

PROSPECTUS

TELEPHONE AND DATA SYSTEMS, INC.

COMMON SHARE AUTOMATIC DIVIDEND REINVESTMENT AND STOCK PURCHASE PLAN

Common Shares

(\$0.01 Par Value)

The Common Share Automatic Dividend Reinvestment and Stock Purchase Plan, as amended, which we refer to in this Prospectus as the "Plan", is sponsored by Telephone and Data Systems, Inc., a Delaware corporation, which we refer to as "TDS", and relates to its Common Shares, par value \$.01 per share. The Common Shares are listed on the New York Stock Exchange ("NYSE") under the listing symbol "TDS". The Plan provides *eligible* holders, as defined in the Plan, of TDS' Common Shares with a systematic, economic and convenient method of investing cash dividends from such shares and/or limited optional cash payments in newly issued or treasury Common Shares without payment of any transaction or per share fees and, in the case of reinvested cash dividends, at a 5% discount from market value, as determined below. This Prospectus relates to 2,000,000 Common Shares covered by the Registration Statement of which this Prospectus is a part, as well as 464,133 Common Shares remaining available for issuance pursuant to a prior Registration Statement.

The TDS Common Shares have less voting power than Series A Common Shares. The Series A Common Shares, which have effective control of TDS, *are not being offered by this Plan*. The holders of the TDS Series A Common Shares have their own Automatic Dividend Reinvestment Plan.

As a participant in the Plan, you may:

1. have cash dividends on all of your Common Shares automatically reinvested and you have the option of investing limited additional amounts by making optional cash payments, or
2. have cash dividends on less than all of your Common Shares, but not less than ten shares, automatically reinvested while continuing to receive the remainder of your dividends in cash and you have the option of investing limited additional amounts by making optional cash payments, or
3. invest only by making optional cash payments of not less than \$10 per payment or more than \$10,000 per quarter.

The price for the Common Shares purchased with reinvested dividends will be 95% of the average daily high and low sales prices for the TDS Common Shares trading on the NYSE for a period of ten consecutive days ending on the trading day immediately preceding the day on which the purchase is made. The investment dates for reinvested dividends will be the dividend payment dates. The price of the Common Shares purchased with optional cash payments will be 100% of the average of the daily high and low sales prices for TDS' Common Shares trading on the NYSE for a period of ten consecutive days ending on the trading day immediately preceding the day on which the purchase is made. The investment dates for optional cash payments will be the first trading day of each month.

Investment in our Common Shares involves a number of risks. See section titled "Risk Factors" on page 4 below to read about certain factors you should consider before buying our Common Shares.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or has passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offense.

The date of this Prospectus is February 25, 2020

TABLE OF CONTENTS

	<u>Page</u>
Summary of the Plan	<u>3</u>
Risk Factors	<u>4</u>
Telephone and Data Systems, Inc.	<u>4</u>
Use of Proceeds	<u>4</u>
Common Share Automatic Dividend Reinvestment and Stock Purchase	<u>5</u>
Plan Purpose	<u>5</u>
Eligibility	<u>6</u>
Plan of Distribution—Costs	<u>7</u>
Purchases	<u>7</u>
Optional Cash Payments	<u>8</u>
Reports to Participants	<u>9</u>
Dividends	<u>9</u>
Certificate Issuances	<u>10</u>
Certificate Deposits	<u>11</u>
Withdrawal	<u>12</u>
Tax and Other Information	<u>13</u>
Termination by TDS	<u>17</u>
Legal Matters	<u>17</u>
Experts	<u>17</u>
Where You Can Find More Information	<u>17</u>
Forward Looking Statements	<u>19</u>

SUMMARY OF THE PLAN

- **PARTICIPATION:** TDS record shareholders who own ten or more Common Shares can participate in the Plan by submitting a completed Enrollment Form. You may obtain Enrollment Forms from TDS Investor Relations at (312) 630-1900. If your shares are held in a brokerage account, you may participate by having your broker register a minimum of ten shares in the Plan. No action is required if you are already participating in the Plan.
- **REINVESTMENT OF DIVIDENDS:** You can reinvest your cash dividends on all or a portion of your Common Shares, but not less than ten shares, toward the purchase of additional shares of TDS stock without paying fees.
- **OPTIONAL CASH INVESTMENTS:** After you are enrolled in the Plan, you can buy additional Common Shares without paying fees. You can invest a minimum of \$10 per payment up to a maximum of \$10,000 in any one calendar quarter.
- **PRICE FOR SHARES:** The price of the Common Shares purchased with reinvested dividends will be 95% of the average daily high and low sales prices for TDS' Common Shares trading on the NYSE for a period of ten consecutive days ending on the trading day immediately preceding the day on which the purchase is made. The price of the Common Shares purchased with optional cash payments will be 100% of the average of the daily high and low sales prices for TDS' Common Shares trading on the NYSE for a period of ten consecutive days ending on the trading day immediately preceding the day on which the purchase is made.
- **INVESTMENT DATES:** The Investment Dates for reinvested dividends will be the dividend payment dates. The Investment Dates for optional cash payments will be the first business trading day of each month.
- **SAFEKEEPING OF CERTIFICATES:** You can deposit your Common Share certificate(s) into your Plan account. There is no charge for this service.
- **SELL:** You can sell some or all of the whole shares that you have accumulated in the Plan by contacting the Plan Administrator. You will have four choices when making a sale, which are described below.
- **WITHDRAWAL FROM THE PLAN:** You may withdraw from the Plan at any time by notifying the Plan Administrator in writing, by telephone or through the Internet. The Plan Administrator will issue your whole shares in book-entry through Direct Registration System ("DRS"), unless you request a stock certificate. If your dividend reinvestment account has a fractional share, a check for the value of the fractional share will be mailed to you. The amount of the check will be based on the then-current market value of the fractional share less any applicable fees.
- **TRACKING YOUR INVESTMENT:** You will receive a statement of your Plan account with respect to each month in which a transaction takes place. These statements provide details of the transactions and the share balance in your program account.
- **ADDRESS AND TELEPHONE.** The mailing address of TDS' principal executive office is 30 N. LaSalle Street, Suite 4000, Chicago, IL 60602, and its telephone number is (312) 630-1900.
- **ADMINISTRATOR:** Computershare Trust Company, N.A., or ("Computershare" or "the Plan Administrator"), serves as Plan Administrator.

RISK FACTORS

Risks Related to Investment in Common Shares

The Common Shares have lower voting rights than the Series A Common Shares.

In the election of directors, holders of Common Shares vote in the election of four of the twelve directors for the TDS Board of Directors. Holders of Common Shares are not entitled to vote in the election of eight of the twelve directors, which are elected by the holders of Series A Common Shares. Currently, the TDS Voting Trust controls a majority of the voting power of TDS in the election of eight of the twelve directors of TDS.

In addition, the TDS Voting Trust controls a majority of the voting power of TDS in matters other than the election of certain directors. In general, only the affirmative vote of the TDS Voting Trust will be required to amend the TDS Restated Certificate of Incorporation, approve the sale of substantially all of the assets of TDS, approve the dissolution of TDS or approve any other matter required to be voted on by shareholders, except as required under the TDS Restated Certificate of Incorporation or the Delaware General Corporation Law. Certain matters on which shareholders would vote could involve a divergence or the appearance of a divergence of the interests between the holders of classes of common stock. Holders of Common Shares would not have a class vote in such matters except as required by law.

TDS will not require the approval of shareholders with respect to the possible future issuances of authorized Common Shares or other shares of TDS capital stock.

The authorized but unissued Common Shares (as well as all other classes of stock authorized by the TDS Restated Certificate of Incorporation) are available for issuance from time to time at the sole discretion of the TDS Board of Directors for any proper corporate purpose. The approval of the shareholders of TDS will not generally be sought by TDS for the issuance of authorized but unissued shares of any class of capital stock (or the reissuance of previously issued shares that have been reacquired by TDS) or securities of TDS that are convertible into or exercisable or exchangeable for such shares, unless deemed advisable by the TDS Board of Directors or required by applicable law, regulation or NYSE requirements.

There is no assurance that TDS will continue to pay dividends.

Although TDS has paid dividends on its Common Shares in the past, there is no assurance that TDS will continue to pay dividends or even at the same rate.

Risks Related to TDS' Business

For a discussion of the risks related to TDS' business, see "Risk Factors" in TDS' most recent Annual Report on Form 10-K, which is incorporated by reference herein. See "Where You Can Find More Information" below.

TELEPHONE AND DATA SYSTEMS, INC.

TDS, a diversified telecommunications company, provides wireless; cable and wireline broadband, video and voice; and hosted and managed services. TDS conducts all of its wireless operations through its majority-owned subsidiary, United States Cellular Corporation (U.S. Cellular). TDS provides broadband, video and voice services through its wholly-owned subsidiary, TDS Telecommunications LLC (TDS Telecom). TDS provides hosted and managed services (HMS) through its wholly-owned subsidiary, which operates under the OneNeck IT Solutions brand. Founded in 1969, TDS has its principal executive offices at 30 North LaSalle Street, Suite 4000, Chicago, Illinois 60602; and its telephone number is (312) 630-1900. TDS was incorporated in 1968 and changed its corporate domicile from Iowa to Delaware in 1998.

For current selected financial information and other information about TDS, see TDS' Annual Report on Form 10-K for the most recent fiscal year. See "Where You Can Find More Information" below.

USE OF PROCEEDS

The number of Common Shares that will be sold under the Plan and the prices at which such shares will be sold cannot now be determined. The net proceeds from the sale of such shares will be used by TDS for general corporate purposes. Until the proceeds are used for these purposes, TDS may deposit them in interest-bearing accounts or invest them in certificates of deposit, United States government securities or prime commercial paper.

COMMON SHARE AUTOMATIC DIVIDEND REINVESTMENT AND STOCK PURCHASE PLAN

The following is a question and answer statement of the provisions of TDS' Common Share Automatic Dividend Reinvestment and Stock Purchase Plan, which we refer to as the "Plan." The Questions and Answers below both explain and constitute the Plan.

PURPOSE

What Is The Purpose Of The Plan?

The purpose of the Plan is to provide eligible holders of Common Shares with a systematic, economic and convenient method of investing some or all of their cash dividends and limited voluntary optional cash payments in Common Shares of TDS without payment of any transaction or per share fees and, in the case of reinvested cash dividends, at a 5% discount from market value. Since the additional Common Shares will be purchased directly from TDS, the Plan will provide TDS with additional capital funds.

What Are The Advantages Of The Plan?

You may automatically reinvest some or all of the cash dividends on your shares, but not less than ten shares. You may also purchase Common Shares as often as monthly with optional cash payments of not less than \$10 per payment, up to a maximum of \$10,000 per quarter. The price of Common Shares purchased with cash dividends will be 95% of market value and the price of Common Shares purchased with optional cash payments will be 100% of market value.

No transaction or per share fees are paid by participants in connection with purchases under the Plan. Full investment of funds is possible under the Plan because the Plan permits fractions of shares, as well as full shares, to be credited to participants' accounts.

Who Administers The Plan?

Computershare administers the Plan and keeps a continuing record of each participant's account, sends periodic statements of account to each participant with respect to each month in which a transaction takes place and performs other duties relating to the Plan. Common Shares of TDS purchased under the Plan will be registered in the name of the Plan Administrator or its nominee, as Plan Administrator for each participant in the Plan, and will be credited to the accounts of the respective participants. Should the Plan Administrator resign, another bank will be asked to serve as the Plan Administrator. All communications regarding the Plan should be sent to the Plan Administrator addressed as follows:

In writing:	TDS Common Share Automatic Dividend Reinvestment and Stock Purchase Plan c/o Computershare P.O. Box 505000 Louisville, KY 40233-5000
By telephone:	(877) 337-1575 (U.S. and Canada) (312) 360-5337 (Outside U.S. and Canada)
Through the Internet:	www.computershare.com/investor

The Plan Administrator also acts as dividend disbursing and transfer agent for TDS' Common Shares.

ELIGIBILITY

Who Is Eligible To Participate?

Holders of record of ten or more of TDS' Common Shares are eligible to participate in the Plan. Beneficial owners of Common Shares which currently are registered in names other than their own, for example, in the name of a broker or bank nominee, who wish to participate in the Plan must either make appropriate arrangements for their nominee to do so or must become security owners of record by having a minimum of ten shares they wish to participate in the Plan transferred into their own name.

All holders of record of ten or more shares are eligible to participate in the Plan, unless they are citizens of a state or foreign jurisdiction in which it would be unlawful for TDS to allow such participation. TDS is not aware of any jurisdiction in which the making of the offer is not in compliance with valid applicable law. If TDS becomes aware of any jurisdiction in which the making of the offer would not be in compliance with valid applicable law, TDS will make a good faith effort to comply with any such law. If, after such good faith effort, TDS cannot comply with any such law, the offer will not be made to holders of shares residing in any such jurisdiction. In those jurisdictions whose securities or blue sky laws require the offer to be made by a licensed broker or dealer, the offer shall not be deemed to be made unless it is made on behalf of TDS by one or more registered brokers or dealers which are licensed under the laws of such jurisdiction, as may be designated by TDS.

How Does An Eligible Shareholder Participate?

An eligible shareholder may join the Plan at any time by visiting the Plan Administrator's website, www.computershare.com/investor, and following the instructions provided, or by sending a completed enrollment form to the Plan Administrator. You may also obtain an enrollment form by either:

- Calling (877) 337-1575 (U.S. and Canada) or (312) 360-5337 (Outside U.S. and Canada)
- Contacting TDS' Investor Relations department at (312) 630-1900

When Does An Eligible Shareholder's Participation Start?

If an Enrollment Form directing dividend reinvestment is received from a Common Shareholder by the record date of the next dividend payment, that dividend will be applied to the purchase of Common Shares under the Plan. If the Enrollment Form directing dividend reinvestment is received after that date, dividend reinvestment will begin with the next succeeding payment. Cash dividends are ordinarily paid in March, June, September and December.

Can I Purchase Shares with Optional Cash Payments?

Optional cash payments may be made at any time upon or after enrollment in the Plan and will be used to purchase Common Shares for the participant's account. Optional cash payments may be made of not less than \$10 per payment and up to a maximum of \$10,000 per calendar quarter at 100% of market value.

What Does The Enrollment Form Provide?

The Enrollment Form provides for the purchase of Common Shares through the following investment options offered under the Plan:

Full Dividend Reinvestment — Cash dividends on all Common Shares held of record by an *eligible* shareholder will be invested at 95% of market value. Optional cash payments of at least \$10 per payment may also be invested at 100% of the market value, up to a maximum of \$10,000 per quarter.

Partial Dividend Reinvestment by Shares — Cash dividends on less than all of the shares, but not less than ten whole shares, held of record by an *eligible* shareholder will be invested at 95% of market value and the shareholder will continue to receive cash dividends on the other shares. Optional cash payments of at least \$10 per payment may also be invested at 100% of the market value, up to a maximum of \$10,000 per quarter.

All Dividends Paid in Cash (No Dividend Reinvestment) — Optional cash payments may be made of not less than \$10 per payment and up to a maximum of \$10,000 per quarter at 100% of market value. Cash dividends will not be reinvested.

The Enrollment Form also serves to appoint Computershare Trust Company, N.A. as Plan Administrator for the participant.

If a shareholder holds more than one eligible stock account a *separate Enrollment Form is required for each account.*

Is Partial Participation Possible Under The Plan?

Yes. An eligible shareholder who desires the dividends on only some of his or her full Common Shares to be invested under the Plan may indicate such number of shares upon the applicable Enrollment Form(s) under "Partial Dividend Reinvestment," provided that in no event may an eligible shareholder elect to invest dividends on less than ten such shares.

May A Participant Change His Or Her Method Of Participation After Enrollment?

Yes. If a shareholder elects to participate pursuant to the optional cash payment option only but later decides to enroll in either the full or partial reinvestment option, a new Enrollment Form may be executed and returned to the Plan Administrator. If a shareholder elects to participate through the reinvestment of dividends but later decides to change, but not less than ten shares, for which dividends are being reinvested or to participate pursuant to the optional cash payment option only, a new Enrollment Form may be executed and returned to the Plan Administrator. A shareholder can also change his or her method of participation by telephone at (877) 337-1575 (U.S. and Canada) or (312) 360-5337 (Outside U.S. and Canada) or online at www.computershare.com/investor.

PLAN OF DISTRIBUTION—COSTS

How Will The Common Shares Be Distributed And Are There Any Expenses To Participants In Connection With Purchases Under The Plan?

TDS will distribute the shares issued under the plan for dividend reinvestment or optional purchases directly to shareholders by crediting their accounts under the Plan. Participants will incur no costs. There are no fees because Common Shares are purchased directly from TDS.

PURCHASES

When Are The Purchase Or Investment Dates?

Common Share Cash Dividends

The Investment Dates for Common Shares purchased under the Plan with cash dividends on Common Shares are the cash dividend payment dates. TDS usually pays cash dividends on its Common Shares in March, June, September and December.

Optional Cash Payments

The Investment Date for any optional cash payment is the first trading day of each calendar month on which TDS' Common Shares are traded on the NYSE.

How Will The Purchase Price Of Common Shares Be Determined?

Dividend Reinvestment Purchase Price

The price of Common Shares purchased with reinvested cash dividends will be 95% of the average daily high and low sales prices for TDS' Common Shares trading on the NYSE for a period of ten consecutive days ending on the trading day immediately preceding the Investment Date. If there is no trading in the Common Shares reported on the NYSE for a substantial amount of time during any such trading period, the purchase price per share shall be determined by TDS on the basis of such market quotations as it shall deem appropriate. No Common Shares will be sold by TDS at less than the par value of such shares.

Optional Cash Payment Purchase Price

The price of Common Shares purchased with optional cash payments will be the average of the daily high and low sales prices for TDS' Common Shares trading on the NYSE for a period of ten consecutive days ending on the trading day immediately preceding the Investment Date. If there is no trading in the shares reported on the NYSE for a substantial amount of time during any such trading period, the purchase price per share shall be determined by TDS on the basis of such market quotations as it shall deem appropriate. No Common Shares will be sold by TDS at less than the par value of such shares.

How Many Common Shares Will Be Purchased For Participants?

The number of Common Shares to be purchased on an Investment Date will be determined by the amount of each participant's dividends, including dividends on Common Shares purchased under the Plan, and/or optional cash payments being invested and the applicable price of TDS' Common Shares. Each participant's account in the Plan will be credited with the number of Common Shares, including fractional shares computed to six decimal places, equal to the amount of the dividends being invested divided by 95% of the applicable purchase price and/or the total amount of any optional cash payments being invested divided by 100% of the applicable purchase price.

OPTIONAL CASH PAYMENTS

How Is The Optional Cash Payment Applied To The Purchase Of Common Shares?

Only shareholders who submit a signed Enrollment Form are eligible to make optional cash purchases. Optional payments received two business days before the Investment Date will be invested on the first business trading day of the next month. Optional payments not received two business days before the Investment Date will be deposited and invested at the next succeeding monthly optional cash payment Investment Date.

How Are The Optional Cash Payments Made?

The option to make cash payments of not less than \$10 per payment and not more than an aggregate of \$10,000 per quarter is available to each participant. Payments of less than \$10 or any amount over \$10,000 in the aggregate in any quarter will be returned to the shareholder.

If any holders of record or beneficial owners are affiliates or acting in concert or as a group, based on the good faith judgment of TDS, such record holders or beneficial owners will be treated as one participant for purposes of the optional cash payments under the Plan. Consequently, such group will be limited to cash payments of not more than an aggregate of \$10,000 per quarter. Any payments over \$10,000 in the aggregate in any quarter will be returned to such group. If such group does not properly designate how any optional cash payment up to \$10,000 per quarter should be allocated among persons in the group, such payment will also be returned. An affiliate of a person is a person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such person.

You have three optional cash payment options:

- *By Check:* You may send the Plan Administrator a check in U.S. dollars drawn on a U.S. bank and made payable to "Computershare." If you are not in the United States, please contact your bank to verify that it can provide you with a check that clears through a U.S. bank and that the dollar amount printed is in U.S. funds. Because of the longer clearance period, the Plan Administrator is unable to accept payment in the form of checks that clear through non-U.S. banks. The Plan Administrator will not accept payment in the form of cash, money orders, traveler's checks or third party checks. To facilitate the processing of your investment, please use the payment form attached to your account statement and mail your payment form in the envelope provided.
- *By Online Investment:* You may make optional cash payments online through the Plan Administrator's website at www.computershare.com/investor. To purchase shares online, you must authorize the withdrawal of funds from your U.S. bank account by electronic funds transfer.
- *By Automatic Withdrawal from Your Bank Account:* If you wish to make regular monthly payments without writing checks, you can authorize an automatic monthly withdrawal from your U.S. bank account by completing and submitting to the Plan Administrator a direct debit authorization form or by providing the authorization online at www.computershare.com/investor. Funds will be deducted from your account on the 25th day of each month (or, if that day is not a banking business day, on the next banking business day) and will be invested beginning on the next investment date. You should allow three to four weeks for your first automatic withdrawal to be initiated. You may change or terminate your automatic withdrawal authorization online or by written notice to the Plan Administrator at least seven business days before the next scheduled cash withdrawal.

Insufficient Funds. A \$35 fee will be assessed if any check or deposit is returned unpaid, or if an automatic withdrawal from your bank account fails due to insufficient funds. In addition, the Plan Administrator will consider null and void the request for any optional cash investment associated with insufficient funds and will immediately remove any shares already credited to your account in anticipation of receiving those funds. The foregoing fee and any other incidental costs associated with the insufficient funds will be collected by the Plan Administrator through the sale of an appropriate number of shares from your Plan account. If the net proceeds from the sale of those shares are insufficient to satisfy the balance of the uncollected amounts, the Plan Administrator may sell additional shares from your account as necessary to satisfy the uncollected balance.

When Should The Optional Cash Payment Be Made?

Optional cash payments will be invested on the first trading day of each month. Any optional cash payment received by the Plan Administrator two business days before the investment date will be invested. Funds that are not received two days in advance will be held until the next investment date. Interest will not be paid on optional cash payments that are being held until the next investment date.

May Optional Cash Payments Be Returned To A Participant?

Optional cash payments received by the Plan Administrator will be returned to a participant upon written request by such participant received by the Plan Administrator at least 48 hours prior to the Investment Date.

REPORTS TO PARTICIPANTS

What Reports Will Be Sent To Participants In The Plan?

Each participant in the Plan will receive a statement of his or her account with respect to each month in which a transaction takes place. These statements are a participant's continuing record of the cost of his or her purchases. *Participants should retain these statements for income tax purposes.* Each statement will set forth the following information when applicable:

- a. The total number of Common Shares registered in the name of the participant which is participating in the Plan.
- b. The total number of Common Shares which have been accumulated under the Plan by the participant but for which shares have not been issued.
- c. The following information for each transaction during the month and all transactions to date during the current year:
 - the amount of dividends, and/or optional cash invested;
 - the price per Common Share for each transaction;
 - the number of Common Shares purchased; and
 - certain tax information.
- d. For market order sales, the time of sale will be provided.
- e. For Common Shares acquired in the Plan after January 1, 2011, specific cost basis information will be included in your statement in accordance with applicable law.

In addition, each participant will receive copies of communications sent to every other holder of TDS' Common Shares, including communications with respect to the Annual Report to Shareholders, Notice of Annual Meeting of Shareholders and Proxy Statement, and IRS information on Form 1099 for reporting dividend income.

DIVIDENDS

Will Participants Be Credited With Dividends On Fractions Of Shares?

Yes. Participants will be credited with the amount of dividends attributable to fractions of shares in their accounts under the Plan and such dividends will be reinvested.

CERTIFICATE ISSUANCES

Will Certificates Be Issued For Common Shares Purchased Under The Plan?

Shares purchased in the Plan will be registered in the name of Computershare (or its nominee), and shares will not be issued unless requested through written, telephone or Internet request. If requested, shares for any number of whole shares credited to your account will be issued into book-entry through DRS, unless a certificate has been requested. Issuance of shares will not terminate participation in the Plan. Any remaining full shares and fraction of a share will continue to be credited to the participant's Plan account. Issuance of certificates may be subject to an additional fee. Please contact the Plan Administrator to determine if there is a certificate issuance fee.

Dividends on Plan Common Shares for which a participant requests and receives shares will be reinvested in TDS' Common Shares at the 5% discount under the Plan and the Common Shares purchased will be credited to the participant's Plan if the participant continues to own these Common Shares and has elected full dividend reinvestment of Common Shares on his or her current Common Share Enrollment Form. A participant who continues to own the Common Shares in question and desires to have the dividends on these shares reinvested in TDS' Common Shares but who does not have an existing Enrollment Form for Common Shares or has elected only partial reinvestment of his or her Common Share dividends on the current Enrollment Form will have to execute a new Enrollment Form. Otherwise, dividends on these Common Shares will not be reinvested in TDS' Common Shares at the 5% discount as they were when they were held for the participant in the Plan. Rather, the dividends on the Common Shares in question will be paid to the Shareholder in cash.

Common Shares credited to the account of a participant under the Plan may not be pledged as collateral or otherwise transferred. A participant who wishes to pledge or transfer such shares must request that shares for such shares be issued in his or her name.

Shares for fractional shares will not be issued under any circumstances.

An institution that is required by law to maintain physical possession of shares may request a special arrangement regarding the issuance of certificates for Common Shares purchased under the Plan. This request should be sent to the Plan Administrator.

In Whose Name Will Shares Be Issued?

Accounts under the Plan are maintained in the names in which shares of the participants were registered at the time they entered the Plan. Consequently, whole shares issued upon the request of participants will be similarly registered.

CERTIFICATE DEPOSITS

Can Participants Deposit Shares into their Dividend Reinvestment Accounts?

Yes. You can deposit Common Shares represented by certificate(s) into your plan account for “safekeeping,” at no cost to you. Deposited shares will be credited to your Plan account. You can also contribute shares you hold in book-entry form through DRS into your Plan account by writing or telephoning the Plan Administrator, also at no cost. You can also go online at www.computershare.com/investor. Following any deposit of stock certificates or DRS into your Plan account, these shares will be treated in the same manner as all other shares purchased through the Plan.

Depositing stock certificates into your plan account is advantageous because you no longer bear the risk and costs associated with loss, theft or destruction of stock certificates. To deposit stock certificates for safekeeping, complete the tear-off section of your account statement or write a letter stating that you want to deposit your stock certificates into safekeeping and send it, along with your stock certificates to the Plan Administrator. The stock certificates should be sent by registered mail, return receipt requested and properly insured, to the Plan Administrator. Certificates should not be endorsed.

Dividends will be reinvested in accordance with a participant’s dividend reinvestment option.

Via Post Office

Computershare
P.O. Box 505000
Louisville, KY 40233-5000
Attn: Shareholder Services

Via Private Courier Service

Computershare
462 South 4th Street, Suite 1600
Louisville, KY 40202
Attn: Shareholder Services

Can Participants Deposit Certificates into Book-entry through DRS?

Yes. TDS shareholders, including shareholders who do not participate in the Plan, may convert their stock certificates to book-entry through DRS, at no cost. DRS eliminates the risk of loss, theft or destruction. Shares issued book-entry through DRS will receive dividends in cash until they are enrolled in the Plan.

To convert your certificates to book-entry, please send them to the Plan Administrator with written instruction to deposit the certificated shares into your book-entry account. Do not endorse the certificates or complete the assignment section. Shareholders mailing their certificates to Computershare can mail to either address below, using registered or certified mail, with return receipt requested, and properly insured.

Via Post Office

Computershare
P.O. Box 505000
Louisville, KY 40233-5000
Attn: Shareholder Services

Via Private Courier Service

Computershare
462 South 4th Street, Suite 1600
Louisville, KY 40202
Attn: Shareholder Services

Can I Discontinue Reinvestment?

You may discontinue dividend reinvestment at any time by giving written, telephonic or Internet notice to the Plan Administrator. Upon processing your request to discontinue dividend reinvestment, your shares will continue to be held in book-entry form. Dividends on any shares held book-entry form, and on any shares held in DRS, or certificate form, will be paid in cash.

WITHDRAWAL

When May A Participant Withdraw From The Plan?

A participant may withdraw from the Plan at any time by notifying the Plan Administrator in writing, by telephone or through the Internet. The termination request must be made by all registered holders listed on the account. In the event a participant has been reinvesting dividends and the notice of withdrawal is received by the Plan Administrator after a record date for a dividend payment, the Plan Administrator, in its sole discretion, may either distribute that dividend in cash or reinvest it in shares on the participant's behalf. In the event the dividend is reinvested, the Plan Administrator will process the withdrawal from the Plan as soon as practicable, but in no event later than five business days after the purchase is completed.

Dividends paid after withdrawal from the Plan will be paid in cash directly to the shareholder unless he or she elects to rejoin the Plan.

What Happens When A Participant Withdraws From The Plan Or The Plan Is Terminated?

When a participant withdraws from the Plan, or ceases to be a shareholder of record, or ceases to be an eligible shareholder, or upon termination of the Plan by TDS, shares will be issued in book-entry form through DRS, unless a certificate is requested. A cash payment will be made for any fractional share. The cash payment will be based on the then-current market value of the fractional share of TDS Common Shares less any applicable fees.

TAX AND OTHER INFORMATION

When May A Shareholder Rejoin The Plan?

Generally, a shareholder may rejoin the Plan at any time, provided he or she is an eligible shareholder, by submitting a new Enrollment Form or going online at www.computershare.com/investor. However, TDS reserves the right to reject any Enrollment Form from a previous participant on the grounds of repeated joining and withdrawals from Plan participation. Such reservation is intended to minimize administrative expenses and to encourage use of the Plan as a long-term investment service.

Does TDS Have a Sell Feature Within its Plan?

You can sell any number of shares accumulated in your Plan. The Plan Administrator will arrange for the sale of shares through an independent agent.

Proceeds are normally paid by check and normally distributed within one business day of the settlement of your sales transaction.

The Plan Administrator may, for various reasons, require a sales request to be submitted in writing. Please contact the Plan Administrator to determine if there are any limitations applicable to your particular sale request.

All sales requests processed over the telephone will entail an additional fee of \$15, if the assistance of a customer service representative is required when selling shares.

The Plan Administrator reserves the right to decline to process a sale of shares if it determines, in its sole discretion, that supporting legal documentation is required. Because the Plan Administrator will arrange for the sale of shares through an independent agent, neither TDS nor the participant has any authority or power to control the timing or pricing (except for prices specified for day limit orders or good-til-canceled limit orders) of shares sold and no one other than the Plan Administrator will elect the independent agent through which sales are to be made. As a result, it is possible that the market price of TDS could rise or fall before the sale is completed. If you prefer to control the exact price and timing of sale, you can choose to withdraw the shares from the plan and have them registered in book-entry through DRS, a stock certificate or have the shares placed with a broker of your choice.

You should be aware that the price of TDS' Common Shares may rise or fall during the period between a request for sale, its receipt by the Plan Administrator, and the ultimate sale on the open market. Instructions for a market order or a batch sale are binding and may not be rescinded.

You have four choices when making a sale, depending on how you submit your sale request:

Market Order: A market order is a request to sell shares promptly at the current market price. You should place a market order to sell shares if you desire immediate execution of your proposed sale. Market order sales are available only if you submit your sales request online at www.computershare.com/investor or by telephoning the Plan Administrator. Market order sale requests received online or by telephone will be placed promptly upon receipt, during NYSE trading hours, normally Monday through Friday 9:30 a.m. to 4:00 p.m. ET. Any order received outside of normal trading hours will be placed promptly on the next day of which the NYSE is open. Depending on the number of shares being sold and current trading volume in the shares, a market order may only be partially filled or not filled at all on the trading day in which it is placed, in which case the order, or remainder of the order, as applicable, will be cancelled at the end of such day. To determine if your shares were sold, you should check your account online at www.computershare.com/investor or telephone the Plan Administrator. If your market order sale was not filled and you still want the shares sold, you will need to re-enter the sale request. Your sales proceeds will be the market price of the sale obtained by the Plan Administrator's independent agent, less a service fee of \$25 and a per share fee of \$0.12. Per share fees include any brokerage commissions the Plan Administrator is required to pay. Any fractional share will be rounded up to a whole share for purposes of calculating the per share fee.

Batch order: A batch order is an accumulation of sales requests made by participants that are submitted together by the Plan Administrator for execution as a collective request. You should consider making a batch order if you do not need your sales transaction processed immediately, or if you are interested in effecting your sale at the lowest cost offered by the Plan Administrator. All sale requests received in writing will be processed as a batch order sale. Sales instructions for batch orders received by the Plan Administrator will be processed no later than five business days after the date on which the order is received, assuming sufficient market liquidity exists in the stock. To maximize cost savings for batch order sales requests, the Plan Administrator will seek to combine each selling participants shares with others for round lot transactions. For this purpose, the Plan Administrator may combine each selling Plan participant's shares with those of other selling Plan participants. Your sales proceeds will be the weighted average sale price obtained by the independent agent, less a service fee of \$25 and a per share fee of \$0.12. Per share fees include any brokerage commissions the Plan Administrator is required to pay. Any fractional share will be rounded up to a whole share for purposes of calculating the per share fee.

Day limit order: A day limit order is an order to sell securities when and if they reach a specific trading price on a specific day. The order is automatically cancelled if the price is not met by the end of that day (or, for orders placed after-market hours, the next day the market is open). Depending on the number of securities being sold and the current trading volume in the securities, such an order may only be partially filled, in which case the remainder of the order will be cancelled. The order may be cancelled by the applicable stock exchange, by the Plan Administrator at its sole discretion or, if the Plan Administrator's independent agent has not filled the order, at your request made online at www.computershare.com/investor or by telephoning the Plan Administrator. Each day limit order sale will incur a service fee of \$25 per sale and a per share fee of \$0.12 for each share sold. Any fractional share will be rounded up to a whole share for purposes of calculating the per share fee.

Good-til-cancelled ("GTC") limit order: A GTC limit order is an order to sell securities when and if the securities reach a specific trading price at any time while the order remains open (generally up to 30 days). Depending on the number of securities being sold and current trading volume in the securities, sales may be executed in multiple transactions and over more than one day. If shares are traded on more than one day during which the market is open, a separate fee will be charged for each such day. The order (or any unexecuted portion thereof) is automatically cancelled if the trading price is not met by the end of the order period. The order may be cancelled by the applicable stock exchange, by the Plan Administrator at its sole discretion or, if the Plan Administrator's independent agent has not filled the order, at your request made online at www.computershare.com/investor or by telephoning the Plan Administrator. Each GTC limit order sale will incur a transaction fee of \$25 per sale and a per share fee of \$0.12 for each share sold. Any fractional share will be rounded up to a whole share for purposes of calculating the per share fee.

If you elect to sell shares online at www.computershare.com/investor you may utilize the Plan Administrator's international currency exchange service to convert your sale proceeds to your local currency prior to being sent to you. Receiving your sales proceeds in a local currency and having your check drawn on a local bank avoids the time consuming and costly "collection" process required for cashing U.S. dollar checks. This service is subject to additional terms and conditions and fees, to which you must agree online.

What Happens If A Participant Sells Or Transfers All Of His Or Her Common Shares Or Ceases To Be An Eligible Shareholder?

If a participant ceases to be an eligible shareholder of record holding a minimum of ten shares on the books of TDS, the account will be terminated and shares will be issued for the whole common shares credited to the account. A check will be issued for the fractional share remaining in the Plan. The amount of the check will be based on the then-current market value of the fractional share less any applicable fees.

What Happens When A Participant Who Is Reinvesting Dividends On All Or Less Than All Of The Shares Registered In His Or Her Name Sells Or Transfers A Portion Of Such Shares?

If a participant who is reinvesting dividends on all or only a portion of shares registered in his or her name disposes of a portion of such shares, TDS will continue to reinvest dividends on the remainder of the shares registered in the participant's name up to the number indicated on the participant's Enrollment Form as the number of shares for which dividends are to be reinvested, *provided* the participant remains an eligible shareholder. For example, if a participant authorized TDS to reinvest dividends on 50 Common Shares of a total of 100 Common Shares registered in his or her name, and then disposes of 25 Common Shares, TDS would continue to reinvest dividends on 50 of the remaining 75 shares. *If such participant instead disposes of 95 Common Shares, he or she would no longer be eligible for participation in the Plan and the account would be terminated.*

Does Participation In The Plan Involve Risk?

The risk to participants is the same as with any other investment in TDS' Common Shares. It should be recognized that since investment prices are determined as an average of the daily high and low sales prices for a period of ten consecutive trading dates on which TDS' Common Shares are traded, a participant loses any advantage otherwise available from being able to select the timing of his or her investment. PARTICIPANTS MUST RECOGNIZE THAT NEITHER TDS NOR THE PLAN ADMINISTRATOR CAN ASSURE A PROFIT OR PROTECT AGAINST A LOSS ON THE SHARES PURCHASED UNDER THE PLAN.

SHAREHOLDERS ARE REFERRED TO THE RISKS DESCRIBED IN THIS PROSPECTUS UNDER THE CAPTIONS "SAFE HARBOR CAUTIONARY STATEMENT" AND "RISK FACTORS" AND OTHER RISKS DESCRIBED IN THE DOCUMENTS INCORPORATED BY REFERENCE HEREIN AS DESCRIBED UNDER "WHERE YOU CAN FIND MORE INFORMATION."

What Happens If TDS Issues A Stock Dividend, Declares A Stock Split Or Has A Rights Offering?

Any Common Shares distributed by TDS as a stock dividend on shares credited to a participant's Plan account, or upon any split of such shares, will be credited to the participant's Plan account.

Stock dividends distributed on Common Shares in shares of any other class of capital stock will be mailed directly to the shareholder in the same manner as to shareholders not participating in the Plan. However, if a dividend reinvestment plan or bookkeeping entry facility is established for the shares of such other capital stock distributed as a dividend, the participant will automatically become a participant of such dividend reinvestment plan or bookkeeping entry facility and the shares distributed to such participant will instead be credited to the participant's account. In a rights offering, a participant's entitlement will be based upon his or her total holdings, including shares credited to the participant's account under the Plan. Rights certificates will be issued for the number of whole Common Shares only, however, and rights based on a fraction of a Common Share held in a participant's Plan account will be sold for the participant's account and the net proceeds will be treated as an optional cash payment.

How Will A Participant's Shares Be Voted At Shareholders' Meetings?

All Common Shares held in the Plan for a participant will be voted as the participant directs on a proxy or voting instruction form which will be furnished to the participant. If the participant does not return the proxy or voting instruction form to the Plan Administrator, the Plan Administrator will not vote the participant's Plan shares.

What Are The Federal Income Tax Consequences Of Participation In The Plan?

The following discussion sets forth the general Federal income tax consequences for participants in the Plan. However, the discussion is not intended to be an exhaustive treatment of such tax consequences. For example, the discussion does not address the treatment of stock dividends, stock splits or a rights offering to participants in the Plan. It also does not address differences in tax treatment with respect to participants who do not hold the Common Shares as capital assets. Because the tax laws are complex and constantly changing, participants are urged to consult their own tax advisors regarding the tax consequences of participating in the Plan, including the effects of any applicable state, local or foreign tax laws, and for rules regarding the tax basis in special cases such as the death of a participant or a gift of Common Shares held under the Plan and for other tax consequences. Future legislative changes or changes in administrative or judicial interpretation, some or all of which may be retroactive, could significantly alter the Federal income tax treatment discussed herein.

In general, participants in the Plan who elect to reinvest cash dividends will be treated, for Federal income tax purposes, as having received, on the dividend payment date, a distribution in an amount equal to the fair market value on the dividend payment date of the Common Shares purchased with reinvested dividends, rather than a distribution in the amount of cash otherwise payable to the participant. Participants should not be treated as receiving an additional distribution based upon their pro rata share of the Plan administration costs paid by TDS; however, there can be no assurance that the IRS will agree with this position. TDS has no present plans to seek formal advice from the IRS on this issue.

Generally, the distribution described above—the fair market value of the Common Shares purchased with reinvested dividends—will be taxable to participants as ordinary dividend income to the extent of TDS' current or accumulated earnings and profits for Federal income tax purposes. The amount of the distribution in excess of such earnings and profits will reduce a participant's tax basis in the Common Shares with respect to which such distribution was received, and, to the extent in excess of such basis, result in capital gain. Certain corporate participants may be entitled to a dividends received deduction with respect to amounts treated as ordinary dividend income. Corporate participants should consult their own tax advisors regarding their eligibility for and the extent of such deduction. Certain participants may be eligible for lower capital gains rates with respect to amounts treated as qualified dividend income. Participants should consult their own tax advisors regarding treatment of qualified dividend income on their income tax returns.

Tax information will be shown on the statements of account sent to participants which participants should retain for tax purposes. These statements are important for computing the tax basis of Common Shares acquired under the Plan. The Form 1099 which each participant will receive annually will include the income which is deemed to result from the receipt of the Common Shares under the Plan. As a general rule, the tax basis of shares or any fraction of a share purchased with reinvested dividends will equal the fair market value of such shares or fractional share as reported to participants on their statements.

A participant should not be treated as having received a distribution from TDS as the result of making an optional cash payment under the Plan. The tax basis of shares or any fraction thereof purchased with optional cash payments will be the amount of such cash payment.

The holding period for Common Shares or a fraction thereof received as a result of reinvestment of dividends under the Plan or through optional cash payments will begin on the day following the purchase date.

Participants will generally not realize any taxable income when they receive shares for whole Common Shares, the value of which was previously taxed when credited to their accounts under the Plan, either upon their request of those shares, upon ceasing to be a shareholder of record, upon ceasing to be an eligible shareholder, or upon withdrawal from or termination of the Plan. However, a participant may realize a gain or loss when Common Shares acquired under the Plan are subsequently sold. In addition, participants may realize gain or loss when they receive a cash adjustment for fractional shares credited to their accounts upon withdrawal from or termination of the Plan. The amount of such gain or loss will be the difference between the amount which the participant receives for his or her shares or fractional share, and his or her tax basis therefor (with special rules applying to determine the basis allocable to shares that are not specifically identified when the participant sells less than all of his or her shares). Such gain or loss will generally be capital gain or loss, and will be long-term capital gain or loss if the holding period for such shares or fractional shares exceeds one year. The excess of net long-term capital gains over net short-term capital losses is taxed at a lower rate than ordinary income for certain taxpayers. The distinction between capital gain or loss and ordinary income and loss is also relevant for purposes of, among other things, limitations on the deductibility of capital losses. Any loss may be disallowed under the "wash sale" rules to the extent the shares disposed of are replaced, through the Plan or otherwise during the 61-day period beginning 30 days before and ending 30 days after the date of disposition.

What Provision Is Made For Shareholders, Foreign And Domestic, Whose Dividends Are Subject To Income Tax Withholding?

Federal law requires the Plan Administrator to withhold an amount (based upon the current applicable rate) from the amount of dividends and the proceeds of any sale of fractional shares if:

- A participant fails to certify to the Plan Administrator that he or she is not subject to backup withholding and that the taxpayer identification number on his or her account is correct (on Form W-9 or W-8 for non-U.S. persons), or

- The IRS notifies TDS or the Plan Administrator that the participant is subject to backup withholding.

Any amounts withheld will be deducted from the dividends and/or from the proceeds of any sale of fractional shares, and the remaining amount will be reinvested or paid as the participant has instructed.

In addition, if a participant is not a U.S. person, additional U.S. income tax withholding that is not fully discussed here may apply. Any amounts withheld will be deducted from the dividends and/or from the proceeds of any sale of fractional shares, and the remaining amount will be reinvested or paid as the participant has instructed.

Participants may obtain Forms W-8 and W-9 from the IRS or by contacting the Plan Administrator.

The above discussion is not a complete discussion of all of the tax considerations that may be relevant to participation in the Plan.

A Participant should consult his or her tax advisor about the tax consequences associated with participation in the Plan.

What Are The Responsibilities Of The Shareholders' Plan Administrator And TDS Under The Plan?

In performing their duties under the Plan, the Plan Administrator and TDS will at all times act in good faith. However, they will not be liable for any act performed in good faith, or for any good faith omission to act, including, without limitation, any claims of liability arising out of failure to terminate a participant's account upon such participant's death prior to receipt of notice in writing of such death.

Although the Plan contemplates the continuation of quarterly Common Share dividend payments, the payment of future Common Share dividends will depend upon future earnings, the amount available for the payment of dividends by TDS, the financial condition of TDS and other factors.

Neither TDS nor the Plan Administrator can assure participants a profit or protect them against a loss on the shares purchased under the Plan.

TERMINATION BY TDS

May The Plan Be Changed Or Discontinued?

TDS reserves the right to suspend, modify or terminate the Plan at any time. All participants will receive notice of such suspension, modification or termination.

LEGAL MATTERS

Certain legal matters relating to the securities offered by this Prospectus have been passed upon for TDS by Sidley Austin LLP, Chicago, Illinois. The following persons are members of this firm: Walter C. D. Carlson, a trustee and beneficiary of the voting trust which controls TDS and the non-executive Chairman of the Board and member of the Board of Directors of TDS and U.S. Cellular, and Stephen P. Fitzell, the General Counsel and/or an Assistant Secretary of TDS and U.S. Cellular and certain other subsidiaries of TDS. Walter C.D. Carlson does not provide legal services to TDS or its subsidiaries.

EXPERTS

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this Prospectus by reference to Telephone and Data Systems, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2019, have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The financial statements of Los Angeles SMSA Limited Partnership appearing in Telephone and Data Systems, Inc.'s Annual Report (Form 10-K) for the year ended December 31, 2019, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon, included therein, and incorporated herein by reference. Such financial statements are incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

TDS files reports, proxy statements and other information with the Securities and Exchange Commission ("SEC"). You may access such materials electronically by means of the SEC's web site at www.sec.gov or at TDS' website at www.tdsinc.com.

TDS filed Registration Statements related to the offering described in this Prospectus. As of the date of this Prospectus, a total of 464,133 Common Shares remain available for issuance under Registration Statement No. 333-219697. Such shares have previously been listed on the NYSE. In addition, TDS filed another Registration Statement on the date of this Prospectus to register an additional 2,000,000 Common Shares. The 2,000,000 Common Shares will be listed on the New York Stock Exchange.

As allowed by SEC rules, this Prospectus does not contain all of the information which you can find in the Registration Statements. You are referred to the Registration Statements and the Exhibits thereto for further information. This document is qualified in its entirety by such other information.

The SEC allows us to "incorporate by reference" previously-filed information into this Prospectus, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this Prospectus, except for any information superseded by information in this Prospectus.

This Prospectus incorporates by reference the documents set forth below that have been previously filed with the SEC. These documents contain important information about TDS' business and finances.

1. TDS' Annual Report on Form 10-K for the year ended December 31, 2019, and information specifically incorporated by reference into such Form 10-K from TDS' definitive proxy statement for its 2020 Annual Meeting of Stockholders;
2. TDS' Current Reports on Form 8-K reporting events since December 31, 2019, including Forms 8-K filed January 9, 2020 and February 20, 2020 and provided that any information in any Form 8-K that is not deemed to be "filed" pursuant to Item 2.02 or 7.01 shall not be incorporated by reference herein;
3. TDS' Report on Form 8-A/A dated January 25, 2012, which contains a description of TDS' capital stock, including the Common Shares.
4. TDS' Proxy Statement on Schedule 14A, dated April 10, 2019.

This Prospectus also incorporates by reference additional documents that may be filed by us with the SEC pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934 between the date of this Prospectus and the date our offering is completed or terminated.

You may obtain copies of such documents which are incorporated by reference in this Prospectus, other than exhibits thereto which are not specifically incorporated by reference herein, without charge, upon written or oral request to Investor Relations, Telephone and Data Systems, Inc., 30 N. LaSalle Street, Suite 4000, Chicago, IL 60602, (312) 630-1900. In order to ensure timely delivery of documents, any request should be made not later than five business days prior to making an investment decision.

You should rely only on the information contained in or incorporated by reference in this Prospectus. We have not authorized anyone to provide you with information that is different from what is contained in this Prospectus. You should not assume that the information contained in this Prospectus is accurate as of any date other than the date of such Prospectus, and neither the mailing of this Prospectus to shareholders nor the issuance of any securities hereunder shall create any implication to the contrary. This Prospectus does not offer to buy or sell securities in any jurisdiction where it is unlawful to do so.

FORWARD LOOKING STATEMENTS

This Prospectus and the documents incorporated by reference herein contain statements that are not based on historical facts and represent “forward-looking statements,” as this term is defined in the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, that address activities, events or developments that TDS intends, expects, projects, believes, estimates, plans or anticipates will or may occur in the future are forward-looking statements. The words “believes,” “anticipates,” “estimates,” “expects,” “plans,” “intends,” “projects” and similar expressions are intended to identify these forward-looking statements, but are not the exclusive means of identifying them. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events or developments to be significantly different from any future results, events or developments expressed or implied by such forward-looking statements. Such risks, uncertainties and other factors include the risks included under “Risk Factors” above and those set forth below, as more fully described in TDS’ Form 10-K for the year ended December 31, 2019. Each of the following risks could have a material adverse effect on TDS’ business, financial condition or results of operations. However, such factors are not necessarily all of the important factors that could cause actual results, performance or achievements to differ materially from those expressed in, or implied by, the forward-looking statements contained in this document. Other unknown or unpredictable factors also could have material adverse effects on future results, performance or achievements. TDS undertakes no obligation to update publicly any forward-looking statements whether as a result of new information, future events or otherwise. You should carefully consider the Risk Factors included above and in TDS’ Form 10-K for the year ended December 31, 2019, the following factors and other information contained in, or incorporated by reference into, this Prospectus to understand the material risks relating to TDS’ business, financial condition or results of operations.

- *Intense competition in the markets in which TDS operates could adversely affect TDS’ revenues or increase its costs to compete.*
- *A failure by TDS to successfully execute its business strategy (including planned acquisitions, spectrum acquisitions, fiber builds, divestitures and exchanges) or allocate resources or capital effectively could have an adverse effect on TDS’ business, financial condition or results of operations.*
- *Uncertainty in TDS’ future cash flow and liquidity or the inability to access capital, deterioration in the capital markets, other changes in TDS’ performance or market conditions, changes in TDS’ credit ratings or other factors could limit or restrict the availability of financing on terms and prices acceptable to TDS, which could require TDS to reduce its construction, development or acquisition programs, reduce the amount of wireless spectrum licenses acquired, and/or reduce or cease share repurchases and/or the payment of dividends.*
- *TDS has a significant amount of indebtedness which could adversely affect its financial performance and in turn adversely affect its ability to make payments on its indebtedness, comply with terms of debt covenants and incur additional debt.*
- *Changes in roaming practices or other factors could cause TDS’ roaming revenues to decline from current levels, roaming expenses to increase from current levels and/or impact TDS’ ability to service its customers in geographic areas where TDS does not have its own network, which could have an adverse effect on TDS’ business, financial condition or results of operations.*
- *A failure by TDS to obtain access to adequate radio spectrum to meet current or anticipated future needs and/or to accurately predict future needs for radio spectrum could have an adverse effect on TDS’ business, financial condition or results of operations.*
- *To the extent conducted by the FCC, TDS may participate in FCC auctions for additional spectrum or for funding in certain Universal Service programs in the future directly or indirectly and, during certain periods, will be subject to the FCC’s anti-collusion rules, which could have an adverse effect on TDS.*
- *Failure by TDS to timely or fully comply with any existing applicable legislative and/or regulatory requirements or changes thereto could adversely affect TDS’ business, financial condition or results of operations.*
- *An inability to attract people of outstanding talent throughout all levels of the organization, to develop their potential through education and assignments, and to retain them by keeping them engaged, challenged and properly rewarded could have an adverse effect on TDS’ business, financial condition or results of operations.*
- *TDS’ assets and revenue are concentrated primarily in the U.S. telecommunications industry. Consequently, its operating results may fluctuate based on factors related primarily to conditions in this industry.*
- *TDS’ smaller scale relative to larger competitors that may have greater financial and other resources than TDS could cause TDS to be unable to compete successfully, which could adversely affect its business, financial condition or results of operations.*

- *Changes in various business factors, including changes in demand, consumer preferences and perceptions, price competition, churn from customer switching activity and other factors, could have an adverse effect on TDS' business, financial condition or results of operations.*
- *Advances or changes in technology could render certain technologies used by TDS obsolete, could put TDS at a competitive disadvantage, could reduce TDS' revenues or could increase its costs of doing business.*
- *Complexities associated with deploying new technologies present substantial risk and TDS' investments in unproven technologies may not produce the benefits that TDS expects.*
- *TDS receives regulatory support and is subject to numerous surcharges and fees from federal, state and local governments, and the applicability and the amount of the support and fees are subject to great uncertainty, which could have an adverse effect on TDS' business, financial condition or results of operations.*
- *Changes in TDS' enterprise value, changes in the market supply or demand for wireless spectrum licenses, wireline or cable markets or IT service providers, adverse developments in the businesses or the industries in which TDS is involved and/or other factors could require TDS to recognize impairments in the carrying value of its wireless spectrum licenses, goodwill, franchise rights and/or physical assets or require re-evaluation of the indefinite-lived nature of such assets.*
- *Costs, integration problems or other factors associated with acquisitions, divestitures or exchanges of properties or wireless spectrum licenses and/or expansion of TDS' businesses could have an adverse effect on TDS' business, financial condition or results of operations.*
- *A failure by TDS to complete significant network construction and systems implementation activities as part of its plans to improve the quality, coverage, capabilities and capacity of its network, support and other systems and infrastructure could have an adverse effect on its operations.*
- *Difficulties involving third parties with which TDS does business, including changes in TDS' relationships with or financial or operational difficulties of key suppliers or independent agents and third party national retailers who market TDS' services, could adversely affect TDS' business, financial condition or results of operations.*
- *TDS has significant investments in entities that it does not control. Losses in the value of such investments could have an adverse effect on TDS' financial condition or results of operations.*
- *A failure by TDS to maintain flexible and capable telecommunication networks or information technology, or a material disruption thereof, could have an adverse effect on TDS' business, financial condition or results of operations.*
- *TDS has experienced, and in the future expects to experience, cyber-attacks or other breaches of network or information technology security of varying degrees on a regular basis, which could have an adverse effect on TDS' business, financial condition or results of operations.*
- *Changes in facts or circumstances, including new or additional information, could require TDS to record adjustments to amounts reflected in the financial statements, which could have an adverse effect on TDS' business, financial condition or results of operations.*
- *Disruption in credit or other financial markets, a deterioration of U.S. or global economic conditions or other events could, among other things, impede TDS' access to or increase the cost of financing its operating and investment activities and/or result in reduced revenues and lower operating income and cash flows, which would have an adverse effect on TDS' business, financial condition or results of operations.*
- *Settlements, judgments, restraints on its current or future manner of doing business and/or legal costs resulting from pending and future litigation could have an adverse effect on TDS' business, financial condition or results of operations.*
- *The possible development of adverse precedent in litigation or conclusions in professional studies to the effect that radio frequency emissions from wireless devices and/or cell sites cause harmful health consequences, including cancer or tumors, or may interfere with various electronic medical devices such as pacemakers, could have an adverse effect on TDS' wireless business, financial condition or results of operations.*
- *Claims of infringement of intellectual property and proprietary rights of others, primarily involving patent infringement claims, could prevent TDS from using necessary technology to provide products or services or subject TDS to expensive intellectual property litigation or monetary penalties, which could have an adverse effect on TDS' business, financial condition or results of operations.*
- *Certain matters, such as control by the TDS Voting Trust and provisions in the TDS Restated Certificate of Incorporation, may serve to discourage or make more difficult a change in control of TDS or have other consequences.*

- *The market price of TDS' Common Shares is subject to fluctuations due to a variety of factors.*
- *Any of the foregoing events or other events could cause revenues, earnings, capital expenditures and/or any other financial or statistical information to vary from TDS' forward-looking estimates by a material amount.*