

TELEFONICA S A  
Form 6-K  
April 13, 2011

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**FORM 6-K  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**Report of Foreign Private Issuer  
Pursuant to Rule 13a-16 or 15d-16  
of the Securities Exchange Act of 1934  
For the month of April, 2011  
Commission File Number: 001-09531**

**Telefónica, S.A.**

(Translation of registrant's name into English)

**Distrito C, Ronda de la Comunicación s/n,  
28050 Madrid, Spain  
3491-482 85 48**

(Address of principal executive offices)

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

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes  No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes  No

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

Yes  No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

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**Anticipating the future to transform the present César Alierta** Chairman and Chief Executive Officer,  
Telefónica

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This presentation contains statements that constitute forward-looking statements about the Company, within the general meaning of the term and within the meaning of applicable securities laws, including financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations. These statements appear in a number of places in this document and include statements regarding our intent, belief or current expectations regarding our customer base, estimates regarding future growth in our different business lines and our global business, market share, financial results and other aspects of our activity and situation relating to the Company. The forward-looking statements in this document can be identified, in some instances, by the use of words such as expects , anticipates , intends , believes , and similar language or the negative thereof or by the forward-looking nature of discussions of strategy, plans or intentions. Such forward-looking statements, by their nature, are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors. These risks and uncertainties include those discussed or identified in the documents filed by Telefónica with the relevant Securities Markets Regulators, and in particular, with the Spanish Securities Market Regulator. Except as required by applicable law, Telefónica undertakes no obligation to release publicly the results of any revisions to these forward looking statements which may be made to reflect events and circumstances after the date of this presentations, including, without limitation, changes in Telefónica s business or acquisition strategy or to reflect the occurrence of unanticipated events. Neither this presentation nor any of the information contained herein constitutes an offer of purchase, sale or exchange, nor a request for an offer of purchase, sale or exchange of securities, or any advice or recommendation with respect to such securities. Finally, be advised that this document may contain summarized information or information that has not been audited. In this sense, this information is subject to, and must be read in conjunction with, all other publicly available information, including if it is necessary, any fuller disclosure document published by Telefónica. Furthermore, Telefónica may present financial information herein that is not prepared in accordance with IFRS. This non-GAAP financial information should be considered in addition to, but not as a substitute for, financial information prepared in accordance with IFRS. Telefónica has included such non-GAAP financial information because Telefónica s management uses such financial information as part of its internal reporting and planning process and to evaluate Telefónica s performance. Accordingly, Telefónica believes that investors may find such information useful. However, such non-GAAP financial information is not prepared in accordance with IFRS or any other generally accepted accounting principles, and such non-GAAP financial information, as defined and calculated by us, may be different from similarly-titled financial information used by other companies. Investors are cautioned not to place undue reliance on such non-GAAP financial information.

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Telefónica's strategy and long term guidance

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Progress made in the last 18 months

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**Significant progress since our last Investor Conference We are delivering on our commitments We continue transforming our company We have outperformed the market We have reinforced our scale We have strengthened our growth capabilities We are better positioned to continue leading this growth industry**

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**Fully capturing revenue growth potential ... Revenue mix<sup>1</sup> evolving in the right direction 81% FY 2008 13% 4% Access & Voice BB connectivity Total Accesses<sup>2</sup> 75% 18% Services beyond (million) FY 2010 5% Connectivity CAGR 288 More customer focus 7% 252 CSI Improvement to over 7 Positive evolution of CSI gap with competitors Brand consolidation FY 2008 FY 2010 The most admired telecom company worldwide by Fortune # 1 / #2 in brand consideration in most markets 1. Revenues from other subsidiaries and other companies not shown in the graph 2. Morocco and Manx Telecom accesses excluded in 2008 for comparison reasons**

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**...while transforming to continue growing profitably Advancing in a more efficient and growth enabling operating model Network: Multiaccess 08/10 Selective deployment of high speed FBB access x 4 Expansion of MBB capacity and coverage x 1.6 Increase integrated backbone capacity x 2.2 IT enabler TTM improvement: -18% vs. FY 2009 Maintaining IT OpEx+CapEx / revenues 4% Processes: On-line @core Share of online transactions x5 vs. FY 2008 Agile contact with suppliers: 90% purchases online TTM: Time to market 1. OpEx: Operating expenses + Own Worked Capitalized, excluding non-recurrent restructuring expenses. CapEx: excludes Real Estate Efficiency Program of T.España and spectrum licenses**

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**Telefónica: A highly predictable and reliable company Outperforming the market Delivering on our commitments 45% Meeting our annual targets for 8 years in a row 40% (from 2003 to 2010)**  
**Robust financial position: leverage ratio within target 35% range OIBDA margin FY 2010 1.40 DPS in 2010 30% 25%**

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**We have reinforced our asset base in an industry where scale and spectrum are key... 28 m new organic accesses in the last 18 months Through organic growth... #5 on worldwide accesses ranking (Dec-10) Increase In-market Spectrum shareholding consolidation auctions in CU ... selective M&A ... Recently announced 9.7% ... and strategic & industrial alliances**

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**...and we have strengthened our capabilities to capture the new digital world opportunities P&S  
Global Units** Financial services eHealth M2M Cloud Video & DH Apps Security **OTT companies** The  
leading digital media The most innovative IP The most engaging social company in Latin America  
communication company network in Spain -5% -4% -3% -2% -1% 0% 1% **Organic Revenue Growth  
FY 2010**

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**We are the most diversified integrated company in the world... % outside country of origin**  
**(Dec-10) Accesses Revenues OIBDA 95% 89% 92% 83% 68% 64% 68% 59% 46% 66% 49% 39% 1**  
60% 60% 51% 45% 27% 18% Source: Companies Press Releases 1 DT excluding US assets: 52%  
Accesses, 46% Revenues and 37% OIBDA

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**...with a unique global profile Latin American Footprint European Footprint** Population: 526 m people Population: 164 m people ICT market value: US\$227 bn ICT market value: 307 bn TEF accesses: 184 m TEF accesses: 56 m **TEF Revenue share<sup>1</sup>: 29% TEF MSR share: 25% Spanish Footprint** Population: 46 m people ICT market value: US\$64 bn TEF accesses: 48 m **TEF Revenue share<sup>2</sup>: 53% 288 m accesses #1 & #2** in most of our markets **>730 million combined customers** Data as of December 2010 MSR: Mobile Service Revenue Sources: IMF (2011), IDC (2011), Telefónica (2011), and Pyramid Research (2011) 1. Constant FX 2009. Footprint share: only mobile in Mexico, Venezuela, Ecuador, Uruguay and Central America. Excluding TV in Argentina 2. Retail communication revenue market share

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**We are leading DJSI in our industry for the second year in a row DJSI: Corporate Sustainability** is a business approach that fosters **value creation in the long term for shareholders** taking advantage of the opportunities and the effective risk management, related to social, economic and environmental development **100% 80% 60% 40%** Telefónica **20%** DJSI sector average Best company within DJSI sector **0%** Economic Environmental Social Dimension Dimension Dimension Dimension Weight **44% 16% 40%**

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**We are committed with the societies where we operate**  
**Fundación Telefónica s social activities**  
**FY 2009 US Cash Donation Ranking**  
**1 400 million committed** to finance short (US\$ m) % and medium term activities  
**o/Revenues**  
Wal-Mart **288** 0.1% Mainly to fund Proniño program  
BoAM **209** 0.1% Well Fargo **202** 0.2% Exxon **187** 0.1% J&J **176** 0.3%  
**Contributing to the progressive** Chevron **145** 0.1%  
**eradication of child labour** through **139** 0.1% GE ongoing and high quality education Target **134** 0.2%  
Microsoft **113** 0.2% FY 2010 FY 2013 Eat&t **112** 0.1%  
**# Children 211,000 357,000** TEF **106** 0.1%  
Source: The Chronicle of the Philanthropy and Fundación Telefónica

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Improved outlook for a dynamic and growth industry

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**Steady global growth ahead Real GDP Growth** Source: IMF (Jan2011)

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**ICT Global growth** ICT Market CAGR 10E-13E North America 3.6% Europe 2.6% Asia-Pacific 6.6%  
Latin America 7.7% MEA 7.2% **Worldwide 4.6%** Source: IDC (2011)

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**People have embraced a fascinating journey towards a total digital life 08:05 <sup>AM</sup> News e-Banking  
e-Government e-Health Mobile shopping 01:20 <sup>AM</sup> PM PM Geolocation 09:15 <sup>AM</sup> Social 05:30 <sup>AM</sup>  
Augmented PM Networks PM reality Ask an Expert TDT HD Music Even more the world will be  
truly connected**

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**Industry growth will be fostered by the digitalisation of the real economy that is already happening**  
**Communication expenditure/Total Consumer expenditure** Source:. Euromonitor International. Bain  
Analysis (2011)

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**Industry trends are already anticipating this growth**

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**Customers will continue growing Worldwide data FY 2010 Total Accesses 6.6 bn 6% Mobile  
Accesses FBB Accesses MBB Accesses 5.0 bn 0.5 bn 0.7 bn 8% 9% 46% Internet Users Social  
Networking Users 2.0 bn 767 m 13% 14% CAGR 10-13E\_\_\_\_\_Source: IDC (2011), Yankee Group  
(2011) Pyramid (2011) and The Radicati Group (2010)**

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**Device explosive demand driven by Smartphones... Personal Devices evolution** Annual Global Sales -  
Million Units **CAGR Rapid growth in Smartphones & 10E-13E Tablets CAGR 10E-13E 1,150**  
**19.7% Smartphones are increasing Tablets 71.0% customer average lifetime value 670 Smartphones**  
**29.4% Total installed 440 base 2013E: Laptops >6 bn personal 4.8% devices PCs 4.3% FY 2008 FY**  
2009 FY 2010E FY 2011E FY 2012E FY 2013E\_\_\_\_\_Source: Morgan Stanley (2010) and Strategy  
Analytics (2010)

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**...while M2M devices will grow exponentially Smart meters M2M Devices explosion Automotive Single Family Utility Office Automotive Home Fleet management Smart cities Communication Device on Utility Pole Smart meters Smart cities Consumer Electronics Consumer electronics eHealth, eFinance, security, ... Almost every device will be connected by 2020**

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**New services and applications will support new business opportunities Services beyond  
Connectivity Worldwide Revenues US\$ bn\_\_\_\_\_**Source: IDC (2011) and Analysis Mason (2010)

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**Data traffic is booming and new technological developments will allow this growth Global Data Traffic Technology evolution Exabytes per month CAGR 10E-13E TODAY 49.9 CAGR10E-13E /user 33% 111% FTTH capacity 31% NG-GPON 38.2 FTTH GPON Mobile Data Broadband IMT Managed IP VDSL 28.5 Advanced Internet ADSL2+ LTE 20.4 34% ADSL HSxPA 14.7 UMTS EDGE FY 2009 FY 2010E FY 2011E FY 2012E FY 2013E Time New spectrum much more efficient**  
Source: Cisco (2010)

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**ICT, one of the industries with the best growth prospects More Customers More Traffic More  
Devices More Apps & Services A great opportunity to be monetised**

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**Enlarged and growing scope for Telcos 2010 Global Revenue Breakdown Worldwide** US\$ bn

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**Active cooperation among ICT players key to address industry challenges A more stable & predictable regulatory outlook New services Telco operator Wholesale Applications Community (WAC) Rich Communication Suite NFC Payments and M2M Mobile advertising Communications and Services beyond Connectivity New Internet Economic Model Open operating systems needed ecosystem needed to facilitate the Retail Peering development of new services Devices Internet Pricing Interconnection suppliers players Sustainable Internet Wide range of device Model suppliers Enhanced Managed QoS Services**

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Telefónica s strategy and long term guidance

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**We have a clear strategy to capture the opportunities of the new Digital World**

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**The customer continues to be the centre of our strategy Telefónica quality main initiatives  
Customer Satisfaction Value Customer Satisfaction Churn Rate proposition Index (%) (%) 2.3  
Offer Business 7.1 simplification Intelligence FY 2010 FY 2013E FY 2010 FY 2013E Emotional  
Multichannel Maximizing customer value engagement company Brand Yield Management  
unification**

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**We are increasingly capturing growth opportunities Telefónica s Revenues 1** Profitable mobile data growth monetisation CAGR 10-13E<sup>1</sup> Continue to enhance Fixed **+1/4%** **2** Broadband portfolio **3** Development of applications and new services FY2010 FY2013E **4** Capturing remaining mobile and fixed voice opportunities million > **340** Accesses 2013E >**340** **1**. Figures for guidance assume constant FX (average FY 2010), excludes hyperinflationary accounting in Venezuela in both years and changes in the perimeter of consolidation Note: 2010 adjusted figures for guidance include full consolidation of Vivo, Hansenet and Tuenti in the whole year (12 months) and excludes Manx Telecom s results in January-June 2010.

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**Our main strategic pillars to lead growth ... 1 Profitable mobile data growth 3 Development of applications monetisation and new services** Tiered pricing Broaden our portfolio of apps **Serv. MBB** and new services **beyond** ARPU management **Connectivity Revenues** CAGR 10-13E<sup>1</sup>: Leverage P&S global units **Revenues** Customer innovation and OTT assets **+30/35%** CAGR 10-13E<sup>1</sup>: Yield management **>20%** **2 Continue to enhance Fixed 4 Capturing remaining mobile and fixed Broadband portfolio voice opportunities** Full FBB proposals with Increase penetration and increasingly higher bandwidth usage in mobile **Access FBB** Defend ARPU through **& Voice** Full IP services from voice to **Revenues** additional services in fixed **Revenues** CAGR 10-13E<sup>1</sup>: video **+4/7%** CAGR 10-13E<sup>1</sup>: Reinforce position in SME **-3/-1%** Full bundles and MNC 1. Figures for guidance assume constant FX (average FY 2010), excludes hyperinflationary accounting in Venezuela in both years and changes in the perimeter of consolidation **MBB Revenues**: Include revenues from smartphones, smart devices and connectivity MBB, mobile mail, MBB equipment (PCMCIA's, Dongles), roaming, and WAP browsing. SMS and M2M excluded **FBB Revenues**: Include Retail FBB connectivity, VAS, wholesale FBB, fixed data services and equipment revenues **Services beyond Connectivity Revenues**: Include content, digital services, ICT solutions and vertical units revenues **Voice and Access Revenues**: Include fixed/mobile access & voice (SMS included), narrowband and mobile & fixed equipment revenues

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**... and further evolve our revenue mix** 1. Figures for guidance assume constant FX (average FY 2010), excludes hyperinflationary accounting in Venezuela in both years and changes in the perimeter of consolidation **Access & Voice:** Include fixed/mobile access & voice (SMS included), narrowband and mobile & fixed equipment revenues **BB:** MBB and FBB revenues **Services beyond connectivity:** Include content, digital services, ICT solutions and vertical units revenues **Others:** subsidiaries and other companies

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**Our transformation strategy to enable growth and maximize efficiency**

**1 Best in class networks**  
**Leveraging fixed and mobile technologies** to meet customer demands  
**Managing efficiently coverage and traffic growth**

**2 IT as a key transformation accelerator**  
**Continuous focus on** Highly resilient  
**6 Global Data Centres efficiency**  
**Global Applications** when applicable focused on business requirements  
**improvement**

**3 Online company**  
**Increase online processes** to improve engagement with our customers, employees and vendors  
Process and system simplification and **end-to-end integration**

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**We continue maximizing the benefits of our scale and diversity... Global functions + P&S  
development a multi-local integrated global R&D of scale company Global Economies Finance &  
Global procurement synergies IT Technology Adaptability to local needs +**

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**... and further leveraging on our strategic and industrial alliances Execution of Industrial Partnership: Strategic cooperation:** Technological alignment Services to multinationals Procurement Combined scale and volumes Technology and new services New customer proposition **Growth value:** Over 600 million new accesses in China since **Delivered Synergies for FY 2008-10:** Telefónica s establishment **1.3 bn** CU: The fastest revenue growth operator in China (+11.3% y-o-y FY 2010) **Synergy Program for FY 2011E-13E: Strong commitment to the Alliance: ~ 500 m/year** Cross ownership Cross board representation

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**Our strategic priorities by regions Telefónica Telefónica Telefónica Latinoamérica España Europe**  
**Capturing growth through a Defend our OIBDA and our Outperform the market by full offer**  
**value leadership focusing on # Driving voice to the limit of its # A differential Customer # Revenue**  
**share growth potential Experience and value oriented # Data penetration # Boosting broadband**  
**portfolio # Return per customer # Building new opportunities # A leading approach to growth**  
**opportunities in connectivity and Accelerate growth in Germany Leveraging on a unique Services**  
**beyond Connectivity with mobile data as the catalyst platform and reinforcing our # Increase**  
**flexibility reshaping global scale and regional Continue to outperform in the our cost structure skills**  
**UK and shape the market with Improve use of capital business model extensions Maximizing the value**  
**of a efficiency through a growth diversified portfolio and of our oriented CapEx and asset Total**  
**aggregated cash flow to clear leadership in Brazil optimization policies increase from Czech, Slovak**  
**and Irish businesses**

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**We have the best committed and motivated team in the industry A committed Highly committed management with vast experience in our business management Telefónica Executive Committee and Board of Directors exposure to team Telefónica share (> 7.8 m shares) Committed and PSP linked to stock performance engaged employees Global Employee Share Plan in 2010 Employee commitment expected to increase Creating a High correlation between employee commitment and great place customer satisfaction to work 26 companies in GPTW Incentives linked to our operating and financial KPIs**

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**Long term guidance** CAGR 10/13E Revenues **+1/4%** 2011E-2013E **Upper OIBDA margin 30s limited erosion from 2010** Cumulative 2011E-2013E CapEx < **27 bn** Note: 2010 adjusted figures for guidance include full consolidation of Vivo, Hansenet and Tuenti in the whole year (12 months) and excludes Manx Telecom's results in January-June 2010. 2010 adjusted OIBDA excludes the capital gain from the revaluation of Telefónica's pre-existing stake in Vivo at the date of the acquisition of the 50% in Brasilcel owned by Portugal Telecom, non-recurrent restructuring expenses registered in the second half of 2010, and the capital gain derived from the disposal of Manx Telecom 2013 guidance assumes constant exchange rates as of 2010 (average FX in 2010), excludes hyperinflationary accounting in Venezuela and changes in the perimeter of consolidation. At the OIBDA level guidance for 2013 excludes write-offs (impairments of subsidiaries), capital gains/losses from companies disposals and significant exceptionals mainly related with restructuring costs. Results from the operation in Costa Rica are excluded from guidance calculation. Group CapEx excludes Real Estate Efficiency Program of T. España, the Real State commitments associated to the new Telefónica premises in Barcelona and spectrum licenses

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**Financial policy centred in Cash-flow allocation 1.60 DPS for FY 2011E (14.3% y-o-y) Shareholder  
1.75 DPS minimum target for FY 2012E remuneration 1.75 minimum annual shareholder  
remuneration beyond 2012 Solvency Net debt + cash commitments within the range 2.0 to 2.5x  
Protection OIBDA Predictable Spectrum auctions in current markets to foster growth M&A  
Product & Service innovation to further strengthen our strategy growth capabilities**

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**In summary We are better positioned to lead our growing industry: the right scale, capabilities and strategy We are focused on value growth and on capturing new services opportunities We continue transforming our company to enable growth and maximize efficiency We maintain a solid financial position while investing in our business and committing best in class shareholders remuneration**

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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, thereunto duly authorized.

**Telefónica, S.A.**

Date: April 13<sup>th</sup>, 2011

By: /s/ Ramiro Sánchez de Lerín García-Ovies

Name: Ramiro Sánchez de Lerín  
García-Ovies

Title: General Secretary and Secretary to  
the  
Board of Directors