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February 28, 2006

**Re: Comments on Proposed Rules Relating to Termination of a Foreign Private Issuer's Registration of a Class of Securities Under Section 12(g) and Duty to File Reports Under Section 15(d) of the Securities Exchange Act of 1934
File No. S7-12-05**

Ms. Nancy Morris
Secretary
United States Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-9303

Dear Ms. Morris:

Davis Polk & Wardwell submits this comment letter at the request of and on behalf of our client Telefónica del Perú S.A.A. The main point of this letter is to recommend to the Commission and the Staff that they embed in the rule, or in the final release, a specific mechanism that would delegate to the Staff the ability to make exemptions from the registration requirements in unusual circumstances. We believe that Telefónica del Perú is one such example and that there may well be a few other companies that are also in unusual circumstances.

As an alternative, we suggest that the SEC provide for in the rule, or in the final release, that where a company is a substantially majority-owned subsidiary of an SEC-registered issuer that it should have easier ways to deregister. There might be a sliding scale of ownership by the SEC-registered parent of the subsidiary, starting at a percentage such as 75% but most certainly by the time one reaches 90%, as in the case of Telefónica del Perú, where deregistration would be permitted. Telefónica del Perú is 97.2% owned by Telefónica, S.A., a Spanish company that is NYSE listed. In 2004, Telefónica del Perú delisted from the NYSE, terminated its ADR program and also engaged in a Rule 13e-3 going private transaction. Not enough US investors responded to that transaction in order to permit Telefónica del Perú to be confident enough to certify to the SEC that it was below 300 US investors. The requirement in the proposed rules that the percentage of US investors exclude non-affiliates creates the absurd result that

Telefónica del Perú would not be able to meet any of the percentage tests suggested by the Commission. The remaining 2.8% is owned by employees of the company through a class of shares that trades separately and by other investors, including investors who are difficult or impossible to find or identify but who hold through brokers or custodians with US addresses. It is possible, but not certain, that raising the number to 3,000 would help Telefónica del Perú. The reason it is not certain has to do with the difficulty of identifying and tracing investors in this scenario, especially since one of the main lessons of the unsuccessful Rule 13e-3 transaction is the difficulty in finding such investors. There is no effective squeeze out mechanism under Peruvian law. Furthermore, Telefónica del Perú does not currently intend to delist from the Lima stock exchange or eliminate its minority public float in Peru.

It is quite clear that the SEC cannot fashion its rules and policies with unusual situations in mind. We respectfully submit, however, that it would be appropriate for the Commission in the rule, or in the final release, to create a mechanism by which it could delegate to the Staff a decision-making power to deal with companies that may not fit within the four corners of the rule by which they might seek to deregister after undergoing a specific procedure with the Staff. We would expect that the Staff could come up with principles for such situations in order to avoid being overwhelmed with requests.

We appreciate the opportunity to participate in this process and look forward to its successful conclusion.

Please do not hesitate to contact Margaret E. Tahyar at 33-15-659-3670 or the undersigned at 212-450-6095 with any questions.

Very truly yours,



Manuel Garciadiaz