

PORTUGAL TELECOM SGPS SA
Form 6-K
March 30, 2007

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of the
Securities Exchange Act of 1934

For the month of March, 2007

Commission File Number 1-13758

PORTUGAL TELECOM, SGPS, S.A.

(Exact name of registrant as specified in its charter)

Av. Fontes Pereira de Melo, 40

1069 - 300 Lisboa, Portugal

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

ANNUAL GENERAL MEETING OF SHAREHOLDERS

PORTUGAL TELECOM, SGPS S.A.

27 April 2007

PROPOSAL OF SHAREHOLDERS

ITEM 4 ON THE AGENDA:

(To resolve on a general appraisal of the Company's management and supervision)

Whereas article 455, paragraph 1 of the Portuguese Companies Code establishes that the Annual General Meeting of Shareholders shall resolve on the general appraisal of the company's management and supervision;

Whereas, in 2006, the Board of Directors played a role with a strong commitment in the direction, co-ordination and orientation of Portugal Telecom Group's businesses.

Whereas the manner on which the Board of Directors has conducted the Company during the Public Tender Offer to which the Company was subject during most part of the financial year of 2006, having the Board of Directors acted in a diligent manner and oriented its action towards the defence of the best interests of Shareholders;

Whereas the Audit Board executed its functions with adequate diligence and awareness, contributing in a significant way to the Company's good performance;

We propose that it be resolved to express to the Board of Directors and to the Supervisory Board the Company's appreciation for their conduct and to approve a general appraisal of these corporate bodies and each of their members.

Lisbon, 21 March 2007.

The Shareholders,

