



CODE

OF

BUSINESS

CONDUCT

March 2004

Dear Fellow Associates and Employees:

Your achievements, professionalism, and integrity have enabled TDS to become a successful communications company, which is accomplishing its mission to:

“Provide outstanding communications services to our customers and meet the needs of our shareholders, our people and our communities.”

With TDS's success and reputation for excellent performance and financial soundness, the Company looks forward to the future with confidence. For TDS to continue to grow and prosper in today's competitive marketplace, we must dedicate ourselves to achieving excellence in all areas of the business, including maintaining the highest standards of business conduct.

TDS has made some important revisions to its Code of Business Conduct (the “Code”). The first part of the Code is a statement of the guiding principles by which each of us as a TDS representative is committed to conduct all business activities. This is followed by policy statements that all of us are expected to comply with as we perform our duties and responsibilities. The third and fourth sections include a code of ethics for officers and procedures regarding accounting, internal controls and auditing matters. The final section explains how the Code will be administered, and includes an Acknowledgment Form that each employee/associate is required to sign, indicating compliance with, and understanding and acceptance of all of the provisions of the Code.

Please carefully read and thoroughly familiarize yourself with all the contents of the Code. Any questions you may have on the Code or its administration should be referred to your immediate supervisor, unit head, Human Resources Representative, Vice President of Human

Resources, Vice President – Internal Audit, or the Audit Committee of the TDS Board of Directors. You may also report concerns or questions, anonymously if you wish, concerning possible violations of the Code, to the Company's Ethics Line at 800-589-3254.

In addition, the Code is being published on the Company's web site, and made available to those who do business with the Company. Our purpose in doing so is to inform our suppliers of the high standards with which we operate and to encourage them to do likewise.

TDS achieves success by providing excellent service to its customers, which is only possible by continually following the highest ethical standards. We thank you for your contributions to the Company's success, and for maintaining the highest level of business conduct.

Very truly yours,

A handwritten signature in blue ink that reads "LeRoy T. Carlson". The signature is fluid and cursive, with the first name being the most prominent.

LeRoy T. Carlson
Chairman Emeritus

A handwritten signature in blue ink that reads "LeRoy T. Carlson, Jr.". The signature is fluid and cursive, with the first name being the most prominent.

LeRoy T. Carlson, Jr.
President and CEO

TELEPHONE AND DATA SYSTEMS, INC.

CODE OF BUSINESS CONDUCT

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INTRODUCTION

The Company* is successful because of our employees' professionalism, performance, high standards of integrity and ethical conduct. In order for us to remain a viable and competitive company, we must maintain these standards and preserve our well-deserved reputation for conducting our business in accordance with the highest principles of business ethics.

To assist in this important ongoing effort, the following updated TDS Code of Business Conduct (the "Code") is being distributed to all employees of TDS and its subsidiary operations. The Code sets forth:

- The principles by which TDS will conduct its business and its dealings with its employees, shareholders, customers, suppliers, and the communities in which it operates.
- The standards of conduct TDS expects of all employees in carrying out our assigned responsibilities and obligations to the Company, the groups mentioned immediately above and ourselves.

With this in mind, all employees are required to abide by the standards set forth in the Code. If you have any questions regarding the Code, please contact your supervisor, unit head, Human Resources Representative or Vice President of Human Resources. Once you are sure you have a good understanding of the Code's content, please sign the Acknowledgment Form on the last page and return it to your supervisor or Human Resources Representative.

The Code is **not an employment contract** nor is it intended to be an all-inclusive policy statement on the part of TDS. However, by signing this Acknowledgment, employees agree to comply with all of the policies contained within the Code. The Company reserves the right to provide the final interpretation of the policies it contains and to revise them as necessary. When the latter occurs, employees will be asked to review the revisions that have been made and to sign a new Acknowledgment Form to indicate that they understand the changes and agree to comply with them, as well as the other provisions of the Code. In addition, the Company will continue to advise employees of other policies, which must be followed for the good of the Company.

* TDS and all its subsidiary operations: United States Cellular, TDS Telecommunications Corporation and Suttle-Straus; and all newly added enterprises managed by TDS and its subsidiaries.

GUIDING PRINCIPLES OF BUSINESS CONDUCT FOR EMPLOYEES

The Company is committed to conducting all its business affairs in a professional and ethical manner; to treating all groups, individuals and firms in accordance with the highest standards of honesty and integrity; to complying with all laws, rules and regulations affecting its business; and to using its assets only for legal and proper purposes. Among the guiding principles that the Company has developed to carry out these commitments are the following:

- *Customers:*

The Company's superior growth and progress have been achieved by providing high-quality service to our customers at reasonable prices. In accordance with this commitment, we will do everything possible to understand our customers' requirements and to satisfy them in a manner that fully meets or exceeds their expectations.

While we are dedicated to being vigorous, effective competitors, we are also committed to conducting our marketing and sales efforts in accordance with the law and with the highest ethical standards. This means that all customers and potential customers will be treated professionally. None will be given gifts or entertained in a way that exceeds accepted and legal business practices, and, hence, might unduly influence them to do business with the Company. This commitment also means that the Company will not knowingly make any misrepresentation to customers, or engage in any other activities, which might illegally or unethically limit competition or otherwise serve to unfairly improve our competitive position.

- *Employees:*

All employees will be treated fairly and equitably. This commitment includes:

- Providing our employees with fulfilling work and competitive compensation and benefits.
- Valuing diversity and ensuring that there is no discrimination in any aspect of employment on the basis of gender, age, race, color, sexual orientation, religion, national origin, marital status, physical or mental disability, or citizenship status of those authorized to work in the United States.
- Encouraging open communications and empowerment.
- Rewarding productivity, innovation, creativity and teamwork.

- Administering our policies, compensation programs and benefit plans in an equitable and consistent manner.
- Assuring that all employees are treated with dignity and respect, and have their rights as individuals protected.
- Furnishing an atmosphere which fosters cooperation, understanding and trust. Suggestions and ideas for improving any area of the business will be welcomed.
- Offering our employees, consistent with business needs, excellent opportunities for self-improvement and individual growth.
- Providing a safe, pleasant, and healthy working environment.

- *Shareholders:*

One of the Company's most important responsibilities is to build shareholder value. This requires that TDS manage its business units to maximize profitable growth and development, and to create and enhance synergies between TDS and its companies and between TDS companies.

- *Communities We Serve:*

Our Company is dedicated to good corporate citizenship in the communities it serves. Hence, we will support, consistent with available resources, worthwhile civic, charitable, and educational activities in the areas served by our operations. We will also encourage our employees to exercise their rights and duties as citizens, and to become involved in efforts to help advance the communities in which we conduct business. Such activities, however, must not involve time expenditures that may result in reduced on-the-job effectiveness or involve conflict of interest situations.

Our commitment to good corporate citizenship also requires that we fully comply with all federal, state, and local environmental protection laws, and carefully monitor the environmental aspects of our products, services, buildings, equipment and property.

- *Suppliers:*

The Company will select and continue to do business with suppliers on the basis of the price, quality, and timeliness of the products and services they offer. Where appropriate, however, preference may be given to reasonably priced, high quality suppliers located in our serving areas, and to TDS companies which submit closely competitive bids. The Company will also consider establishing and maintaining multiple sources of supply to better ensure continued deliveries and reasonably priced, high quality service.

GUIDLINES OF CONDUCT EXPECTED OF ALL EMPLOYEES

Among the Company's most important assets is our reputation for conducting our business in accordance with the highest ethical standards. Maintaining this reputation will require all employees to conduct themselves with honesty and integrity, to act in a manner that reflects favorably on the Company, and is in accordance with the "Guiding Principles of Business Conduct for Employees" presented in the previous section of this Code (see page 2).

While no written policies or Code of Conduct can instill personal integrity or honesty, or cover all situations that employees may encounter, the following policy statement sets forth the guidelines for the conduct that is expected of all TDS employees as they carry out their duties and responsibilities for the Company:

- *General:*

All employees are expected to conduct themselves in a manner that is conducive to the long term growth and development of the Company. Such conduct will include:

- Reporting to work punctually and as scheduled. Employee absenteeism and tardiness increase the workload of fellow employees, interfere with the flow of business, adversely affect morale and the quality of service to customers, and lower productivity.
- Following the policies and procedures established by the Company, which pertain to conduct in the workplace*. These include the prohibition of any form of violence, abusive behavior, harassment, including sexual harassment; the use, possession, sale, purchase or transfer of unauthorized or illegal drugs or substances; and the misuse of legal drugs. Drinking alcoholic beverages while performing work functions is prohibited, whether on or off Company property, except when specifically permitted in moderation at Company-sanctioned events. Performing work functions while under the influence of illegal drugs/substances or alcohol is prohibited.
- Performing all responsibilities conscientiously and efficiently, and seeking ways, as appropriate, to make contributions in areas other than those specifically assigned.
- Observing their operation's safety and security practices, rules and standards so as to ensure the safety of all. No employee may possess or permit others to have explosive devices, firearms, or other dangerous weapons, whether licensed, concealed or otherwise, on Company

* Includes employee's conduct on Company premises, or while representing the company, or while operating Company vehicles or equipment.

premises, in Company vehicles or while engaged in any Company activity. Also, the security of Company premises, systems and proprietary or confidential information must be safeguarded at all times.

- Demonstrating a considerate, helpful and friendly attitude toward other TDS employees.
- Not accepting outside employment or becoming partially self-employed if this would or is reasonably likely to i) compromise the Company's interests or create a conflict of interest (for example, as would be the case if Company resources were used in such an endeavor), ii) adversely affect the employee's job performance and/or ability to fulfill all his/her responsibilities to the Company, or iii) adversely affect the Company's image.
- Not attempting to justify an improper or illegal behavior by claiming it was ordered by someone in higher authority. No one, regardless of position is permitted to direct an employee to commit a wrongful act, and employees must reject any such direction and report it to higher authority.

- *Applicable Laws and Regulations:*

It is TDS's policy to obey all local, state, federal and international laws that apply to any aspect of TDS or its subsidiaries' businesses.

Since the laws governing our activities are often complex, any questions concerning their applicability and interpretation should be referred to employee's unit CEO or senior Human Resources executive. It will be up to this individual to work with the Vice President and Corporate Secretary, or TDS' or USCC's General Counsel to ensure that competent legal counsel is provided to the appropriate parties.

- *Equal Employment Opportunity:*

TDS is fully committed to equal employment opportunity for all employees and applicants for employment. We will ensure that there is no unlawful discrimination in recruitment, hiring, termination, promotions, salary treatment or any other condition of employment or career development.

- *Copyright Laws and License Agreements:*

The violation of any copyright laws or the terms of any license agreement, including the unlawful duplication of copyrighted materials is strictly forbidden. Some form of licensing agreement that describes the terms, conditions and allowed uses, covers most of the software products purchased by TDS. Employees must be aware of the restrictions on the use of software and abide by those restrictions.

➤ *Antitrust Laws:*

TDS is committed to a policy of vigorous and lawful competition based on the merits of the products and services we provide. We will fully comply with the federal antitrust laws that prohibit companies from engaging in anti-competitive or potentially anti-competitive practices.

Any plans or activities, which would or might limit competition, such as pricing discussions with competitors, are strictly forbidden and are to be immediately reported to the employee's unit CEO or senior Human Resources executive. Additionally, any questions of what constitutes legal competition in the areas of sales and marketing, and competitor, customer or supplier relations must be referred to one of these individuals. He/She will work with the Vice President and Corporate Secretary, or TDS' or USCC's General Counsel to ensure that the above-mentioned plans, activities and issues are appropriately addressed.

➤ *Foreign Corrupt Practices Act:*

This law prohibits payments or offers of payments of anything of value to foreign officials, political parties, or candidates for foreign political office in order to secure, retain or direct business. Payments made indirectly through an intermediary, under circumstances indicating that such payments would be passed along for prohibited purposes, are also illegal. TDS and subsidiary employees must strictly comply with this law. Also see TDS' policy on political contributions, discussed later in the Code.

➤ *FCC and State Regulatory Commission Regulations:*

The Federal Communications Commission (FCC) and state regulatory commissions have established rules which govern the way we provide many of the Company's products and services. TDS will comply with all federal and state commission rules and regulations applicable to our business.

➤ *Insider Trading:*

The use of inside information for personal gain is forbidden by Company policy and may be a violation of Securities and Exchange Commission. These regulations make it illegal to buy or sell Company securities, or influence others to trade our securities, based on information not generally known to the public. It also includes trading in the securities of another company on the basis of insider information involving that company.

➤ *Secrecy of Customer Communications:*

Secrecy of customer communications is a fundamental policy of the Company and is protected by Federal and State laws, which impose severe criminal and civil penalties on those who are in violation of the applicable statutes.

More specifically, every customer communication transmitted through Company facilities is the personal property of the customer. The substance, content, or nature of any conversation or communication, or even the fact that there has been a communication, must not be divulged, except as is necessary to authorized law enforcement personnel. Any other use of information derived from communications or conversations transmitted through Company facilities is strictly forbidden. Any requests, which might appear to cause an employee to violate these rules, should be referred to a supervisor.

➤ *Environmental Laws:*

TDS is committed to a safe environment and sound environmental actions, and will fully comply with all environmental laws and regulations.

• *Safeguarding of Proprietary and Other Confidential Information:*

The Company's proprietary and other confidential information must only be used for the proper conduct of the Company's business. Such information includes but is not limited to technical data about products, equipment or services; improvements; discoveries; inventions; customer names, addresses or other data; employee names, addresses, contact numbers or other data; pricing information; computer programs; flowcharts; financial results; budgets; marketing plans; sales records; personnel records; systems, procedures and methods; and contracts with customers or suppliers (internal or external).

Electronic computing devices, software, and information generated by business machines and stored electronically or otherwise must be adequately safeguarded. This includes safeguards against disruption, damage, loss, alteration, theft, fraudulent manipulation, and unauthorized access to, modification of, and disclosure of, corporate information regardless of the ownership of the business machine. Strict adherence to all Company policies and standards which address the protection of TDS' information resources and communication networks is required of all employees.

Disclosing proprietary information to unauthorized persons outside the Company is prohibited and may constitute a violation of the law. Also, while TDS believes in widely sharing relevant information among employees, proprietary and confidential information should only be disclosed within TDS on a "need-to-know" basis.

Inventions, discoveries, secret processes and trademark designs, which are conceived during an employee's tenure with TDS and which relate to the Company's business, are TDS' property. Consequently, they and any related patent applications must be disclosed to the Vice President to whom the employee reports.

Employees must never attempt to acquire a competitor's trade secrets or other proprietary or confidential information through unlawful or unethical means, such as theft, spying, disclosures by a competitor's current or former employees, or through a breach of a competitor's nondisclosure agreement by a customer or other party.

Employees who leave TDS continue to have an obligation to protect the Company's proprietary and other confidential information. Further, information that belongs to TDS and its customers is Company property, and must remain at TDS or be promptly returned to TDS when an employee leaves the Company.

- *Recording Information and Protecting Company Funds:*

Accurate, reliable, and complete Company records are required to efficiently manage the business and to meet the Company's legal and financial obligations. In particular, various regulatory and governmental bodies require the retention and preservation of certain reports and records dealing with Company business.

Accordingly:

- Records, files, correspondence, etc. pertaining to Company affairs must not be removed or destroyed except as covered by applicable instructions and upon proper authorization. Unauthorized destruction, removal or otherwise misappropriating such materials is a violation of law and is as serious as misappropriating Company funds or property.
- All reports and records, including those involving time spent or material used, vouchers, customer accounts, bills, payrolls, service indices and measurement plans must be accurate and complete. Close scrutiny is required to determine that the above items cover legitimate and appropriate Company expenses and that proper approvals have been given.
- Expense reports must be completed in a timely and accurate manner. Expenses must be properly documented, and only those that are reasonable, necessary to our business and in accordance with the TDS reimbursement policy will be reimbursed.
- All assets, liabilities, revenues, and expenses must be timely, fully and accurately recorded on the regular books of the Company. The creation of undisclosed or unrecorded funds, assets or liabilities, and/or their maintenance, for any purpose, is strictly prohibited.

- All external reporting of financial and other information must be complete, timely and accurate.

- *Use of Company Facilities, Equipment, and Property:*

It is vital that the Company's property and any property leased by or under management of the company only be used for the proper conduct of the Company's business. Also, the Company's investment in software and hardware, equipment, materials, tools, supplies, vehicles and other resources must be protected from damage, misuse, vandalism, and unauthorized removal or disposal. This requires that employees do not:

- Misuse or waste Company owned or managed property, such as by using it or permitting others to use it for personal gain or some other unethical or unlawful purpose.
- Sell, transfer, remove or dispose of Company owned or managed property without appropriate authorization.
- Violate any Company policy or instruction for protecting Company software, hardware, supplies, materials, tools, equipment, vehicles and other resources against loss, theft, damage, misuse, vandalism, and unauthorized removal or disposal.
- Fail to immediately report any real or likely loss, misuse, or theft of Company property.

- *Conflict of Interest Between Employees' Responsibilities as Employees and Their Private Interests:*

All employees must be able to carry out their duties and responsibilities on behalf of the Company without impairment or the appearance of impairment, by virtue of some activity, interest, or relationship. In particular, employees must avoid relationships with others that could conflict with their effectively carrying out their Company duties and responsibilities, might affect their independence or judgement, or which could otherwise give rise to a conflict of interest or the appearance of one. This would include hiring a family member into an operation supervised at any level by another member of the family, unless specific authorization is given by the unit's CEO or its senior Human Resources executive. In addition, TDS' Vice President of Human Resources must be informed of such hiring.

With respect to non-Company relationships, employees must avoid entering into any associations with any other person or business enterprise which could or might give the appearance of conflict with their Company duties and responsibilities, or which might tend to affect their independence or judgement with respect to transactions between TDS or one of its Companies and any other person or business enterprise.

More specifically, relationships with outside vendors, suppliers, contractors, and other personnel that the Company does or seeks to do business with must not, in the view of the Company, adversely affect the business interests of the Company, create or appear to create a situation of divided loyalty, or reflect unfavorably on the employee and/or the Company. Accordingly:

- No employee or immediate family member of an employee shall personally benefit, either directly or indirectly, from Company sales, purchases or other activities of the Company, except when such a transaction has been specifically approved in writing by the President of TDS. This prohibition does not apply to normal incentive compensation programs and sales of used equipment, furniture, etc. which have been approved by the employee's unit CEO or other appropriate Officer, and which are applicable to all eligible employees.
- No employee shall have any material personal involvement with, or financial interest in, any business enterprise with which the Company competes or does business, except as follows:
 - An investment representing less than one percent of the outstanding securities of a publicly owned corporation.
 - A loan from an established financial institution at normal rates for such loans.
 - The Company determines after full disclosure of all the facts that the personal involvement or financial interest reported does not conflict with the interests of the Company or could not reasonably be expected to influence the employee's actions for or obligations to the Company.
- No employee shall hold a position with, or perform work for, a competitor, customer or supplier, or shall provide any services to outside business enterprises which could adversely affect the proper performance of his/her work for the Company or which might jeopardize the interests of the Company. This prohibition includes acting as an officer, director, or consultant or other comparable capacity with an organization that the Company is currently or is seeking to do business with or is in competition with, without the specific written approval of the President of TDS.
- Employees must use good judgement and act with moderation in all their dealings with outside concerns with which the Company does business. More specifically, the guidelines below must be followed:
 - Employees may accept entertainment, but only if the entertainment involves reasonable expenditures, occurs infrequently, and would enhance or maintain a legitimate business relationship. This would include occasional attendance at athletic, theatrical and cultural functions.

- Employees may accept occasional meals or refreshment should that be appropriate in the normal course of conducting business. Whenever possible, such meals and refreshments should be paid for on a reciprocal basis.
- Employees may only accept gifts of nominal value. An item has “nominal” value when it is promotional in nature, imprinted with corporate advertising and is also distributed to others in the Company as a promotional item. To be considered “nominal”, any other gift must have a retail value of \$100 or less or be specifically approved by the CEO of TDS or the CEO of the TDS business unit.

Hence, employees may not accept anything of value which is primarily intended to gain favor or influence. Rather, all gifts, entertainment, etc. must be reasonably related to a business relationship and be consistent with social norms and business customs. Things that employees are prohibited to accept include bribes; “kickbacks”; gifts of other than nominal value (as discussed immediately above); loans; money; special privileges; personal favors, services or benefits; and unusual hospitality or entertainment.

If there is any doubt as to whether what is being offered is appropriate in light of the above guidelines, it should not be accepted or the decision should be referred to the employee’s business unit CEO or senior Human Resources executive.

- No employee shall place any Company business of any kind with another business enterprise in which the employee, a member of his/her family, or a close relative has a significant ownership position or serves in a leadership capacity, without the specific approval in writing of the President of TDS.
- Company business shall be awarded to suppliers based on competitive bidding wherever feasible and on quality, cost and timeliness considerations, and not on the basis of personal friendship or favor.

In summary, all employees are expected to avoid any investment or involvement which could adversely influence their actions on behalf of the Company, or give the appearance of doing so. Any actual or potential conflict of interest situation, whether of a Company or a non-Company nature, should be reported by the employee to a supervisor or unit head for resolution.

- *Political Contributions and Activities:*

No Company funds or assets shall be used for federal political campaign contributions; nor shall such assets or funds be used for state or local political contributions, even where permitted by applicable state or local laws, without the prior written approval of the President of TDS.

More generally, under no circumstances should an employee either provide to or receive from a public official or political candidate any payment, gift or entertainment which might possibly be construed as improper or illegal, such as a bribe or kickback. Employees should take care to avoid even the appearance of improper conduct in their relationships with public employees and political candidates. Hence, any entertainment of, or other contact with, a public official must comply with the policies and limits set by applicable local, state and federal laws and regulations.

The above prohibitions are in no way intended to discourage employees from making personal contributions to candidates, parties or political action committees of their choice. However, political contributions must not be made with Company funds or reimbursed with Company funds by any means, direct or indirect, except as discussed in the preceding paragraph. Also, employees shall not solicit contributions for political candidates from other employees. In addition, employees who elect to become involved in partisan political activities must also make it clear that they are not speaking or acting for the Company.

CODE OF ETHICS FOR CERTAIN OFFICERS

In addition to compliance with this Code, Senior Executives and Financial Officers (the “Officers”) are expected to adhere to the following Officers’ Code of Ethics.

As an Officer, you agree to:

- (a) Engage in and promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Take all reasonable measures to protect the confidentiality of non-public information about TDS or its subsidiaries and their customers obtained or created in connection with your activities and to prevent the unauthorized disclosure of such information unless required by applicable law or regulation or legal or regulatory process;
- (c) Promote full, fair, accurate, timely and understandable disclosure in reports and documents that TDS or its subsidiaries files with, or submits to, the Securities and Exchange Commission and other regulators and in other public communications made by TDS or its subsidiaries;
- (d) Comply with applicable governmental laws, rules and regulations, as well as the rules and regulations of the American Stock Exchange or other self-regulatory organizations of which TDS or its subsidiaries is a member; and
- (e) Promptly report any possible violation of this Code of Ethics directly to any member of the TDS Audit Committee or through the TDS Ethics Line as discussed below.

You are prohibited from directly or indirectly taking any action to fraudulently influence, coerce, manipulate or mislead TDS, its subsidiaries, or its independent public auditors for the purpose of rendering the financial statements of TDS or its subsidiaries misleading.

You understand that you will be held accountable for your adherence to this Officers' Code of Ethics. Violations of this Officers' Code of Ethics may also constitute violations of law and may result in civil and criminal penalties for you and/or TDS.

Any waiver of the Officers' Code of Ethics shall be made only on the recommendation of the Audit Committee and subject to the approval of the Board of Directors, and will be promptly disclosed as required by law or stock exchange regulation.

If you have any questions regarding the best course of action in a particular situation, you should promptly contact the General Counsel of TDS. You may utilize the TDS Ethics Line (800-589-3254) for the reporting of violations of the Officers' Code of Ethics or TDS's Code of Business Conduct, including questionable accounting or auditing matters, as defined therein. You may choose to remain anonymous in reporting any possible violation.

ACCOUNTING, INTERNAL ACCOUNTING CONTROLS & AUDITING MATTERS

The Audit Committee of the Board of Directors of Telephone and Data Systems, Inc. is committed to having the Company comply with all applicable securities laws and regulations, accounting standards, accounting controls, and audit practices. In that regard, the Audit Committee has established procedures for (i) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and (ii) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters. A further explanation of such matters can be found in this Code, under the headings "Recording Information and Protecting Company Funds" (see page 8) and "Use of Company Facilities, Equipment and Property" (see page 9). Any employee wishing to submit a report of the type contemplated in the procedures shall be free to do so without fear of dismissal or retaliation.

The term "questionable accounting or auditing matters" includes, without limitation, (i) fraud, deliberate error or misrepresentation in the preparation, evaluation, review or audit of any financial statement of the Company, (ii) fraud, deliberate error or misrepresentation in the recording and maintaining of financial records of the Company, (iii) deficiencies in or noncompliance with the Company's internal accounting controls, (iv) misrepresentation or false statements to or by a senior officer or accountant regarding a matter contained in the Company's financial records, financial reports or audit reports, or (v) deviation from full and fair reporting of the Company's financial condition.

Complaints and reports arising under this procedure may be made in the same manner as other complaints and reports arising under the Code, as described below in the section captioned “Administration of the Code.” In addition such complaints and reports may be made directly to the Company’s Ethics Line (800-589-3254), which is staffed by an independent outside service provider and to which calls may be made anonymously.

ADMINISTRATION OF THE CODE

In order for TDS to operate its various businesses according to the highest possible ethical standards, all employees must take their responsibilities under this Code seriously, both with respect to their own personal conduct and that of their fellow employees. Violations of the standards and policies contained in the Code will subject the employee to appropriate disciplinary actions, up to and including discharge. Therefore every employee must:

- Understand the policies and practices contained in the Code and observe them at all times.
- Bring any substantive questions on the Code, or its applicability to a given situation, or any other relevant ethical question or concern, to the attention of management. This Code will provide guidance on many issues, but it cannot cover all the situations with which employees will be confronted.
- Report any violations of the Code as well as any perceived irregularities in ethics or accounting transactions that may not be specifically covered by its policies and standards.

The employee should refer such ethical questions and concerns to his/her immediate supervisor for resolution. If for any reason the employee chooses not to do so, the employee may refer the matter to his/her unit head, Human Resources Representative, Vice President of Human Resources, the Vice President – Internal Audit, the President and CEO of TDS, or the Audit Committee* of the TDS Board of Directors. Employees may also report concerns or questions concerning possible violations of the Code to the Company’s Ethics Line at 800-589-3254. Such reports may be made anonymously but should contain sufficient information to allow the Company to take appropriate action.

TDS management is committed to administering the Code fairly, objectively, and conscientiously. Hence, the identity of employees about whom or against whom an alleged violation of the Code has been made will remain confidential unless or until it has been determined that a violation has occurred that requires disciplinary action. At such time, the information will only be released on a “need-to-know” basis.

* Information for contacting the Audit Committee members is available by calling the Ethics Line at 800-589-3254.

The identity of employees reporting a possible violation of the Code will also remain confidential. Further, such employees will be protected from possible reprisals. Any employee who has initiated or encouraged reprisal action against an employee who reports known or suspected Code violations, will be subject to disciplinary action up to and including discharge.

To ensure that the Code and its enforcement receive appropriate ongoing attention from Company management:

- Each TDS operation will undertake various activities to ensure compliance with the Code, to include:
 - Requiring all new employees to read the Code and sign the attached Acknowledgment Form as a condition of employment.
 - Requiring that all current employees reread the Code and re-sign the attached Acknowledgment Form when there are revisions to the Code, or as management determines is necessary to help ensure that employees remain knowledgeable of the Code's standards and policies.
 - Ensuring that all actual or alleged violations of the Code have been thoroughly reviewed and that appropriate action has been taken.
- The TDS Vice President of Human Resources and the Internal Auditing Department will periodically remind all TDS operations of their responsibilities with respect to the Code.
- The Internal Auditing Department, under the direction of the Audit Committee of the TDS Board of Directors, will periodically monitor compliance with the Code.
- The Audit Committee will annually review the Internal Auditing Department's monitoring activities in connection with the Code. The Committee will also review any other material Code-related activities that occurred during the year, including any significant events concerning the standards and policies it contains. Its findings will be reported to the TDS Board of Directors.

CONCLUSION

The continued success of TDS and its subsidiary operations and associated service companies requires that it retain the trust of its major constituencies: customers, employees, shareholders, suppliers, the communities we serve and the governmental employees and agencies with whom we interact. To accomplish this goal, all employees must conduct themselves with the highest standards of honesty, integrity, and business ethics. It is with this in mind that the TDS Code of Business Conduct has been written and widely distributed.

ACKNOWLEDGMENT FORM

I have read and understand the provisions of the TDS Code of Business Conduct, dated February, 2004. I am currently in compliance with and agree to continue to comply with its provisions.

I realize that failure to observe and comply with all the Code's provisions will subject me to disciplinary action, up to and including discharge.

I understand that this Code is not a contract of employment and that my compliance with this Code does not confer any right to continue in the service of the Company, or in any way affect my right to terminate employment with the Company.

Employee

Date

Organization

Acknowledgment received from the above-named employee:

Supervisor or HR Representative

Date

TO BE RETAINED IN EMPLOYEE'S PERSONNEL FILE.

**Corporate Office
30 North LaSalle Street
Suite 4000
Chicago, IL 60602-2507
(312) 630-1900**

