DE/
Form 11-K
May 24, 2018

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

FORM 11-K

(Mark one)

[x] ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2017

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-14157 (Telephone and Data Systems, Inc.)

001-09712
(United
States
Cellular
Corporation)

A. Full title of the plan and the address of the plan, if different from that of the issuer names below:

Telephone and Data Systems, Inc.
Tax-Deferred Savings Plan
30 North LaSalle Street
Suite 4000
Chicago, IL 60602

B. Name of issuers of the securities held pursuant to the plan and the addresses of the principal executive office:

Telephone and Data Systems, Inc.
30 North LaSalle Street
Suite 4000
Chicago, IL 60602

United States Cellular Corporation
8410 West Bryn Mawr Ave.
Chicago, IL 60631

Telephone and Data Systems, Inc. Tax–Deferred Savings Plan Financial Report December 31, 2017

Table of Contents

Report of Independent Registered Public Accounting Firm	1
Financial Statements	
Statements of Net Assets Available for Benefits	2
Statement of Changes in Net Assets Available for Benefits	3
Notes to Financial Statements	4
Supplemental Information	
Schedule of Assets (Held at End of Year)	10
Exhibits	11

No.	Description
23.1	Consent of Independent Registered Public Accounting Firm

RSM US LLP

Report of Independent Registered Public Accounting Firm

To the Investment Management Committee

Telephone and Data Systems, Inc. Tax-Deferred Savings Plan

Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for benefits of Telephone and Data Systems, Inc. Tax-Deferred Savings Plan (the Plan) as of December 31, 2017 and 2016, the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes to the financial statements (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2017 and 2016, and the changes in net assets available for benefits for the year ended December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on the Plan's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to

the Plan in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Report on Supplemental Information

The supplemental information in the accompanying schedule of Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2017, has been subjected to audit procedures performed in conjunction with the audit of the Plan’s financial statements. The supplemental information is presented for the purpose of additional analysis and is not a required part of the financial statements but includes supplemental information required by the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental information is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information in the accompanying schedule, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information in the accompanying schedule is fairly stated in all material respects in relation to the financial statements as a whole.

We have served as the Plan's auditor since 2006.

Indianapolis, Indiana

May 23, 2018

1

Telephone and Data Systems, Inc.
Tax-Deferred Savings Plan

Statements of Net Assets Available for Benefits
December 31, 2017 and 2016

	2017	2016
Assets		
Investments, at fair value	$1,031,791,112	$871,183,538
Receivables:		
Accrued income	129,058	120,193
Contributions in transit and other	2,746,244	2,660,809
Notes receivable from participants	13,906,185	13,867,847
Due from broker for securities sold	–	241,787
Total receivables	16,781,487	16,890,636
Total assets	1,048,572,599	888,074,174
Liabilities		
Distributions in transit and other	263,258	262,399
Net assets available for benefits	$1,048,309,341	$887,811,775

See Notes to Financial Statements.

Telephone and Data Systems, Inc.
Tax-Deferred Savings Plan

Statement of Changes in Net Assets
Available for Benefits
Year Ended December 31, 2017

Additions to plan assets attributed to	
Investment income:	
Interest and dividends	$11,931,090
Net appreciation in fair value of investments	136,326,876
Total investment income	148,257,966
Interest income on notes receivable from participants	601,209
Contributions:	
Participant	58,553,366
Participant rollover	4,804,062
Employer	24,376,903
Total contributions	87,734,331
Total additions	236,593,506
Deductions from plan assets attributed to	
Benefits paid to participants	74,705,921
Administrative expenses	1,390,019
Total deductions	76,095,940
Net increase	160,497,566
Net assets available for benefits:	

Beginning of year	887,811,775
End of year	$1,048,309,341

See Notes to Financial Statements.

Telephone and Data Systems, Inc.

Tax-Deferred Savings Plan

December 31, 2017 and 2016

Notes to Financial Statements

Note 1 DESCRIPTION OF THE PLAN

The following description of the Telephone and Data Systems, Inc. Tax-Deferred Savings Plan (the Plan) provides only general information. Participants should refer to the Telephone and Data Systems, Inc. Tax-Deferred Savings Plan official plan document or summary plan description for a more complete description of the Plan's provisions.

General

The Plan is a contributory tax-qualified profit sharing plan established by Telephone and Data Systems, Inc. (TDS or the Company) and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Company is the administrator and sponsor of the Plan and The Northern Trust Company (Northern Trust) is the directed trustee and asset custodian of the Plan. Northern Trust also provides record keeping and reporting services to the Plan in conjunction with Alight Solutions (Alight), formerly known as Aon Hewitt, the Plan's third party administrator. All employees of TDS and its subsidiaries which have adopted the Plan (the Company and such subsidiaries being referred to as “employers”) whom are age twenty-one or older generally are eligible to participate. The Plan allows eligible employees to enter the Plan upon the latter of 30 days of continuous service with the employers or their twenty-first birthday. Participation in the Plan is voluntary, however, any eligible employee who does not enroll on his or her own, or opt out of automatic enrollment, will be automatically enrolled in the Plan starting on his or her eligibility date (or as soon as practicable thereafter).

The Plan's assets are overseen by the Investment Management Committee. The Investment Management Committee is authorized to select investment options and to invest Plan assets as directed by the participants (or in the absence of such a direction, as determined by the Investment Management Committee).

Contributions

Participants may contribute to the Plan on a pre-tax basis (before-tax contributions) or on a designated Roth basis (after-tax contributions). The combined pre-tax and designated Roth contributions may not exceed 60% of the Participant’s compensation, as defined in the Plan and in accordance with Internal Revenue Code (IRC) limits. Participants may also contribute amounts representing eligible distributions from other qualified plans or individual retirement accounts (rollover contributions).

Newly eligible employees with 30 days of continuous service are automatically enrolled in the Plan on a pre-tax basis at a 6% deferral rate with the rate increasing by 1% annually until it reaches 10%, unless the employees elect otherwise. The Vanguard Target Date Retirement Funds are used as the Qualified Default Investment Alternative for automatic enrollment.

The employer matching contribution is 100% of the first 3% of a participant’s before-tax and designated Roth contributions and 40% on the next 2% of before-tax and designated Roth contributions.

Participants' Accounts and Investment Options

Each participant's account is credited with the participant's before-tax and designated Roth contributions, rollover contributions, employer matching contributions and investment income or loss and fees. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Contributions are invested in accordance with the employee’s investment elections. Participants may invest their accounts in a variety of investment options as more fully described in the Plan's literature. Participants may change their investment elections via telephone or internet. Additionally, participants can direct no more than 20% of their contributions into the TDS Common Stock Fund and the U.S. Cellular Common Stock Fund, on a combined basis.

Vesting

Participants are always 100% vested in their before-tax, designated Roth and rollover contributions plus actual earnings thereon. Vesting in employer matching contributions plus actual earnings thereon is based on years of vesting service. Employer matching contributions vest 34% after the participant completes one year of vesting service; and 100% after the participant completes two years of vesting service.

A participant also becomes 100% vested in employer matching contributions plus actual earnings thereon upon termination of employment after attaining age 65 or due to death or total and permanent disability (as defined in the Plan).

Forfeited Accounts

For the year ended December 31, 2017, forfeited non-vested accounts used to reduce employer contributions were $642,611.

Telephone and Data Systems, Inc.

Tax-Deferred Savings Plan

December 31, 2017 and 2016

Notes to Financial Statements

Payment of Benefits

Vested benefits may be paid to the participant upon termination of employment in the form of a lump sum payment, partial distribution (of not less than $500) or installments. Alternatively, a terminated participant may rollover the eligible portion of his or her vested benefits to an eligible retirement plan or individual retirement account. Participants experiencing a qualified financial hardship, on a qualified military leave or who have attained age 59½ may withdraw a portion of their vested account balance as defined in the Plan while employed by the Company.

Notes Receivable from Participants

Participants may borrow from their Plan accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their account balance (excluding employer matching contributions and related earnings). These notes are secured by the remaining balance in the participant's account. The notes bear interest at the prime rate plus 1% as published in the Wall Street Journal on the fifteenth day of the month prior to the quarter in which the note is processed. Principal and interest are generally paid ratably through after-tax payroll deductions. The repayment period on the note generally ranges from one to five years. Notes are considered delinquent if no note payment is received during two consecutive pay periods. If the delinquency is not cured, the loan will be considered in default and taxation will occur.

Termination of Plan

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan at any time subject to the provisions of ERISA. In the event of Plan termination, participants become 100% vested in their accounts.

Plan Expenses

Certain administrative, recordkeeping and Trustee fees are paid by Plan participants. Auditing and investment consulting fees are paid by TDS. Investment option expenses and loan origination fees are paid by Plan participants. Plan participants also pay participant-initiated transaction fees (distribution, withdrawal, Qualified Domestic Relations Order, etc.).

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS

Basis of Accounting and Use of Estimates

The accompanying financial statements have been prepared on the accrual basis of accounting. The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires the Plan's management to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from these estimates and assumptions. Certain prior year amounts have been reclassified to conform to the 2017 presentation with no change to the net assets available for plan benefits.

Investment Valuation and Income Recognition

Investments are reported at fair value. See Note 3 – Fair Value Measurements for further information on the fair value of the Plan’s assets. The Plan’s Investment Management Committee determines the Plan’s valuation policies utilizing information provided by the investment advisers and custodians.

Net appreciation in fair value of investments included in the accompanying Statement of Changes in Net Assets Available for Benefits includes realized gains or losses from the sale of investments and unrealized appreciation or depreciation in the fair value of investments. The net realized gains or losses on the sale of investments represent the difference between the sale proceeds and the fair value of the investment as of the beginning of the period or the cost of the investment if purchased during the year. Net unrealized appreciation or depreciation in the fair value of investments represents the net change in the fair value of the investments held during the period.

Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis, and dividends are recorded on the ex-dividend date.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Delinquent participant notes are reclassified as distributions in accordance with the terms of the Plan document. Notes receivable from participants have been classified as an investment asset for Form 5500 reporting purposes and, accordingly, have been included as an investment in the supplemental schedule, Schedule H, Line 4i – Schedule of Assets (Held at End of Year).

Telephone and Data Systems, Inc.

Tax-Deferred Savings Plan

December 31, 2017 and 2016

Notes to Financial Statements

Payment of Benefits

Benefit payments are recorded when paid.

Accounting for Uncertainty in Income Taxes

Management evaluated the Plan's tax positions and concluded that the Plan had maintained its tax-exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements at December 31, 2017 or 2016. With few exceptions, the Plan is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for years before 2014.

Investment Risk

Investments, in general, are subject to various risks, including credit, interest, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in values of investment securities will occur in the near term, and such changes could materially affect participants' account balances and the amounts reported in the December 31, 2017 Statement of Net Assets Available for Benefits.

Note 3 FAIR VALUE MEASUREMENTS

Fair value is a market based measurement and not an entity specific measurement, based on an exchange transaction in which the entity sells an asset or transfers a liability (exit price) in an orderly transaction between market participants. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. U.S. GAAP establishes a fair value hierarchy that contains three levels for inputs used in fair value measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described below:

Level 1 - Quoted market prices for identical assets or liabilities in active markets;

Level 2 - Quoted market prices for similar assets and liabilities in active markets or quoted market prices for identical assets and liabilities in inactive markets;

Level 3 - Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. A financial instrument's level within the fair value hierarchy is not representative of its expected performance or its overall risk profile, and therefore Level 3 assets are not necessarily higher risk than Level 2 assets or Level 1 assets. At December 31, 2017 and 2016, the Plan held no Level 2 or Level 3 assets. The following is a description of the valuation methodologies used for instruments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy.

The Plan values shares of TDS Common Stock and Common Stock of United States Cellular Corporation (U.S. Cellular), a TDS subsidiary, based on the closing price reported on the active market in which the securities are traded. These securities are classified as Common Stock of the Plan Sponsor and Subsidiary. The Plan also values Mutual Funds based on the closing price reported on the active market in which the individual securities are traded. Common Stock of the Plan Sponsor and Subsidiary and Mutual Funds are classified within Level 1 of the valuation hierarchy.

Telephone and Data Systems, Inc.

Tax-Deferred Savings Plan

December 31, 2017 and 2016

Notes to Financial Statements

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value at December 31, 2017 and 2016, respectively.

December 31, 2017	Level 1	Total
Mutual Funds	$556,217,255	$556,217,255
Common Stock of Plan Sponsor and Subsidiary	25,271,862	25,271,862
Total investments in the fair value hierarchy	$581,489,117	$581,489,117
Bank common trusts measured at net asset value		
Target Retirement(1) (2)		300,658,324
Bond(1) (3)		71,361,619
Investment contracts(1) (4)		78,282,052
Total investments at fair value		$1,031,791,112

December 31, 2016	Level 1	Total
Mutual Funds	$451,689,371	$451,689,371
Common Stock of Plan Sponsor and Subsidiary	30,123,200	30,123,200
Total investments in the fair value hierarchy	$481,812,571	$481,812,571
Bank common trusts measured at net asset value		
Target Retirement(1) (2)		235,359,445
Bond(1) (3)		70,630,328
Investment contracts(1) (4)		83,381,194
Total investments at fair value		$871,183,538

1 Certain investments that are measured at fair value using the net asset value (NAV per share or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

2 The Vanguard Target Retirement Trusts invest mainly in mutual funds with the remainder invested in money market funds. The fair value of these trusts is calculated using the market approach which values the underlying investments of the trust based on observable market prices. These trusts are measured at fair value based on the NAV per share.

3

The BlackRock Intermediate Government/Credit Bond Index Fund F (BlackRock Bond Fund) is a bank maintained collective investment fund that invests in bond index funds and other short-term investments. The fair value is calculated using the market approach which values the underlying investments in the fund using observable inputs for similar assets. The BlackRock Bond Fund is measured at fair value based on the NAV per share.

4 The Vanguard Retirement Savings Trust II is a collective trust that invests in the Vanguard Retirement Savings Master Trust, which invests in traditional and synthetic investment contracts backed by investments issued by insurance companies and banks. The fair value is determined based on the underlying investments of the common trust as traded in active markets or valued using significant observable inputs. The NAV for the investment contracts is $1 per share.

7

Telephone and Data Systems, Inc.

Tax-Deferred Savings Plan

December 31, 2017 and 2016

Notes to Financial Statements

The tables below summarize the Plan's investments that are measured at fair value based on the NAV per share at December 31, 2017 and 2016, respectively.

December 31, 2017	Fair Value	Unfunded Commitments	Participant Redemption Frequency	Redemption Notice Period (1)
Bank common trusts				
Target retirement	$300,658,324	$–	Daily	One month
Bond	71,361,619	–	Daily	One month
Investment contracts	78,282,052	–	Daily	Twelve months

December 31, 2016	Fair Value	Unfunded Commitments	Participant Redemption Frequency	Redemption Notice Period (1)
Bank common trusts				
Target retirement	$235,359,445	$–	Daily	One month
Bond	70,630,328	–	Daily	One month
Investment contracts	83,381,194	–	Daily	Twelve months

1 There are no participant redemption restrictions for these investments. The redemption notice period is applicable only to the Plan.

Note 4 PARTIES-IN-INTEREST

Certain Plan assets are invested in the Northern Institutional Funds U.S. Government Select Portfolio. Northern Trust is the directed trustee of the Plan and, therefore, these transactions qualify as party-in-interest transactions. Alight provides certain reporting and administrative services to the Plan and is the third party administrator of the Plan, therefore, these transactions qualify as party-in-interest transactions. The total cost of administrative charges to the Plan by Northern Trust and Alight was $1,383,596 for the year ended December 31, 2017.

Notes receivable from participants also qualify as party-in-interest transactions.

The Plan invests in common stock of U.S. Cellular and TDS. Transactions in shares of U.S. Cellular and TDS common stock qualify as party-in-interest transactions under the provisions of ERISA. During the year ended December 31, 2017, the Plan made participant-directed purchases of $2,180,425 and sales of $4,487,516 of TDS and U.S. Cellular common stock on an aggregate basis.

Note 5 TAX STATUS

The Plan obtained its latest determination letter on February 25, 2015 in which the Internal Revenue Service stated that the Plan, as designed, complied with the applicable requirements of the IRC, and the related trust was exempt from taxation. The Plan has been amended since the receipt of the determination letter. The Plan Administrator believes that the Plan is designed and being operated in material compliance with the applicable requirements of the IRC. Therefore, the Plan Administrator believes that the Plan was qualified and the related trust was tax-exempt at December 31, 2017.

Telephone and Data Systems, Inc.

Tax-Deferred Savings Plan

December 31, 2017 and 2016

Notes to Financial Statements

Note 6 RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

A reconciliation between the financial statements and Form 5500 at December 31, 2017 and 2016 is as follows:

	2017	2016
Total net assets per Form 5500, Schedule H	$1,048,281,472	$888,490,488
Investment in common/collective trusts	–	(700,354)
Deemed distributions of notes receivable from participants	27,869	21,641
Net Assets Available for Benefits Per Financial Statements	$1,048,309,341	$887,811,775

Change in net assets per Form 5500, Schedule H	$159,790,984
Investment income	700,354

Change in deemed distributions of notes receivable from participants	6,228
Changes in Net Assets Available for Benefits Per Financial Statements	$160,497,566

Note 7 SUBSEQUENT EVENTS

The Plan’s management evaluated subsequent events from December 31, 2017 through May 23, 2018, the date and time these financial statements were issued. There have been no significant subsequent events during this period that require adjustments to or disclosure in the financial statements as of December 31, 2017 and for the year then ended.

Telephone and Data Systems, Inc.
Tax-Deferred Savings Plan

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
Plan 003 EIN 36-2669023
December 31, 2017

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
	Bank Common Trusts			
	Vanguard Retirement Savings Trust II	78,282,052 Shares	**	$78,282,052
	Vanguard Target Retirement Income Trust II	218,075 Shares	**	7,407,992
	Vanguard Target 2015 Retirement Trust II	249,287 Shares	**	8,086,855
	Vanguard Target 2020 Retirement Trust II	781,251 Shares	**	25,718,794
	Vanguard Target 2025 Retirement Trust II	1,089,551 Shares	**	35,846,235
	Vanguard Target 2030 Retirement Trust II	1,140,189 Shares	**	37,249,969
	Vanguard Target 2035 Retirement Trust II	1,304,001 Shares	**	43,266,752
	Vanguard Target 2040 Retirement Trust II	1,221,654 Shares	**	41,841,634
	Vanguard Target 2045 Retirement Trust II	1,231,736 Shares	**	42,445,624
		1,131,357 Shares	**	39,156,273

	Vanguard Target 2050 Retirement Trust II				
	Vanguard Target 2055 Retirement Trust II	414,333	Shares	**	19,208,486
	Vanguard Target 2060 Retirement Trust II	11,757	Shares	**	429,710
	BlackRock Intermediate Government/Credit Bond Index Fund F	2,677,152	Shares	**	71,361,619
	Common Stock of Plan Sponsor and Subsidiary				
*	Telephone and Data Systems, Inc.	485,235	Shares	**	13,489,533
*	United States Cellular Corporation	313,110	Shares	**	11,782,329
	Mutual Funds				
	Vanguard Institutional Index Fund	556,703	Shares	**	135,534,862
	Vanguard Small Cap Value Index Fund	1,724,283	Shares	**	54,952,915
	Vanguard Value Index Fund	1,770,919	Shares	**	73,333,741
	Vanguard Small Cap Growth Index Fund	1,253,721	Shares	**	56,781,015
	Vanguard Growth Index Fund	1,689,989	Shares	**	122,270,669
	Vanguard Total International Stock Index Fund	926,200	Shares	**	113,042,710
*	Northern Institutional Funds U.S. Government Select Portfolio	301,343	Shares	**	301,343
*	Participants	Participant loans (interest rates range from 3.25% to 10.25%, maturing through January 2023)			13,878,316
					$1,045,669,428

* Represents a party-in-interest, as defined by ERISA.
** Cost omitted for participant directed investments.

Exhibits

Exhibit Number	Description of Documents
Exhibit 23.1	Consent of Independent Registered Public Accounting Firm.

11

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, Telephone and Data Systems, Inc., the Plan Administrator, has duly caused this Annual Report on Form 11-K to be signed on its behalf by the undersigned hereunto duly authorized.

TELEPHONE AND DATA SYSTEMS, INC.
TAX-DEFERRED SAVINGS PLAN

By: /s/ Daniel J. DeWitt
Daniel J. DeWitt, Senior Vice President-Human Resources

By: /s/ Anita Kroll
Anita Kroll, Vice President and Controller

Dated: May 23, 2018