

TELEPHONE & DATA SYSTEMS INC /DE/
Form 8-K
February 16, 2017

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

FORM 8-K

CURRENT
REPORT

Pursuant to
Section 13 or
15(d) of

the Securities
Exchange Act of
1934

Date of Report
(Date of earliest
event reported):
February 10,
2017

TELEPHONE AND DATA
SYSTEMS, INC.
(Exact name of registrant as specified
in its charter)

Delaware 001-14157 36-2669023

(State
or
other (Commission
jurisdiction
of
incorporation
or File Number)
organization)

(I.R.S.
Employer
Identification
No.)

30 North LaSalle Street, Suite 4000,
Chicago, Illinois 60602
(Address of principal executive
offices) (Zip code)

Registrant's telephone number,
including area code: (312) 630-1900

Not Applicable
(Former name or former address, if
changed since last report)

Check the appropriate box below if
the Form 8-K filing is intended to
simultaneously satisfy the filing
obligation of the registrant under any
of the following provisions (see
General Instruction A.2. below):

Written communications pursuant to
Rule 425 under the Securities Act
(17 CFR 230.425)

Soliciting material pursuant to Rule
14a-12 under the Exchange Act (17
CFR 240.14a-12)

Pre-commencement
communications pursuant to Rule
14d-2(b) under the Exchange Act
(17 CFR 240.14d-2(b))

Pre-commencement
communications pursuant to Rule
13e-4(c) under the Exchange Act
(17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

See disclosure under Item 8.01 – Other Events, which is incorporated herein to the extent applicable.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

See disclosure under Item 8.01 – Other Events, which is incorporated herein to the extent applicable.

Item 8.01. Other Events.

As previously disclosed by Telephone and Data Systems, Inc. (“TDS”), the Federal Communications Commission (“FCC”) announced United States Cellular Corporation (“U.S. Cellular”), a subsidiary of TDS, as a qualified bidder in the FCC’s forward auction of 600 MHz spectrum licenses, referred to as Auction 1002. The Clock Phase of the auction was completed on February 10, 2017. With the completion of the Clock Phase of the auction, U.S. Cellular is now committed to purchase 600 MHz spectrum licenses on which it submitted bids for a minimum amount of \$327 million, subject to increase as the FCC completes the Assignment Phase of the auction, which is pending. U.S. Cellular expects to be obligated to pay for the total committed amount, less the \$143 million upfront payment made in June 2016, in the second quarter of 2017. U.S. Cellular currently expects to make such payment using cash on hand and/or borrowings under its revolving credit agreement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TELEPHONE AND DATA SYSTEMS, INC.
(Registrant)

Date: February 16, 2017

By: /s/ Douglas D. Shuma
Douglas D. Shuma
Senior Vice President - Finance and Chief Accounting Officer
(principal financial officer and principal accounting officer)