

BRASIL TELECOM SA
Form 6-K
July 19, 2006

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

FORM 6-K

**REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE
SECURITIES EXCHANGE ACT OF 1934**

THROUGH JULY 18, 2006

(Commission File No. 1-15256)

BRASIL TELECOM S.A.

(Exact name of Registrant as specified in its Charter)

BRAZIL TELECOM COMPANY

(Translation of Registrant's name into English)

**SIA Sul, Área de Serviços Públicos, Lote D, Bloco B
Brasília, D.F., 71.215-000
Federative Republic of Brazil**

(Address of Registrant's principal executive offices)

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

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).

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

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

Investor Relations

(55 61) 415-1140

ri@brasiltelecom.com.br

www.brasiltelecom.com.br/ir/

Media Relations

(1 212) 983-1702

ivette.almeida@annemcbride.com

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BRASIL TELECOM S.A.

Publicly Traded Company

Corporate Taxpayer Registration CNPJ/MF Nº 76.535.764/0001 -43

Board of Trade NIRE 53 3 0000622 9

Notice to Shareholders

Brasil Telecom S.A. hereby forwards letter received on July 18th, 2006 from PETROS - FUNDAÇÃO PETROBRÁS DE SEGURIDADE SOCIAL in compliance with notice CVM/SEP/GEA-4/Nº351/06, issued by CVM Brazilian Securities and Exchange Commission on the same date.

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Brazil, Rio de Janeiro, July 18th, 2006.

Mr.

Jorge Luís da Rocha Andrade

Company's Attendance Manager 4

From CVM *Comissão de Valores Mobiliários* (Brazilian Securities and Exchange Commission)

Rua Sete de Setembro, 111 2º andar

Rio de Janeiro RJ

Fax #: 55 21 3233-8570

CC.: Mr. Charles Laganá Putz

Brasil Telecom S.A.'s IRO

Fax #: 55 61 3415-1237

Subject: Answer to notice CVM/SEP/GEA-4/Nº 350/2006, dated July 17, 2006

Reporting to notice CVM/SEP/GEA-4/Nº 350/2006 sent by CVM *Comissão de Valores Mobiliários* (Brazilian Securities and Exchange Commission) on July 17, 2006 in which the Autarchy requests Brasil Telecom S.A.'s position, forwarded by Petros, regarding the article entitled "Brasil Telecom's sale could occur in 6 months" published by *Jornal do Comercio* in the same date, in which Petros (Fundação Petrobras de Seguridade Social) makes statements regarding the possible sale of the Company by Petros, Citibank and Pension Funds, as transcribed below:

[...] we are already dealing with the sale of Brasil Telecom, mainly with Telecom Italia. I am optimistic. Petros is a selling part along with Citibank and other pension funds (by put agreement until the end of 2007) and we expect to have a good operation within the next six months, however, no values have been established yet.

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2.

Fundação Petrobras de Seguridade Social (Petros) clarifies that the article herein referred to has mentioned facts that have been conveyed by the press on several occasions, being well-known the intention of Brasil Telecom's controlling shareholders to negotiate its participation in the Company. Therefore, they have had conversations with potential buyers, amongst which Telecom Italia, not having, however, until the moment, any agreement, even preliminary, that can characterize a material fact to be disclosed to the market. The reference to the expectation in the next six months was only a conjecture to show Petros' optimism, indicating the recognition of the effort of Brasil Telecom's current management to promote the appreciation of the Company, and, in the case that a sale occurs, it will follow all formal and legal proceedings required by CVM, SEC and ANATEL.

Ricardo Malavazi Martins
CEO in exercise


RUA DO OUVIDOR 98 CEP 20040-030 RIO DE JANEIRO RJ TEL (21) 2506-0588 FAX (21) 2506-0570
e-mail :petros@petros.com.br **homepage**: www.petros.com.br

SIGNATURE

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.

Date: July 18, 2006

BRASIL TELECOM S.A.

By: /s/ Charles Laganá Putz

Name: Charles Laganá Putz
Title: Chief Financial
Officer
