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April 6, 2007

Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

Attn: Mr. Brian V. Breheny, Esq., Chief  
Ms Christina E. Chalk, Esq., Special Counsel  
Mr. Daniel Duchovny, Esq., Special Counsel  
Office of Mergers and Acquisitions,  
Division of Corporation Finance

Attn: Mr. James Brigagliano, Associate Director  
Ms. Racquel Russell, Esq., Chief  
Office of Trading Practices  
Division of Market Regulation

**Re: Tender Offers for Shares and ADSs of  
Compañía Anónima Nacional Teléfonos de Venezuela**

Ladies and Gentlemen:

We are writing on behalf of our client, the Bolivarian Republic of Venezuela (the "Republic").

As previously discussed, the Republic intends to commence two tender offers to acquire all of the outstanding capital stock of Compañía Anónima Nacional Teléfonos de Venezuela, a company organized under the laws of the Bolivarian Republic of Venezuela (the "Company" or "CANTV"). The structure for the tender offers would be a simultaneous (i) Venezuelan tender offer (the "Venezuelan Offer") made to all holders of the Company's common stock ("Shares") and (ii) United States tender offer (the "U.S. Offer") and together with the Venezuelan Offer, the "Offers") made to all holders of American Depositary Shares of the Company ("ADSs"), each ADS representing seven Class D shares of common stock of the Company ("Class D Shares"). Holders of Class D Shares will have the ability to deposit their Class D Shares (without responsibility for any deposit fees) with a Venezuelan custodian for the account of the depositary for the ADS facility, with instructions for the ADSs to be issued in





Offers will be the same as the consideration being offered to other holders, on a per share and per ADS basis.

### *The Company*

The following description of the Company comes from publicly available information concerning the Company filed with the Commission, including the Company's Annual Report on Form 20-F for the year ended December 31, 2005 filed on June 29, 2006 (the "Company 20-F") and the Company's Report of Foreign Issuer on Form 6-K filed on March 19, 2007 (the "Form 6-K"), as well as certain limited information and documents made available to by the Company to the Republic. The share ownership information is based on certain share ownership information as of February 28, 2007 and a March 31, 2007 Depository Trust Company Security Position Report (and related participants' addresses) (the "DTC Position Report"), all of which has been provided by the Company.

The Company is the leading provider of telecommunications services in Venezuela. The Company provides substantially all of its services within Venezuela and substantially all of its operating income is derived from Venezuelan-domiciled customers and from payments from foreign carriers for calls completed in Venezuela. The Company is the owner of the largest basic telecommunications network with nationwide coverage in Venezuela. Through this network, the Company provides local, national and international telecommunications services. In addition, the Company provides private network, data, public telephone, rural telephone and telex services. Through its subsidiaries, the Company provides other telecommunications-related services including wireless communications, Internet access and telephone directories.

According to the Form 6-K, the Company's total operating revenues during 2006 were approximately Bs. 6.8 trillion (the equivalent of \$3.1 billion based on the official exchange rate in Venezuela for the sale of U.S. dollars by *Banco Central de Venezuela* or the Central Bank of Venezuela (the "Bolivar Exchange Rate") currently in effect, of Bs. 2,150 per US\$1.00), and its total assets as of December 31, 2006 were approximately Bs. 8.9 trillion (the equivalent of \$4.1 billion based on the current Bolivar Exchange Rate).

The Class D Shares trade on the Caracas Stock Exchange under the symbol "TDV.D", and the ADSs trade on the NYSE under the symbol "VNT".

In addition to Verizon and the Republic, the Company's shareholders include (i) employees and former employees and their family members, employee trusts and a workers' benefit fund, which together own approximately 6.21% of the Company's capital stock, and (ii) indirect subsidiaries of Telefónica S.A., a Spanish telecommunications service company ("Telefónica"), which owns approximately 6.91% of the Company's capital stock.

### ***Capital Structure of the Company***

**General:** The capital stock of the Company is divided into four classes of common stock: Class A Shares, Class B Shares, Class C Shares and the Class D Shares. Pursuant to the Company's Bylaws, Class A, B and C Shares may only be held by certain persons (as described below) and automatically convert into Class D Shares when transferred by such persons, except that Class B shares automatically convert to Class C shares if transferred to employees or retirees of the Company.

Each Share of every class is equal in all respects – Shares of each class have the same par value, and each Share has one vote in any meeting of shareholders and participates equally in the case of any dividends or other distributions - other than certain rights to elect directors in the case of the Class B and Class C Shares and the right of the Class B Shares to approve certain extraordinary transactions.<sup>2</sup> Indeed, as was the case in the 2001 tender offer by The AES Corporation and the Company's share repurchase offer in 2001, the per share consideration to be offered in the Offers will be the same for shares of all three classes to which the Offers will be open. Because the four classes of capital stock are substantially similar, the analysis below of the Company's shareholder base treats them as a single class of capital stock.

As of February 28, 2007, there were 787,140,849 Shares outstanding.

**Class A Shares:** According to the Company's By-laws, the Class A Shares may only be held by former members of VenWorld Telecom, C.A. ("VenWorld"), a Venezuelan company formed in 1991 by a consortium of private investors to acquire Class A Shares in connection with the privatization of the Company by the Republic. VenWorld was majority owned by indirect subsidiaries of Verizon (formerly GTE Corporation). Its other shareholders included indirect subsidiaries of Telefónica; C.A. La Electricidad de Caracas, S.A.C.A., a Venezuelan power generating and distribution company; and AT&T International, Inc. VenWorld was liquidated in February 2002, and the Class A Shares were distributed to the VenWorld shareholders.

As of February 28, 2007, there were 251,178,710 Class A Shares outstanding, representing approximately 31.91% of the total outstanding capital stock of the Company. Of such Shares, Verizon holds 196,401,427 Class A Shares through Venholdings. Of the remaining Class A Shares, as of February 28, 2007, Telefónica held 54,410,144 Shares through its

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<sup>2</sup> The holders of Class C Shares have the right to elect 2 directors if the Class C Shares represent at least 8% of the capital stock of the Company and one director if the Class C Shares represent at least 3% of the capital stock of the Company.

The holders of the Class B Shares have the right to elect one director and to approve decisions concerning the dissolution of the Company, mergers or other extraordinary corporate transactions, reimbursement or reduction of capital, sales of assets and By-law amendments in relation to corporate purpose, classification of share capital, approval and other rights accorded to the various classes of Shares, shareholders' meeting and related notices and quorum requirements, composition of the Board of Directors, Board of Directors' meetings and related notices and quorum requirements and the approval of transactions by the Board of Directors.

subsidiary Telefónica International Holding B.V. and Banco Mercantil, C.A. held 367,139 Shares.

**Class B Shares:** Class B Shares may be owned only by the Republic and other Venezuelan public sector entities. As described above, the Class B Shares entitle its holders, acting as a single class, to appoint one director to the Company's Board of Directors and to approve certain extraordinary transactions by the Company.

As of February 28, 2007, there were 51,900,000 Class B Shares outstanding, representing approximately 6.59% of the total outstanding capital stock of the Company. All but one Class B Share are held by BANDES. The remaining share is held in the name of the Infrastructure Ministry.

**Class C Shares:** Class C Shares may only be owned by employees, former employees and retirees of the Company and related persons or entities.

As of February 28, 2007, there were 47,418,150 Class C Shares outstanding, representing approximately 6.02% of the total outstanding capital stock of the Company.

**Class D Shares:** Class D Shares are the only class of Shares represented by the ADSs. The Company's By-laws do not contain any restriction on who may own Class D Shares.

As of February 28, 2007, there were 436,643,989 Class D Shares (including Class D Shares represented by ADSs), representing approximately 55.47% of the total outstanding capital stock of the Company. As of the same date, 399,905,415 Class D Shares (or approximately 91.59% of the Class D Shares and approximately 50.80% of the total outstanding capital stock of the Company) were represented by ADSs.<sup>3</sup>

Verizon holds 4,001,311 ADSs, which represents 28,009,177 Class D Shares. Based on a Schedule 13D filed with the SEC, and last amended by a Schedule 13G Amendment dated February 14, 2006, Brandes Investment Partners, L.P., a registered investment adviser, and certain other filing persons hold an aggregate of 17,764,681 ADSs, which represents 124,352,767 Class D Shares, or 15.80% of the Company's total outstanding capital stock.

Under the terms of the Amended and Restated Deposit Agreement (the "Deposit Agreement") dated as of September 10, 2000 by and among The Bank of New York as

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<sup>3</sup> Based on the DTC Position Report, as of March 15, 2007, there were 132 DTC participants holding a total of 59,909,057 ADSs (representing 419,363,399 Class D Shares). This number represents approximately 96.04% of the total number of Class D Shares that were outstanding as of February 28, 2007 and approximately 53.28% of the total outstanding capital stock of the Company. However, it is also possible that the total number of Class D Shares could have increased between February 28, 2007 and March 15, 2007. The Republic does not have information indicating whether any such change in fact occurred. As explained below, the Republic is not able to rely on the exemption under paragraph (c) or (d) of Rule 14d-1. We recognize that if the Republic were intending to rely on one of those exemptions, the U.S. ownership of the Company's capital stock would have to be calculated as of thirty days prior to commencement of the Offers.

depository (the “Depository”), the Company and the holders of ADSs, any holder of Class D Shares may from time to time deposit Class D Shares with the Depository and receive ADSs in exchange therefor and holders of ADSs may deliver their ADSs to the Depository and receive Class D Shares in exchange therefor. As a result, the number of Class D Shares held directly and the number represented by ADSs is subject to fluctuation.

***Ownership of Shares and ADSs by U.S. Persons***

As described above, the Class A Shares are held by affiliates of Verizon, Telefónica, and Banco Mercantil, C.A., a Venezuelan bank, the Class B Shares are held by the Republic, and the Class C Shares are held by CANTV employees, former employees and related persons and entities. The Republic is not aware of any U.S. person who is an employee or former employee of the Company and who holds Class C Shares. Since the Company operates primarily in Venezuela and does not have any operations in the U.S., the Republic believes that few holders of Class C Shares would be U.S. persons.

With respect to the Class D Shares (and ADSs representing Class D Shares), as described above, as of February 28, 2007, there were 436,643,989 Class D Shares outstanding, of which 399,905,415 were represented by ADSs. It is not clear, however, what percentage of the ADSs are held by U.S. persons, or whether any of the Class D Shares (as opposed to ADSs) are held by U.S. persons.

If it is assumed that all of the ADSs outstanding as of February 28, 2007 were held by U.S. persons, and also that no Class A, Class C or Class D Shares (other than Class D Shares represented by ADSs) are held by U.S. persons, then as of such date, the maximum percentage ownership of the Company’s total capital stock by U.S. persons would be approximately 64.05%.<sup>4</sup> According to an amendment to Schedule 13G filed with the Commission on February 9, 2007 by Inmobiliaria Carso, S.A. de C.V. and certain other reporting persons, as of such date Inmobiliaria Carso, S.A. de C.V. and such persons beneficially owned an aggregate of 2,700,000 ADSs representing 18,900,000 Class D Shares. Inmobiliaria and all of the other reporting persons are identified as citizens of, or corporate entities organized in, Mexico, and as having Mexican addresses. In addition, according to the March 15, 2007 DTC Security Position Report referenced above, 990,863 ADSs representing an aggregate of 6,936,041 Class D Shares were held by participants with non-U.S. addresses as of March 15, 2007. If the ADSs held by these persons are treated as held by non-U.S. persons, then based on the total number of ADSs outstanding as of February 28, 2007, the maximum percentage ownership of the Company’s total capital stock by U.S. persons would be approximately 57.37%. It is likely that additional ADSs are held for the account of non-U.S. persons; however, the Republic does not currently have sufficient information to determine this.

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<sup>4</sup> This percentage is calculated by excluding (i) the 196,401,427 Class A Shares and the 28,009,177 Class D Shares represented by ADSs that are held by Verizon, (ii) the 51,900,000 Class B Shares held by the Republic, and (iii) the 124,352,767 Class D Shares represented by ADSs that are held by Brandes Investment Partners, L.P., as provided by the instructions to paragraphs (c) and (d) of Rule 14d-1 under the Exchange Act.

On the other hand, it is believed that few, if any, U.S. persons are likely to hold Class D Shares, as opposed to ADSs, because (i) the market for ADSs traded in the U.S. on the NYSE is significantly larger than the market for Class D Shares traded in Venezuela on the Caracas Stock Exchange, and (ii) the currency underlying the ADSs is U.S. dollars, whereas the currency underlying the Class D Shares is Venezuelan Bolivars. Therefore the Republic believes that the 57.37% U.S. ownership described above represents the upper end of the range of possible U.S. ownership.

If the Republic were to discover information that is contrary to the information set forth above, it would promptly disclose this information to the Commission.

The Republic does not believe an exemption under paragraph (c) or (d) of Rule 14d-1 applies to the Offers. The Republic does not have sufficient information available to fully analyze the U.S. ownership of the Company's capital stock for purpose of the exemptions. Based on the share ownership information currently available to the Republic, U.S. ownership of the Company's capital stock (including ADSs) exceeds the applicable thresholds for the exemptions both based on record ownership and on a look-through basis. The Republic will notify the Commission if it obtains additional information to permit a more complete analysis. However, the Republic does not expect that such information would lead to a determination that an exemption is available. The Republic is therefore not seeking to demonstrate that the Offers qualify for an exemption under paragraph (c) or (d) of Rule 14d-1.

### ***Ownership of Shares by the Republic***

Until December 1991, the Company operated under the control of the Republic, which owned 100% of the Company's capital stock. The Company was privatized beginning in December 1991, when the Republic, through BANDES, sold 40% of the Company's outstanding capital stock to VenWorld. In connection with the privatization, the Republic also provided for the transfer of Class C Shares representing up to 11% of the Company's capital stock to certain employee trusts. In November 1996, the Republic, through BANDES, sold Class D Shares representing 34.8% of the outstanding capital stock of the Company in an initial public offering.

As described above, the Republic currently holds all of the Class B Shares, representing approximately 6.59% of the Shares.

On January 8, 2007, the President of the Republic announced the intention of the Republic to nationalize certain companies, including the Company, operating in certain strategic sectors of the Venezuelan economy. In furtherance of that objective, the Republic, Verizon and Venholdings entered into the Verizon Memorandum, pursuant to which the Republic agreed, subject to certain terms and conditions, to commence, or cause an entity owned by the Republic to commence, the Offers, and Venholdings agreed, subject to certain terms and conditions, to tender all of the Verizon Shares into the Offers.<sup>5</sup>

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<sup>5</sup> On April 3, 2006, Teléfonos de México, S.A. de C.V. ("Telmex") and América Móvil, S.A de C.V. ("América Móvil") announced that through an equally owned joint venture they had entered into an agreement with Verizon to acquire Verizon's equity interest in the Company, subject to applicable regulatory approvals, including the





terms of the offer, including payment conditions; any preexisting relationships between the bidder and the target company; detailed information concerning the purpose of the offer, such as the bidder's intentions with respect to the operational, financial and corporate policies of the target company; and whether the bidder intends to liquidate, merge, alter the capital structure or dispose of the assets of the target company.

2. The initial term of the offer must be at least 20 Caracas Stock Exchange trading days but no more than 30 Caracas Stock Exchange trading days. Generally speaking, "Caracas Stock Exchange trading days" are weekdays that are not public holidays or other days when banks are required or permitted to close in Venezuela. The initial term may be extended from time to time; however, prior written approval of the CNV is required for each extension and extensions may not be for more than an aggregate of thirty (30) Caracas Stock Exchange trading days following the initial term.

3. Withdrawal rights need only be made available to a tendering shareholder in limited circumstances – being when there is a competing offer or when the original bidder's offer has been improved and the original bidder's offer was accepted by such shareholder prior to the commencement of the competing offer or such modification of the original bidder's offer. However, an offeror may elect to waive its rights to treat tenders as irrevocable, and make withdrawal rights available to security holders when such circumstances are not present.

4. No later than five Caracas Stock Exchange trading days after the offer has been made, the target company must publish, disseminate and file with the CNV and the stock exchange on which its securities are listed a response to the offer statement that discloses, among other things, details of the target company's capital structure, a report of its board of directors with respect to the potential benefits and risks of the offer, and the opinion of its board of directors with respect to acceptance or rejection of the offer. With certain exceptions (including with CNV approval), controlling shareholders and directors of the target company may only comment on the tender offer within the context of this formal response to the bidder's statement, and may not make additional comments after filing the response, unless the terms of the offer are materially altered or a competing offer is commenced.

5. Venezuelan law and practice provide for an offeror to pay for securities tendered into an offer up to ten Caracas Stock Exchange trading days following the expiration of the tender offer. First, settlement is effected through a special session of the Caracas Stock Exchange, and must be made pursuant to the rules and regulations thereof. Such settlement typically occurs on or before the fifth Caracas Stock Exchange trading day following the expiration date of an offer. At the special settlement, all securities that have been tendered and not withdrawn are accumulated and recorded as transferred to the purchaser in a single transaction. Payment for such securities is then made available to holders anytime up to five Caracas Stock Exchange trading days following such settlement.





6. As requested by the Commission in connection with the Primor/Mavesa Tender Offer, and as observed in connection with the AES/CANTV Tender Offer, in addition to making available Spanish language versions of the Venezuelan Offer Materials, the Republic will make available to holders of Shares who are U.S. persons (i) a translation into English of the Venezuelan Offer Materials and (ii) an information supplement that provides additional disclosure concerning the Venezuelan Offer (such supplement, which will form part of the Venezuelan Offer Materials, the "Supplement"). The English version of the Venezuelan Offer Materials, including the Supplement, would satisfy all relevant disclosure requirements of Schedule TO under the Exchange Act with respect to the Venezuelan Offer, and therefore U.S. holders of Shares participating in the Venezuelan Offer would receive substantially the same information as holders of ADSs.<sup>7</sup>

7. The Republic would waive its rights to treat tenders into the Venezuelan Offer as irrevocable, and would make withdrawal rights available to security holders while the Venezuelan Offer is still open.

8. The initial expiration date of the Offers would be at least twenty (20) U.S. business days (as contemplated by Rule 14e-1(a) under the Exchange Act) after the Commencement Date, or if longer, twenty (20) Caracas Stock Exchange trading days after the Commencement Date (the "Initial Expiration Date").

9. The U.S. Offer Materials and the Venezuelan Offer Materials would disclose (i) that Venezuelan law currently would prohibit the extension of the expiration date of the Venezuelan Offer to a date later than the thirtieth Caracas Stock Exchange trading day after the Initial Expiration Date and (ii) that, under some circumstances (such as a change in the offer price or other material change in the terms of the U.S. Offer), U.S. law may require an extension of the expiration date of the U.S. Offer to a date later than such thirtieth Caracas Stock Exchange trading day after the Initial Expiration Date and that, in such event, the Republic might be required to purchase Shares in the Venezuelan Offer before it purchases ADSs in the U.S. Offer. The U.S. Offer Materials and the Venezuelan Offer Materials would also disclose that, subject to applicable law, the Republic intends to consummate the U.S. Offer concurrently with the Venezuelan Offer.

10. If an extension were required under U.S. law or regulation, including an extension beyond the sixtieth Caracas Stock Exchange trading day following the Commencement Date, the Republic would seek exemptive relief from the CNV to permit an equivalent extension of the Venezuelan Offer. However, there can be no assurance that the CNV would grant such relief. If no relief were obtained, Venezuelan law may require that the Republic pay for Shares tendered

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<sup>7</sup> Such holders are therefore protected by the Exchange Act disclosure requirements. We have been requested by the Republic to emphasize that providing the English translation of the Venezuelan Offer Materials, including the Supplement, does not reflect an admission that such documents are required in connection with simultaneous tender offers in the U.S. and abroad. In our view the Supplement is unnecessary because given the right of holders of Class D Shares to convert into ADSs and vice versa, as disclosed in the U.S. Offer Materials and the Venezuelan Offer Materials, U.S. holders that hold Class D Shares have access to all information provided to the holders of ADSs.



14(d) and 14(e) of the Exchange Act and the regulations thereunder. Therefore, Rule 14d-10(a)(1) could be read to prohibit the dual structure of the Offers.

The Commission has adopted certain exemptive rules for cross-border tender and exchange offers and business combinations and rights offerings relating to the securities of foreign companies. The promulgating release (Release Nos. 33-7759, 34-42054; International Series Release No. 1208) (the "Cross Border Release") indicates that the purpose of granting exemptions from Rule 14d-10 is to facilitate U.S. investor participation in these types of transactions. As described in this letter, there are certain conflicts between the Venezuelan Tender Offer Rules and the tender offer rules and practice in the United States. We believe that the best method for reconciling these conflicts is the dual offer structure described in this letter.

In view of the fact that the U.S. Offer would be for ADSs and that the Venezuelan Offer would be for Shares, on behalf of the Republic, we respectfully request exemptive relief from Rule 14d-10(a)(1), pursuant to Rule 14d-10(f), with respect to the Venezuelan Offer and the U.S. Offer in order that the dual offer structure as described in this letter may proceed as contemplated.

Given (i) the protections afforded by the Venezuelan regulatory regime, (ii) that the Offers would be made for Shares and ADSs on the same financial terms, (iii) the differences in procedural requirements under the Venezuelan Tender Offer Rules and the U.S. tender offer laws and regulations, (iv) that holders of Class D Shares who wish to tender their securities into the U.S. Offer and holders of ADSs who wish to tender their securities into the Venezuelan Offer will be able to utilize the Conversion Option (and in the case of holders of Class D Shares, the Delivery Arrangement), (v) that the availability of the Conversion Option and the Delivery Arrangement would be disclosed by means of the U.S. Schedule TO and the Venezuelan Offer Materials, (vi) that the Republic would make available to U.S. holders of Shares a translation into English of the Venezuelan Offer Materials, including the Supplement, that would satisfy the disclosure requirements of Schedule TO under the Exchange Act with respect to the Venezuelan Offer, (vii) that the structure of the Offers is required under the Venezuelan Tender Offer Rules, and (viii) that, except for the relief requested herein or as otherwise described herein, the Venezuelan Offer would comply with the Exchange Act and Regulations 14D and 14E thereunder with respect to U.S. persons, we believe that the requested exemptions are both appropriate and consistent with the intent of the Cross Border Release and the Exchange Act.

As previously noted, we believe this relief is consistent with the relief granted by the Commission in connection with the Primor/Mavesa Tender Offer.

#### ***Rule 14e-5***

Among other things, Rule 14e-5 promulgated under the Exchange Act prohibits (subject to specified exceptions) a person making a tender offer for an equity security from, directly or indirectly, purchasing or making any arrangement to purchase such security or any security which is immediately convertible into or exchangeable for such security, except pursuant to such offer. The prohibition continues from the time of the public announcement of

the offer until the expiration of the offer period, including any extensions thereof. Read literally, Rule 14e-5 could be interpreted to prohibit purchases of Shares pursuant to the Venezuelan Offer after the Announcement Date.

On the basis and for the reasons outlined below, we are hereby applying, on behalf of the Republic, for exemptive relief from the provisions of Rule 14e-5 pursuant to Rule 14e-5(d) in order to allow the Republic to make the simultaneous Venezuelan Offer, to purchase Shares thereunder, and to enter into such arrangements and agreements, and take such other steps, as may be necessary or advisable under Venezuelan law and stock exchange regulations to effect the Venezuelan Offer, in each case, after the February 12, 2007 Announcement Date and during the period covered by Rule 14e-5.

We believe the Rule 14e-5 exemptive relief requested in this letter is, in large measure, contemplated by, or consistent with, the exemptive relief granted in connection with other similarly structured tender offers. See, e.g., *In the Matter of The AES Corporation Tender Offer for Shares and ADSs of Compañía Anónima Nacional Teléfonos de Venezuela (CANTV)*, and *In the Matter of Primor Alimentos C.A. Tender Offer for Shares and ADSs of Mavesa S.A.* See, also, *In the Matter of Gas Natural SDG, S.A.'s Exchange Offer for Endesa, S.A.*

Holders of ADSs would be entitled to participate in the U.S. Offer on terms at least as favorable as those offered to holders of Shares in the Venezuelan Offer, and holders of Shares would be entitled to participate in the Venezuelan Offer on terms at least as favorable as those offered to holders of ADSs in the U.S. Offer. Given the fact that the Conversion Option would be disclosed in both the U.S. Offer Materials and the Venezuelan Offer Materials, the aforementioned differences should not prevent the Commission from granting the relief herein requested.

Further, the Republic has considered steps to ensure that the procedural terms of the Offers would be as equivalent as practically possible given local law considerations and that the consideration in the Offers would on a per share basis be the same (taking into account the number of Class D Shares represented by each ADS).

The Republic notes in this context that granting the relief requested would be a factor greatly facilitating cross-border offers because it would encourage bidders for non-U.S. companies to extend offers to U.S. persons. Because the proposed dual offer structure involves purchases pursuant to a foreign tender offer, it does not present the same risks as would open market and privately negotiated purchases, and the policies forming the basis for Rule 14e-5 would not be violated if the exemption requested is granted. If the Republic proceeds with the Offers, the Republic's intention to make (x) purchases pursuant to the Venezuelan Offer and the purchases themselves would be fully disclosed to holders of ADSs in the U.S. Offer Materials who would be assured the benefit of the same price paid per Share being offered in the Venezuelan Offer and (y) purchases pursuant to the U.S. Offer and the purchases themselves would be fully disclosed to holders of Shares in the Venezuelan Offer Materials who would be assured of the same price paid per Share in the U.S. Offer.



***Rule 14e-1(c)***

Rule 14e-1(c) promulgated under the Exchange Act provides that a person who makes a tender offer must pay the consideration offered or return the securities deposited by or on behalf of security holders promptly after the termination or withdrawal of the tender offer. Under Venezuelan law and practice, however, following expiration of a tender offer, settlement must be effected through a special session of the Caracas Stock Exchange, pursuant to the rules and regulations thereof. Such settlement could take place as much as five Caracas Stock Exchange trading days following the expiration date. Under Venezuelan law and market practice, payment for the securities accepted could then be made available anytime up to five Caracas Stock Exchange trading days following settlement. Consequently, Venezuelan market practice could result in tendering security holders being paid later than they would be under Rule 14e-1(c).

On behalf of the Republic, we hereby respectfully request that the Commission confirm that it will not take enforcement action if payment for Shares tendered by U.S. persons in the Venezuelan Offer is made in accordance with Venezuelan law and market practice as described above in paragraph 5 under "Venezuelan Tender Offer Rules and Practice," which provides for payment for securities tendered in a tender offer to be made up to ten (10) Caracas Stock Exchange trading days following the expiration date of the tender offer.

In addition, in order to enable the Republic to structure the Venezuelan Offer and the U.S. Offer in as similar a manner as practicable, on behalf of the Republic, we hereby respectfully request that the Commission confirm that it will not take enforcement action if payment for ADSs tendered in the U.S. Offer is made in accordance with Venezuelan law and market practice, but in any event within ten (10) Caracas Stock Exchange trading days following the expiration date of the U.S. Offer.

This relief is consistent with Rule 14d-1(c) relief available pursuant to Rule 14d-1(d)(2)(iv) as part of the Tier II exemption. This relief is also consistent with relief granted by the Commission in connection with the 2004 offers by Harmony Gold Mining Company Limited for shares and American depositary shares of Gold Fields Limited (*In the Matter of Offers by Harmony Gold Mining Company Limited for all Ordinary Shares, including Ordinary Shares represented by ADSs, of Gold Fields Limited*, Exchange Act File No. TP 04-106 (November 19, 2004)) and the recent offer by Lavena Holding 4 GmbH and certain other parties for shares of ProSiebenSat.1 Media AG (*In re Offer for Shares of ProSiebenSat.1 media AG* (January 30, 2007)).



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April 6, 2007

Securities and Exchange Commission  
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**Compañía Anónima Nacional Teléfonos de Venezuela (CANTV)**

Ladies and Gentlemen:

We are Venezuelan counsel to the Bolivarian Republic of Venezuela (the "Republic"). We are writing in respect of the letter (the "Application Letter") dated the same date as this letter from Curtis, Mallet, Prevost, Colt & Mosle LLP requesting relief on behalf of the Republic from certain provisions of the United States Securities Exchange Act of 1934, as amended.

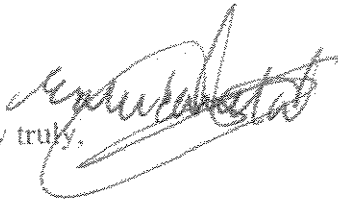
We have reviewed the Application Letter and are of the opinion that the statements made therein relating to Venezuelan tender offer law and practice are fair and accurate.

The opinion expressed above is limited to the laws of Venezuela applicable therein, and we express no opinion as to any laws, or matters governed by any laws, other than the laws of Venezuela applicable therein in effect as of the date hereof.

ESCRITORIO JURÍDICO  
URDANETA FONTIVEROS & ASOCIADOS

The opinion expressed above is provided solely for the benefit of the addressee in connection with the transactions contemplated by the Application Letter and may not be used or relied upon by any other person or for any other purpose.

Yours very truly,

A handwritten signature in black ink, appearing to be a stylized name, possibly "Urdueta", written over the "Yours very truly," text.