

THE SHAREHOLDER FORUM, INC.

C/O LUTIN & COMPANY
575 MADISON AVENUE – 10TH FLOOR, NEW YORK, NEW YORK 10022
TELEPHONE: (212) 605-0335

July 17, 2009

By email

Mr. George W. Off
Chairman, Audit Committee
c/o Corporate Secretary
Telephone and Data Systems, Inc.
30 North LaSalle Street
Suite 4000
Chicago, Illinois 60602

Dear Mr. Off:

With this letter you will find the records of a shareholder demand for information, initiated on June 24, 2009 and revised on July 6, 2009. As of the close of business today, there has been no response to my July 13, 2009 request for an explanation of the company's refusal to provide the required information.

Please let me know within a week if you intend to take any action relating to this apparent disrespect of shareholder rights. I will of course welcome any requests for additional information.

Sincerely yours,

A handwritten signature in blue ink, appearing to read 'Gary Lutin', with a horizontal line extending to the right.

Gary Lutin

Attachments

From: [Gary Lutin](#)
To: [Kevin C. Gallagher](#)
Sent: Monday, July 13, 2009 8:00 PM
Subject: Request for reasonable explanation

Mr. Gallagher -

Referring to the letter you sent me this evening and its statement that "it is neither required nor appropriate for TDS to provide advice" to me about legal matters, it should be clear that I was not seeking your legal advice. My July 6, 2009 letter had in fact requested only that you follow conventional practices to "state your position with sufficient particularity for me to understand it" if you believed you had some basis for not complying with the revised demand.

If you really have a genuine reason to believe that TDS is not obligated to provide the information, I must ask that you tell me what it is by the end of this week.

- GL

Gary Lutin
Lutin & Company
575 Madison Avenue, 10th Floor
New York, New York 10022
Tel: 212-605-0335
Email: gl@shareholderforum.com

----- Original Message -----

From: [Gallagher, Kevin](#)
To: [Gary Lutin](#)
Sent: Monday, July 13, 2009 5:38 PM
Subject: RE: Revised information requirements

Please see the attached response to your letter to LeRoy T. Carlson, Jr. dated July 6, 2009.

From: Gary Lutin [mailto:gl@shareholderforum.com]
Sent: Monday, July 06, 2009 8:17 AM
To: Timmer, Liz
Cc: Gallagher, Kevin
Subject: Revised information requirements

Mr. Carlson -

Attached is a revised demand for information. Please let me know if you think it requires any further refinement to satisfy statutory requirements, or if you wish to discuss your provision of the information.

- GL

Gary Lutin
Lutin & Company
575 Madison Avenue, 10th Floor
New York, New York 10022
Tel: 212-605-0335
Email: gl@shareholderforum.com



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July 13, 2009

Mr. Gary Lutin
The Shareholder Forum, Inc.
c/o Lutin & Company
575 Madison Avenue – 10th Floor
New York, NY 10022

Dear Mr. Lutin:

Telephone and Data Systems, Inc. has received a letter dated July 6, 2009 from you, purporting to make another demand on the Company pursuant to Section 220 of the Delaware General Corporation Law on behalf of Leonard Rosenthal. We do not believe that the demand complies with the statute's requirements, including, without limitation, the requirements as to the form and manner of making a demand and for a proper purpose. Accordingly, the Company declines to permit the requested inspection. Further, it is neither required nor appropriate for TDS to provide advice to you about these matters, which are legal in nature.

Very truly yours,

A handwritten signature in blue ink that reads "Kevin C. Gallagher". The signature is fluid and cursive.

Kevin C. Gallagher
Vice President and Corporate Secretary

KCG:mtm

THE SHAREHOLDER FORUM, INC.

C/O LUTIN & COMPANY
575 MADISON AVENUE – 10TH FLOOR, NEW YORK, NEW YORK 10022
TELEPHONE: (212) 605-0335

July 6, 2009

By email

Mr. LeRoy T. Carlson, Jr.
Telephone and Data Systems, Inc.
30 North LaSalle Street
Suite 4000
Chicago, Illinois 60602

Re: Demand for records

Dear Mr. Carlson:

Since Mr. Gallagher has not explained any basis for his July 1, 2009 letter's stated belief that my June 24, 2009 letter did not comply with statutory requirements for shareholder access to information, I will revise the form of the demand with added issues and purposes that are conventionally respected.

Continuing to act as a shareholder Delegate according to the powers of attorney and evidence of stock ownership accompanying the attached June 24, 2009 letter, and having no notice or knowledge that those powers have been revoked, I now demand pursuant to Section 220 of the Delaware General Corporation Law that you produce for inspection and copying all books and records of Telephone Data and Systems, Inc. ("TDA" or the "Company"), relating to board or individual director consideration of the following matters, including but not limited to board minutes, briefings, exhibits, management or consultant reports, other professional analyses or recommendations, and communications with or among directors:

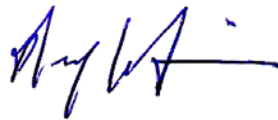
- (1) the questions presented to directors in a report on May 15, 2009 and at the Company's annual meeting of shareholders on May 21, 2009, as previously demanded in the June 24, 2009 letter which is attached for reference;
- (2) what is described on page 89 of the Company's most recent proxy statement as "a written, all cash, significant premium bid for TDS from a well-resourced strategic acquirer" in 2008;
- (3) the failure of a Company officer and director to inform the board of the proposed transaction in 2008, as also reported on page 89 of the most recent proxy statement; and
- (4) the adequacy of internal controls for related party transactions, generally, and specifically concerning the affiliated United States Cellular Corporation and Sidley Austin LLP.

The purposes of this revised demand are to obtain information relevant to shareholder decisions about both investment commitments and voting matters, including evaluations of (a) management policies, (b) the performance of the Company's directors, individually and collectively, (c) the views of each director regarding his or her responsibilities to consider shareholder interests, and (d) the possible need for actions to protect investor rights or interests.

Any confidential material should be identified, as indicated in my initial June 24 demand letter, so that appropriate arrangements can be made for its review. All of my statements in the June 24 letter concerning confidentiality provisions and the reporting of information are applicable to this revised demand.

If you believe that this demand fails to comply with any requirements of Section 220, or of any other condition for obtaining information relevant to investor interests, I must ask that you state your position with sufficient particularity for me to understand it. I will in any event expect your response within five business days, as required by statute, and continue to encourage your suggestions for providing the information as efficiently as possible.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Gary Lutin", with a long horizontal stroke extending to the right.

Gary Lutin,
as Delegate

Attachment

cc: Mr. Kevin C. Gallagher

THE SHAREHOLDER FORUM, INC.

C/O LUTIN & COMPANY
575 MADISON AVENUE – 10TH FLOOR, NEW YORK, NEW YORK 10022
TELEPHONE: (212) 605-0335

June 24, 2009

By email

Mr. LeRoy T. Carlson, Jr.
Telephone and Data Systems, Inc.
30 North LaSalle Street
Suite 4000
Chicago, Illinois 60602

Re: Demand for records

Dear Mr. Carlson:

Acting as a shareholder Delegate according to the accompanying powers of attorney and evidence of stock ownership, having no notice or knowledge that those powers have been revoked, I demand that you produce the following books and records of Telephone Data and Systems, Inc. (“TDA” or the “Company”), for inspection and copying pursuant to Section 220 of the Delaware General Corporation Law:

Copies of all board minutes, reports, communications with or among directors, and other records relating to board or individual director consideration of the following questions presented to directors in a report on May 15, 2009 and at the Company’s annual meeting of shareholders on May 21, 2009:

- 1. Is there a strategic plan that you consider likely, in your own business judgment, to generate a risk-adjusted value in excess of what can be expected from a sale of the company, or of its interest in US Cellular?*
- 2. What do you consider to be the relative benefits of the current 81% ownership interest in US Cellular, compared with either 100% ownership or divestment?*
- 3. What do you consider to be the benefits to TDS shareholders of the multiple classes of TDS and US Cellular stock?*
- 4. What steps do you consider appropriate to assure investors as well as prospective buyers, commercial partners, employees and others that the company’s controlling shareholder is objectively receptive to explorations of potentially beneficial proposals?*

The purposes of this demand are to obtain information relevant to shareholder decisions about both investment commitments and voting matters, including evaluations

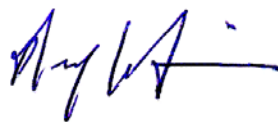
of (a) management policies, (b) the performance of the Company's directors, individually and collectively, and (c) the views of each director regarding his or her responsibilities to consider shareholder interests.

Regarding any records that include what you consider to be trade secrets or other information that should be treated as confidential, you will of course be expected to so identify the particular material. If appropriate, I will authorize an attorney or other agent to establish conventional agreements and procedures for independent review of such confidential material as a foundation for the agent's preparation of reports that provide the substantive information needed for investment decisions in a form suitable for public use, without confidential details as approved by the Company or a court. It should be understood that the information which is ultimately provided to me should not be subject to any confidentiality agreements or other duties that might restrict its distribution to and use by participants in the Shareholder Forum,¹ since the very purpose of seeking the information is to make it publicly available for use in investment decisions.

It should also be understood that neither your communications with me nor any of my communications with others will relieve the Company's management of its responsibility for providing information to public investors in compliance with applicable SEC regulations.

Please let me know within five business days what arrangements you propose for producing the demanded records. I will welcome your suggestions to provide the required information as efficiently as possible, including by means of a report prepared by the Company.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Gary Lutin", with a stylized flourish at the end.

Gary Lutin,
as Delegate

Attachment

¹ See: www.shareholderforum.com/tds

DURABLE POWER OF ATTORNEY

The undersigned, Leonard Rosenthal, having an address 106 Walnut Hill Road, Newton, MA 02461 ("Shareholder"), and being the owner of the Common Shares and Special Common Shares of TELEPHONE AND DATA SYSTEMS, INC. ("Company") referenced in the accompanying documentary evidence of beneficial ownership, hereby appoints GARY LUTIN of The Shareholder Forum, having an address c/o Lutin & Company, 575 Madison Avenue, New York, New York 10022 ("Delegate"), as the undersigned's agent (attorney-in-fact) to take any and all actions which Shareholder, as a shareholder of the Company, could take in accordance with any applicable statutory or common law, including, without limitation, as provided for in Section 220 of the Delaware General Corporation Law, to request, demand, obtain, inspect, copy and otherwise deal with, on Shareholder's behalf, any and all information of the Company deemed by the Delegate to be relevant to Shareholder's interests as a shareholder, but specifically withholding from Delegate the authority to enter into any agreement that would impose upon Shareholder any confidentiality obligations or other conditions that would restrict Shareholder's use or disclosure of any such information for any purpose related to Shareholder's interests as a shareholder, and otherwise granting unto said Delegate full power and authority to do and perform each and every lawful act and thing which Shareholder might or could do in person in connection with the aforesaid matters that Delegate believes necessary, proper or convenient. Shareholder ratifies and confirms all that Delegate in fact does or causes to be done under the authority granted in this Power.

Delegate shall not be liable to Shareholder or any of Shareholder's successors in interest for any action taken or not taken in good faith, but shall be liable for any willful misconduct or gross negligence.

This power of attorney shall not be affected by subsequent incapacity of the Shareholder, and shall remain in full force and effect until revoked by the Shareholder.

Persons dealing with Delegate may rely fully on a photostatic or digital copy of this Power.

Signed this 18 day of June 2009

By: Leonard Rosenthal

State of MA)
County of Middlesex) s.s.

On 6/18/09 before me, MIN YU CHEN, a notary public in the state of MA, personally appeared Leonard Rosenthal, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he or she executed the same in his or her authorized capacity, and that by his or her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature Min Yu Chen (Seal)



MIN YU CHEN
Notary Public
Commonwealth of Massachusetts
My Commission Expires Oct. 12, 2012

[ownership records deleted]

[ownership records deleted]