

NATIONAL TELEPHONE CO OF VENEZUELA

Form SC TO-T/A

May 09, 2007

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

**SCHEDULE TO
Tender Offer Statement under Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934
(Amendment No. 2)**

**COMPAÑÍA ANÓNIMA NACIONAL
TELÉFONOS DE VENEZUELA (CANTV)**
(Name of Subject Company (Issuer))
NATIONAL TELEPHONE COMPANY OF VENEZUELA (CANTV)
(Translation of Name of Subject Company (Issuer) into English)

BOLIVARIAN REPUBLIC OF VENEZUELA
(Name of Filing Person (Offeror))

**Shares of Common Stock,
nominal value Bs. 36.90182224915 per share**
(Title of Class of Securities)

P3055Q103
(CUSIP Number of Class of Securities)

**Yosmary García
Comisión Nacional de Telecomunicaciones
Av. Veracruz, Edificio CONATEL Nueva Sede
Las Mercedes, Caracas 1050-A,
Venezuela**

(58) 212 909 0493

with copy to

**Lawrence Goodman, Esq.
Valarie A. Hing, Esq.
Curtis, Mallet-Prevost, Colt & Mosle LLP
101 Park Avenue
New York, New York 10178
(212) 696-6000**

(Name, address, and telephone number of
person authorized to receive notices and communications on behalf of filing person)

CALCULATION OF FILING FEE

Transaction Valuation (1)

\$453,245,216

Amount of Filing Fee (2)

\$13,915 (3)

(1) Estimated solely for the purpose of determining the filing fee. The transaction valuation is calculated by multiplying (x) 213,681,017 (which is the estimate of the number of Shares of Common Stock (other than Class D Common Stock) held by U.S. holders plus the estimate of the number of shares of Class D Common Stock outstanding (other than Class D Common Stock estimated to be represented by American Depositary Shares)) by (y) the offer price of US\$2.12113 per share.

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(2) The filing fee is calculated in accordance with Rule 0-11 under the Securities Exchange Act of 1934, as amended, and the Fee Rate Advisory #6 for Fiscal Year 2007 issued by the U.S. Securities and Exchange Commission on February 15, 2007 and is derived by multiplying the transaction valuation by 0.00003070.

(3) Previously paid.

- Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
- Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third-party tender offer subject to Rule 14d-1.
- issuer tender offer subject to Rule 13e-4.
- going-private transaction subject to Rule 13e-3.
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

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Items 4, 8 and 11.

Item 12. Exhibits.

SIGNATURE

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INTRODUCTION

This Amendment No. 2 (**Amendment No. 2**) amends and supplements the Tender Offer Statement on Schedule TO (the **Schedule TO**) filed with the United States Securities and Exchange Commission (**SEC**) on April 9, 2007 by the Bolivarian Republic of Venezuela (the **Venezuelan Republic**) in connection with the Venezuelan Republic's offer (the **Venezuelan Offer**) to purchase any and all outstanding shares of Common Stock (the **Common Stock**) of *Compañía Anónima Nacional Teléfonos de Venezuela (CANTV)*, a company (*compañía anónima*) organized under the laws of the Venezuelan Republic (**CANTV**), other than those already beneficially owned by the Venezuelan Republic, at a price of US\$2.12113 per share of Common Stock in cash, but subject to downward adjustment to reflect any dividends declared after March 30, 2007 and paid by CANTV with a record date that is fixed as of a date prior to the settlement date for the Venezuelan Offer and to a 1% withholding tax on proceeds from the sale of shares on the Caracas Stock Exchange (unless otherwise provided by an applicable income tax treaty), on the terms and subject to the conditions set forth in the Venezuelan Offer to Purchase dated April 8, 2007 (the **Venezuelan Offer to Purchase**) and the accompanying annexes.

This Schedule TO is intended to satisfy the reporting requirements of Rule 14d-1 under the Securities Exchange Act of 1934, as amended. The information contained in the Schedule TO, the Venezuelan Offer to Purchase, the accompanying Information Supplement and Share Letter of Transmittal is incorporated herein by reference in response to all of the items of this Amendment No. 2 to the Schedule TO, except that such information is hereby amended and supplemented to the extent specifically provided herein. Capitalized terms used herein but not otherwise defined have the meaning ascribed to such terms in the Venezuelan Offer to Purchase.

Items 4, 8 and 11.

Items 4, 8 and 11 of the Schedule TO are hereby amended and supplemented as follows:

The U.S. Offer and the Venezuelan Offer expired at 5:00 p.m., New York City and Caracas time, on Tuesday, May 8, 2007. Based on information reported by the ADS Receiving Agent and the Coordinator for the Venezuelan Offer, 61,414,507 ADSs (representing an aggregate of 429,901,549 Common Shares) were tendered in the U.S. Offer (including 753,968 ADSs delivered pursuant to Notices of Guaranteed Delivery, and 54,415,907 Class D Shares deposited for conversion into 7,773,701 ADSs upon the Venezuelan Republic's acceptance for payment of ADSs tendered in the U.S. Offer, in accordance with the procedure described in the U.S. Offer to Purchase) and not withdrawn, and 196,574,226 Common Shares were tendered in the Venezuelan Offer and not withdrawn. The tendered Common Shares and ADSs include all Common Shares and ADSs held by Verizon Communications Inc.'s subsidiary, GTE Venholdings, B.V., and together with the 51,900,000 Common Shares held by the Venezuelan Economic and Social Development Fund Bank and the Venezuelan Ministry of the Popular Power for Infrastructure, represent an aggregate of 678,375,775 Common Shares, or approximately 86.2% of the outstanding Common Shares of CANTV. The totals reflected above will increase, as they do not include certain Common Shares tendered into the Venezuelan Offer that are still being counted.

Settlement and payment for the Common Shares and the ADSs will take place as described in the U.S. Offer to Purchase and the Venezuelan Offer to Purchase, which contemplate that (i) settlement for the Common Shares tendered in the Venezuelan Offer will take place at a special session of the Caracas Stock Exchange to be held no later than May 15, 2007, (ii) the Venezuelan Republic will be deemed to accept the ADSs tendered in the U.S. Offer at the time of such settlement, and (iii) payment for the Common Shares and the ADSs will be made no later than May 22, 2007, the tenth (10th) Caracas Stock Exchange trading day following the expiration date.

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Item 12. Exhibits.

| Exhibit | Description |
|-----------------|---|
| (a)(1)(A) | Venezuelan Offer to Purchase, dated April 8, 2007* |
| (a)(1)(B) | Information Supplement to Venezuelan Offer to Purchase, dated April 8, 2007* |
| (a)(1)(C) | Form of Share Letter of Transmittal* |
| (a)(5)(A) | Summary Advertisement as published in The New York Times on April 9, 2007* |
| (b) | None |
| (d) | Memorandum of Understanding, dated February 12, 2007, by and among Verizon Communications Inc., GTE Venholdings B.V. and the Bolivarian Republic of Venezuela (incorporated by reference to the pre-commencement Schedule TO-C filed by the Bolivarian Republic of Venezuela on February 23, 2007)* |
| (g) through (h) | None |

* Previously filed

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SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: May 8, 2007

**BOLIVARIAN REPUBLIC OF
VENEZUELA**

By: /s/ Jesse Chacón Ecsamillo
Name: Ing. Jesse Chacón Ecsamillo
Title: Minister of Telecommunications and
Information of the Bolivarian Republic
of Venezuela