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

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): July 1, 2009

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

(Exact name of registrant as specified in its charter)

Delaware	**000-29092**	**54-1708481**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

7901 Jones Branch Drive, Suite 900
McLean, VA 22102
(Address of principal executive offices)
(Zip Code)

(703) 902-2800
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencements communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Explanatory Note

As previously disclosed, on March 16, 2009, Primus Telecommunications Group, Incorporated ("Group") and three of its subsidiaries, Primus Telecommunications Holding, Inc. ("Holding"), Primus Telecommunications International, Inc. ("PTII") and Primus Telecommunications IHC, Inc. ("IHC" and together with Group, Holding and PTII, collectively, the "Debtors"), each filed a voluntary petition (the "Chapter 11 Cases") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") for reorganization relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.*, as amended (the "Bankruptcy Code"). Subsequently, the Debtors sought and received an order directing the joint administration of the Chapter 11 Cases under the caption In re: Primus Telecommunications Group, Incorporated, et al., Debtors Case No. 09-10867.

On June 12, 2009 (the "Confirmation Date"), the Bankruptcy Court entered an order confirming the Joint Plan of Reorganization of Primus Telecommunications Group, Incorporated and its Affiliate Debtors (the "Plan") pursuant to Chapter 11 of the Bankruptcy Code. A summary of the material features of the Plan is contained in Group's Current Report on Form 8-K dated June 12, 2009 and filed with the Securities and Exchange Commission (the "SEC") on June 15, 2009.

On July 1, 2009 (the "Effective Date"), the Debtors consummated their reorganization under the Bankruptcy Code and the Plan became effective. The distributions of securities under the Plan of the Debtors described in this Current Report on Form 8-K will be made as soon as reasonably practicable after the Effective Date.

Item 1.01 Entry into a Material Definitive Agreement.

In accordance with the Plan, the Debtors entered into and amended the following material agreements:

Agreements Relating to the Debtors' Securities

Amendment of IHC's 14.25% Senior Secured Notes Indenture

On the Effective Date, IHC, Group, Holding, the other Guarantors party thereto and U.S. Bank National Association, as trustee, entered into a supplemental indenture (the "Supplemental Indenture") to the indenture governing IHC's 14 1/4% Senior Secured Notes due 2011 (the "Original Indenture"). The Supplemental Indenture amended the Original Indenture to provide for the issuance of 14 1/4% Senior Subordinated Secured Notes due May 20, 2013 (the "Modified Second Lien Notes"). The maturity of the Modified Second Lien Notes was extended by two years beyond the maturity of the notes issued under the Original Indenture. At the option of IHC, prior to the earlier of (1) the extension of the maturity of or the repayment in full of the indebtedness outstanding pursuant to the Amended Term Loan (as defined below) and the loan facility entered into by Primus Telecommunications Canada Inc., an indirect wholly owned subsidiary of Group, and (2) June 1, 2011, up to 4.25% per annum of the interest on the Modified Second Lien Notes may be paid in kind. The Supplemental Indenture also modified covenants in the Original Indenture to prevent subsidiary guarantors from incurring debt to refinance indebtedness of non-guarantors and to limit the incurrence of indebtedness of restricted persons that is secured by a lien on the assets of IHC, any subsidiary guarantor or other restricted persons, as defined under the modified indenture.

Pursuant to the Plan, the 14 1/4% Senior Secured Notes due 2011 were cancelled and as soon as practicable after the Effective Date the holders thereof will receive their pro rata portion of approximately $123.5 million aggregate principal amount of Modified Second Lien Notes.

On the Effective Date, IHC entered into a First Amendment to the Intercreditor Agreement, dated as of February 26, 2007 (as amended through the date hereof, the "Amended Intercreditor Agreement"), with Group, Holding, The Bank of New York Mellon, as First Lien Collateral Agent, and U.S. Bank National Association, as Second Lien Collateral Agent. Pursuant to the Amended Intercreditor Agreement, the Modified Second Lien Notes shall be subordinated in right of payment to the prior indefeasible payment in cash in full of all obligations under the Amended Term Loan (as defined below).

Also on the Effective Date, IHC, each of the Grantors party thereto and U.S. Bank National Association, as collateral agent, entered into a First Amendment to the Collateral Agreement, dated as of February 26, 2007 (as amended through the date hereof, the "Amended Collateral Agreement"), to provide that the obligations of both IHC and PTII, an indirect wholly owned subsidiary of Group, shall be secured by PTII's assets, including 65% of the voting stock of foreign subsidiaries owned by PTII. In addition, on the Effective Date, Group and Holding entered into an Assumption Agreement in favor of U.S. Bank National Association, as collateral agent, pursuant to which each of Group and Holding became party to the Amended Collateral Agreement. As a result, Group and Holding's existing guarantees of the Modified Second Lien Notes are secured by a lien on the property of Group and Holding, respectively.

The foregoing descriptions of the Supplemental Indenture, the First Amendment to the Intercreditor Agreement, the First Amendment to the Collateral Agreement and the Assumption Agreement do not purport to be complete and are qualified in their entirety by reference to the full text of such agreements, copies of which are attached as Exhibits 10.1, 10.2, 10.3 and 10.4, respectively, to this report and incorporated herein by reference.

Warrant Agreements

As of Effective Date, Group issued Class A warrants to purchase up to an aggregate of 3,000,000 shares of New Common Stock to holders of the 5% Exchangeable Senior Notes due 2010 and 8% Senior Notes due 2014 issued by Holding (collectively, the "Holding Notes"). The Class A warrants consist of 1,000,000 each of Class A-1 warrants, Class A-2 warrants and Class A-3 warrants. In connection with the issuance of the Class A warrants, Group entered into a warrant agreement, dated as of the Effective Date (the "Class A Warrant Agreement"), with StockTrans, Inc., as warrant agent. Subject to the terms of the Class A Warrant Agreement, Class A-1 warrant holders are entitled to purchase up to 1,000,000 shares of New Common Stock at an initial exercise price of $12.22 per share, Class A-2 warrant holders are entitled to purchase up to 1,000,000 shares of New Common Stock at an initial exercise price of $16.53 per share, and Class A-3 warrant holders are entitled to purchase up to 1,000,000 shares of New Common Stock at an initial exercise price of $20.50 per share. The Class A warrants have a five-year term and will expire at 5:00 p.m., New York City time, on July 1, 2014. A holder may exercise Class A warrants by paying the applicable exercise price in cash. In addition, a holder may exercise Class A warrants on a cashless basis in connection with a change of control (as defined in the Class A Warrant Agreement), in connection with a transaction pursuant to an effective registration statement covering the sale of New Common Stock underlying such Class A warrants, or if the exercise occurs on a date when the daily volume-weighted average price of the New Common Stock for the immediately preceding 10 trading days exceeds 150% of the exercise price applicable to such Class A warrants. The Class A warrants are freely transferrable by the holder thereof.

As of the Effective Date, Group issued Class B warrants to purchase up to an aggregate of 1,500,000 shares of New Common Stock to holders of the 3 3/4% Senior Notes due 2010, 12 3/4% Senior Notes due 2009 and Step Up Convertible Subordinated Debentures due 2009 issued by Group (collectively, the "Group Notes"). In connection with the issuance of the Class B warrants, Group entered into a warrant agreement, dated as of the Effective Date (the "Class B Warrant Agreement"), with StockTrans, Inc., as warrant agent. Subject to the terms of the Class B Warrant Agreement, Class B warrant holders are entitled to purchase 1,500,000 shares of New Common Stock at an initial exercise price of $26.01 per share. The Class B warrants have a five-year term and will expire at 5:00 p.m., New York City time, on July 1, 2014. A holder may exercise Class B warrants by paying the applicable exercise price in cash. In addition, a holder may exercise Class B warrants on a cashless basis in connection with a change of control (as defined in the Class B Warrant Agreement), in connection with a transaction pursuant to an effective registration statement covering the sale of New Common Stock underlying such Class B warrants, or if the exercise occurs on a date when the daily volume-weighted average price of the New Common Stock for the immediately preceding 10 trading days exceeds 150% of the exercise price applicable to the Class B warrants. The Class B warrants are freely transferrable by the holder thereof.

The number of shares of New Common Stock issuable upon exercise of the Class A warrants and Class B warrants (together, the "Warrants") and the exercise prices of the Warrants will be adjusted in connection with any dividend or distribution of New Common Stock, assets or cash (other than any regular cash dividend not to exceed in any fiscal year 45% of the consolidated net income of Group), or any subdivision or combination of the New Common Stock. In addition, the number of shares of New Common Stock issuable upon exercise of the Warrants and the exercise prices of the Warrants are also subject to adjustment in connection with any issuance, grant or sale to any person of (A) rights, warrants, options, exchangeable securities or convertible securities entitling such person to subscribe for, purchase or otherwise acquire shares of New Common Stock at a price per share less than the fair market value of the New Common Stock on the trading day immediately prior to such issuance, sale or grant, subject to certain exceptions, or (B) shares of New Common Stock at a price per share less than the fair market value of the New Common Stock on the trading day immediately prior to such issuance, sale or grant. Additionally, if any transaction or event occurs in which all or substantially all of the outstanding New Common Stock is converted into, exchanged for, or the holders thereof are otherwise entitled to receive on account thereof stock, other securities, cash or assets (each, a "Fundamental Change Transaction") the holder of each Warrant outstanding immediately prior to the occurrence of such Fundamental Change Transaction shall have the right to receive upon exercise of the applicable Warrant the kind and amount of stock, other securities, cash and/or assets that such holder would have received if such Warrant had been exercised.

The foregoing descriptions of the Class A Warrant Agreement and the Class B Warrant Agreement do not purport to be complete and are qualified in their entirety by reference to the full text of such agreements, copies of which are attached as Exhibits 4.1 and 4.2 to this report and incorporated herein by reference.

Contingent Value Rights Distribution Agreement

Pursuant to the terms of the Plan, and as soon as practicable after the Effective Date, Group will issue to holders of Group's common stock outstanding prior to the Effective Date (the "Old Common Stock") contingent value rights ("Contingent Value Rights" or "CVRs") to receive up to an aggregate of 2,665,000 shares (the "CVR Shares") of New Common Stock. In connection with the issuance of the Contingent Value Rights, Group entered into a Contingent Value Rights Distribution Agreement (the "CVR Agreement"), in favor of holders of CVRs thereunder, dated as of the Effective Date.

The CVRs may not be transferred by the holder thereof except in certain limited circumstances. Subject to the terms of the CVR Agreement, holders of CVRs will receive their pro rata share of up to 2,665,000 CVR Shares. A distribution of CVR Shares is required to be made by Group if, as of any determination date (described below), Group's equity value (assuming cash exercise in full on such date of in-the-money warrants and options of Group) divided by the sum of the number of shares of New Common Stock then issued and outstanding plus the number of shares of New Common Stock underlying warrants, options and similar securities of Group (other than CVRs) that are then in-the-money exceeds $35.95. The aggregate number of such shares of New Common Stock is referred to as the "Applicable Shares;" the price per share of $35.95, subject to adjustment as described below, is referred to as the "CVR Strike Price;" and the per share amount of any such excess over the CVR Strike Price is referred to as the "Excess Equity Value Per Share." If such a distribution is required, the number of CVR Shares to be distributed by Group equals the product of Excess Equity Value Per Share multiplied by the number of Applicable Shares divided by the CVR Strike Price. Such product of Excess Equity Value Per Share and the number of Applicable Shares is referred to as the "Excess Equity Value."

Group will determine if and to the extent a distribution of CVR Shares is required on January 1 and July 1 of each year, commencing on the first such date (but in no event later than July 1, 2013) on which data is available to confirm that Group's adjusted EBITDA for the immediately preceding four fiscal quarters is equal to at least $100 million, and upon a change of control of Group. Distributions of CVR Shares (if any) will be made within 45 calendar days of a determination by Group that a distribution is required.

Notwithstanding the foregoing, no distribution of CVR Shares is required to be made by Group unless Excess Equity Value exceeds $1 million as of any determination date.

The number of CVR Shares and the CVR Strike Price will be adjusted from time to time in connection with any stock dividend or distribution, or subdivision, split, combination, reclassification or recapitalization of the New Common Stock. In addition, if Group distributes to holders of New Common Stock any of its assets (including but not limited to cash), securities or rights to purchase securities of Group (other than any regular cash dividend not to exceed in any fiscal year 45% of the consolidated net income of Group for the immediately preceding fiscal year), then the number of CVR Shares will be increased and the CVR Strike Price will be decreased, in each case pursuant to the terms of the CVR Agreement. Additionally, in case of any reclassification, merger, consolidation, capital reorganization or other change in the capital stock of Group (other than in connection with a change of control) in which all or substantially all of the outstanding shares of New Common Stock are converted into or exchanged for stock, other securities or other property, Group shall make appropriate provision so that the holders of Contingent Value Rights shall thereafter be entitled to receive, at such time such holder would have otherwise been entitled to receive a distribution under the CVR Agreement, the kind and amount of stock and other securities and property having a value substantially equivalent to the value of New Common Stock that the holders of Contingent Value Rights would have been entitled to receive in connection with a distribution of CVR Shares immediately prior to such reclassification, merger, consolidation, reorganization or other change in the capital stock of Group at a CVR Strike Price that, in each case, is reasonably determined by the board of directors of Group after consultation with an independent valuation advisor to preserve, to the extent practicable, the intrinsic value of such CVR immediately prior to such event.

The Contingent Value Rights will expire and the CVR Agreement will terminate upon the earliest to occur of: (1) the date upon which no further CVR Shares are available for distribution, (2) the consummation of a change of control (subject to any potential distribution of CVR Shares as a result thereof), and (3) July 1, 2019.

The foregoing description of the CVR Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of such agreement, a copy of which is attached as Exhibit 4.3 to this report and incorporated herein by reference.

Amended Term Loan Facility

As of the Effective Date, Group and Holding entered into a Third Amendment to the Term Loan Agreement, dated as of February 18, 2005 (as amended through the date hereof, the "Amended Term Loan"), with the several banks and other financial institutions or entities from time to time parties thereto, Lehman Commercial Paper, Inc., a debtor and debtor in possession under chapter 11 of the Bankruptcy Code acting through one or more of its branches as the Administrative Agent and The Bank of New York Mellon, as the successor Administrative Agent. In accordance with the Amended Term Loan, Holding's Term Loan facility due February 2011 was reinstated and amended in certain respects, including: (i) at the option of Holding, interest rates are now (A) LIBOR + 9.00% with a LIBOR floor of 3.00% (or LIBOR + 11.00% with 4.00% to be paid in kind) or (B) Prime Rate + 8.00% with a Prime Rate floor of 4.00% (or Prime Rate + 10.00% with 4.00% to be paid in kind); (ii) The Bank of New York Mellon has been appointed as successor Administrative Agent; (iii) amortization payments have been increased; (iv) mandatory prepayments are required from (A) 25% of the net proceeds of certain equity issuances (including 25% of the cash of businesses acquired in exchange for equity), (B) 100% of the net proceeds from debt issuances (other than as permitted under the limitation of indebtedness covenant), and (C) 80% of net cash proceeds from asset sales or insurance recoveries not otherwise reinvested within 180 days or committed to reinvestment within 270 days of such asset sales; (v) Group or its affiliates are able to purchase annually up to $5 million in principal amount of loans at less than par without being subject to the pro-rata provisions of the Term Loan facility (or purchases in excess of such annual amount by way of an offer to all lenders), any such purchased loans deemed immediately cancelled; and (vi) certain covenants have been modified, including restrictions on the ability to incur additional debt and the addition of a minimum EBITDA covenant, a maximum indebtedness covenant and a maximum capital expenditure covenant. In addition, the Debtors have agreed to pay all reasonable fees, expenses and disbursements of the counsel and financial advisors to the Term Loan lenders.

The foregoing description of the Amended Term Loan does not purport to be complete and is qualified in its entirety by reference to the full text of such agreement, a copy of which is attached as Exhibit 10.5 to this report and incorporated herein by reference.

Plans, Contracts or Arrangements in Which Directors or Executive Officers Participate

Separation Agreement with John F. DePodesta

On the Effective Date, Group and Primus Telecommunications, Inc., an indirect wholly owned subsidiary of Group ("PTI"), entered into a Separation Agreement with John F. DePodesta, director and Executive Vice President of Group and certain of its subsidiaries (the "DePodesta Separation Agreement"), in accordance with the Plan.

The DePodesta Separation Agreement is for an initial three-year term commencing on the Effective Date, subject to automatic renewal for successive one-year periods beginning on the second anniversary of the Effective Date. In the event that Mr. DePodesta is terminated by Group and/or PTI without "cause" or if he incurs a "constructive termination" (in each case, a "qualifying termination of employment"), subject to the execution of a general release of claims and continued compliance with certain restrictive covenants (described below), Mr. DePodesta will be entitled to a lump sum cash severance payment equal to no more than two times the sum of his annual base salary and his target annual bonus and continuation of certain welfare benefits for a period of twenty-four months following the date of termination. In addition, in the event of a qualifying termination of employment within twenty-four months after a change of control, all outstanding equity awards, with the exception of certain performance options (described below), granted to Mr. DePodesta will become 100% vested as of the date of his termination of employment.

The DePodesta Separation Agreement also contains certain restrictive covenants, including a confidentiality provision, a non-solicitation provision (which remains in effect during employment and for two years following termination of employment), a non-competition provision (which remains in effect during employment and for one year following termination of employment), and a post-termination cooperation clause.

The foregoing description of the DePodesta Separation Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of such agreement, a copy of which is attached as Exhibit 10.6 to this report and incorporated herein by reference.

Separation Agreement with Thomas R. Kloster

On the Effective Date, PTI entered into a Separation Agreement with Thomas R. Kloster, Chief Financial Officer of Group and certain of its subsidiaries (the "Kloster Separation Agreement"), in accordance with the Plan.

The Kloster Separation Agreement is for an initial three-year term commencing on the Effective Date, subject to automatic renewal for successive one-year periods beginning on the second anniversary of the Effective Date. In the event that Mr. Kloster is terminated by Group without "cause" or if he incurs a "constructive termination" (in each case, a "qualifying termination of employment"), subject to the execution of a general release of claims and continued compliance with certain restrictive covenants (described below), he will be entitled to cash severance payable in installments, equal to one year of annual base salary and his annual bonus target (provided that the combined total of such amounts is not to exceed $650,000) and continuation of certain welfare benefits for a period of twelve months following the date of termination. In addition, in the event of a qualifying termination of employment within twenty-four months after a change of control, all outstanding equity awards, with the exception of certain performance options (described below), granted to Mr. Kloster will become 100% vested as of the date of his termination of employment.

The Kloster Separation Agreement also contains certain restrictive covenants including a confidentiality provision, a non-solicitation provision (which remains in effect during employment and for two years following termination of employment), a non-competition provision (which remains in effect during employment and for one year following termination of employment), and a post-termination cooperation clause.

The foregoing description of the Kloster Separation Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of such agreement, a copy of which is attached as Exhibit 10.7 to this report and incorporated herein by reference.

Item 1.02 Termination of a Material Definitive Agreement.

In accordance with the Plan, on the Effective Date all of the obligations of Group and its subsidiaries with respect to the following indentures were terminated and the respective notes and debentures issued under each such indenture were cancelled:

- Indenture, dated as of January 16, 2004, by and among Holding, as Issuer, Group, as Guarantor, and Wachovia Bank N.A., as Trustee, relating to the 8% Senior Notes due 2014;
- Indenture, dated as of June 28, 2006, by and among Holding, as Issuer, Group, as Guarantor, and U.S. Bank N.A., as Trustee, relating to the 5% Exchangeable Senior Notes due 2009;
- Indenture, dated as of September 15, 2003, by and between Group and Wachovia Bank, N.A., as Trustee, relating to the 3 3/4% Convertible Senior Notes due 2010;
- Indenture, dated as of February 27, 2006, by and between Group and U.S. Bank N.A., as Trustee, relating to the Step-up Convertible Subordinated Debentures due 2009; and
- Indenture, dated as of October 15, 1999, by and between Group and First Union National Bank, as Trustee, relating to the 12 3/4% Senior Notes due 2009.

As discussed above in Item 1.01, on the Effective Date, Group, PTI and Mr. DePodesta entered into the DePodesta Separation Agreement, and PTI and Mr. Kloster entered into the Kloster Separation Agreement. The DePodesta Separation Agreement provides for the termination of the Release and Separation Agreement between Group, PTI and Mr. DePodesta, dated as of March 10, 2009, and the Kloster Separation Agreement provides for the termination of the Release and Separation Agreement between PTI and Mr. Kloster, dated as of March 10, 2009.

In connection with Group's reorganization and emergence from bankruptcy, all shares of Old Common Stock were cancelled pursuant to the Plan. Accordingly, upon the Effective Date, Group's equity incentive plans in effect prior to the Effective Date, and all awards granted under such plans, were terminated. Below is a list of equity incentive plans and other benefit plans that were terminated on the Effective Date:

- Primus Telecommunications Group, Incorporated Equity Incentive Plan, as amended (formerly known as the Primus Telecommunications Group, Incorporated Stock Option Plan);
- Primus Telecommunications Group, Incorporated Director Compensation Plan; and
- Primus Telecommunications Group, Incorporated 1998 Restricted Stock Plan.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth under "Item 1.01. Entry Into a Material Definitive Agreement—Agreements Relating to the Debtors' Securities—Amendment of Second Lien Notes Indenture" is incorporated by reference into this Item 2.03.

Item 3.02 Unregistered Sales of Equity Securities.

On the Effective Date, all existing shares of Old Common Stock were cancelled pursuant to the Plan. In addition, on the Effective Date, the Holding Notes and Group Notes were cancelled pursuant to the Plan, and in satisfaction of creditor claims and stockholder interests, Group issued (1) 4,800,000 shares of New Common Stock to holders of IHC's 14 1/4% Senior Secured Notes due 2011, (2) 4,800,000 shares of New Common Stock to holders of the Holding Notes, (3) Class A warrants to purchase up to an aggregate of 3,000,000 shares of New Common Stock to holders of the Holding Notes, (4) Class B warrants to purchase up to an aggregate of 1,500,000 shares of New Common Stock to holders of the Group Notes and (5) contingent value rights to receive up to an aggregate of 2,665,000 shares of New Common Stock to holders of Old Common Stock. Based on the Plan and the confirmation order from the Bankruptcy Court, the issuance of shares of New Common Stock, Warrants (including shares of New Common Stock issuable upon exercise thereof) and Contingent Value Rights (including shares of New Common Stock that may from time to time become distributable in respect thereof) described in the preceding sentence are exempt from the registration requirements of the Securities Act of 1933 in reliance on Section 1145 of the Bankruptcy Code.

Item 3.03 Material Modification to Rights of Security Holders.

The information set forth under "Item 5.03. Amendments to Articles of Incorporation or Bylaws, Change in Fiscal Year" and "Item 1.01. Entry Into a Material Definitive Agreement—Agreements Relating to the Debtors' Securities—Amendment of Second Lien Notes Indenture" is incorporated by reference into this Item 3.03.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Departure of Directors

On the Effective Date, the following directors have departed the board of directors of Group in connection with Group's emergence from chapter 11 proceedings and pursuant to the Plan: David E. Hershberg, Douglas M. Karp, John G. Puente, Pradman P. Kaul and Paul G. Pizzani.

Election of Directors

On the Effective Date, pursuant to the Plan, Group's board of directors (the "Board") was reconstituted to consist of K. Paul Singh, the current Chief Executive Officer of Group, John F. DePodesta, the current Executive Vice President of Group, Peter D. Aquino, Neil S. Subin and John B. Spirtos.

Management Compensation Plan

On the Effective Date, pursuant to the Plan, the Primus Telecommunications Group, Incorporated Management Compensation Plan (the "Management Compensation Plan") became effective. Pursuant to the Management Compensation Plan and the Plan, grants of restricted stock units and stock options to acquire shares of New Common Stock were made to certain executive officers and employees of Group and its subsidiaries as follows:

- 400,000 restricted stock units were granted to certain employees and executive officers;
- 400,000 service-based stock options were granted to certain executive officers and employees of reorganized Group and its subsidiaries; and
- 100,000 performance-based stock options were granted to certain employees and executive officers.

The following is a description of the Management Compensation Plan. The following description does not purport to be complete and is qualified in its entirety by reference to the full text of such plan, a copy of which is attached as Exhibit 10.8 to this report and incorporated herein by reference.

Effective Date

The Management Compensation Plan became effective on the Effective Date. Unless earlier terminated by the Board, the Management Compensation Plan will expire on the tenth anniversary of the Effective Date.

Purposes of the Management Compensation Plan

The purposes of the Management Compensation Plan are to allow reorganized Group to attract, motivate and retain employees, independent contractors, and non-employee directors of Group and its subsidiaries and affiliates. The Management Compensation Plan also is designed to (i) encourage stock ownership by these individuals, thereby aligning their interests with those of reorganized Group's shareholders and (ii) permit the payment of compensation that qualifies as performance-based compensation under section 162(m) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code").

New Common Stock Available for Issuance

The Management Compensation Plan provides that awards may be granted for up to 1,000,000 shares of New Common Stock, subject to adjustment in the case of certain changes in capitalization of reorganized Group, including, among other things, a reorganization, merger, consolidation, spin-off, combination, repurchase, share exchange, or other similar corporate transaction or event that affects the New Common Stock. The maximum aggregate number of shares of New Common Stock that may be granted during any fiscal year to any single individual who is likely to be a "covered employee" within the meaning of section 162(m)(3) of the Internal Revenue Code is 600,000, in the case of stock options or stock appreciation rights, and 400,000, in the case of restricted stock or other stock-based awards (other than stock appreciation rights).

Types of Awards

The Management Compensation Plan provides for the grant of incentive stock options, nonqualified stock options, restricted stock, restricted stock units, and other stock-based or cash-based performance awards (collectively, "awards").

Administration

The Compensation Committee (the "Committee") of the Board of Directors of Group administers the Management Compensation Plan. The Committee has broad authority to administer, construe and interpret the Management Compensation Plan; however, it may not take any action with respect to an award that would be treated, for accounting purposes, as a "repricing" of an award unless the action is approved by the shareholders of Group.

Participation

Awards under the Management Compensation Plan may be granted to officers, independent contractors, employees and non-employee directors of reorganized Group and its subsidiaries and affiliates, except that stock options may only be granted to officers, independent contractors, employees and non-employee directors of reorganized Group and its subsidiaries. Furthermore, incentive stock options may only be granted to employees (including officers and directors who are also employees) of reorganized Group or any of its subsidiaries.

Stock Options

The Committee may grant incentive stock options or nonqualified stock options to eligible individuals on the terms and conditions, consistent with the provisions of the Management Compensation Plan, as it determines, and as evidenced in an award agreement. The exercise price per share of New Common Stock purchasable under a stock option will be determined by the Committee, but may not be less than the fair market value of a share of New Common Stock as of the date the option is granted. Stock options will be exercisable during the specified exercise period at the times and upon the conditions as determined by the Committee, but in no event may a stock option be exercisable for more than ten years after the date of grant. The Committee may, in its sole discretion, accelerate the date on which any stock option becomes exercisable.

When exercising a stock option, all shares of New Common Stock purchased upon exercise are required to be paid for in full at the time of purchase in such form as permitted under the Management Compensation Plan or as determined by the Committee.

Unless otherwise provided in an applicable award agreement or other individual agreement, or unless otherwise determined by the Committee, in the event that a participant terminates employment or service with reorganized Group and its subsidiaries, (i) any outstanding stock options that are not exercisable as of the participant's date of termination will terminate, and (ii) any outstanding stock options that are exercisable as of such date will remain exercisable until the earlier of ninety (90) days following the date of such termination and the expiration of the term of the stock option, and the stock option will thereafter terminate, except that:

- *Cause*. If a participant's employment or service is terminated for cause, all outstanding stock options, whether vested or unvested, will terminate on the date of the participant's termination of employment or service.

- *Disability or Death*. If a participant's employment or service is terminated by reason of death or disability, (i) any outstanding stock options that are not exercisable as of such date will terminate, and (ii) any outstanding stock options that are exercisable as of such date will remain exercisable until the earlier of one (1) year following such date and the expiration of the term of the stock option, and the stock option will thereafter terminate.
- *Retirement*. If a participant's employment or service terminates upon retirement on or after the participant's normal retirement date (as established under any qualified retirement plan of reorganized Group or any subsidiary), (i) any outstanding stock options that are not exercisable as of such date will terminate, and (ii) any outstanding stock options that are exercisable on the date of such termination will remain exercisable until the earlier of eighteen (18) months following such date and the expiration of the term of the stock option, and the stock option will thereafter terminate.

Restricted Stock

The Committee may grant restricted stock awards to eligible participants on the terms and conditions, consistent with the Management Compensation Plan, as it determines and as evidenced in an award agreement. The vesting of a restricted stock award may be conditioned upon the completion of a specified period of employment or service, the attainment of specified performance goals, or any other criteria that the Committee may establish. The Committee will determine the price to be paid by the participant for each share of restricted stock.

If set forth in the applicable award agreement, a restricted stock award may provide that the participant will have the right to vote and receive dividends on restricted stock granted under the Management Compensation Plan. Unless otherwise provided in the award agreement, any New Common Stock received as a dividend on or in connection with a stock split of the shares of New Common Stock underlying a restricted stock award will be subject to the same restrictions as the shares of New Common Stock underlying such award.

Upon a participant's termination of employment or service with reorganized Group or any of its affiliates or subsidiaries during the applicable restriction period, the restricted stock award will be forfeited. However, the Committee may provide that restrictions or forfeiture conditions relating to any restricted stock awards will be waived in the event of terminations resulting from specific causes, and the Committee may in other cases waive the forfeiture of restricted stock.

Other Stock-Based and Cash-Based Awards

The Committee is authorized to grant awards in the form of other stock-based awards or other cash-based awards. The terms and conditions of these awards, including any performance goals or performance periods, will be determined by the Committee at the date of grant or thereafter, and will be evidenced in an award agreement.

Non-Employee Directors' Grants

Unless otherwise provided by the Committee, immediately following each annual meeting of the shareholders of reorganized Group during the term of the Management Compensation Plan commencing with the 2010 annual meeting of shareholders, each non-employee director will automatically be granted a nonqualified stock option to purchase 10,000 shares of New Common Stock with an exercise price per share equal to the fair market value of a share of New Common Stock on the date of grant. Each stock option so granted will vest and become exercisable ratably in three installments commencing on the date of grant such that 100% of the option will be vested and exercisable on the second anniversary of the grant date (subject to continued service as a non-employee director through each applicable vesting date). All other terms and conditions of the grants will be established by the Committee and set forth in the non-employee director's award agreement.

Change of Control

In the event that a participant's employment or service is terminated without "cause" or by the participant for "good reason", in each case, within twenty-four (24) months following a change of control of Group, the Committee may, in its sole discretion, accelerate the vesting or payment of any outstanding awards. In addition, the Committee may, in its sole discretion, accelerate the vesting or payment of any award effective immediately upon the occurrence of a change of control or convert the vesting of performance-based awards to a time-based awards, in each case, only if these actions would not cause any award to result in deferred compensation that is subject to the additional 20% tax imposed under section 409A of the Internal Revenue Code.

Amendment and Termination

The Board generally may amend, alter, or discontinue the Management Compensation Plan at any time. However, the Board may not amend, alter or discontinue the Plan in a manner that would impair the rights of a participant with respect to awards granted under the Management Compensation Plan prior to any amendment, alteration or discontinuation without the participant's consent. In addition, stockholder approval is required for any amendment that increases the total number of shares of New Common Stock reserved for grant under the Management Compensation Plan, materially increases the benefits provided under the Management Compensation Plan, or materially alters the eligibility provisions of the Management Compensation Plan. Unless earlier terminated by the Board pursuant to the Management Compensation Plan, the Management Compensation Plan will terminate on the tenth anniversary of the Effective Date. No awards will be granted under the Management Compensation Plan after the termination date.

Grants of Awards under the Management Compensation Plan – Emergence Awards

Restricted Stock Unit Award Agreements

On the Effective Date, grants of restricted stock units were made to certain of Group's named executive officers pursuant to the Management Compensation Plan.

Grantee	Number of Restricted Stock Units Granted
K. Paul Singh	229,855
John F. DePodesta	79,492
Thomas R. Kloster	34,172

The restricted stock units were granted pursuant to the terms and conditions set forth in the form of restricted stock unit agreement dated as of the Effective Date (the "Emergence RSU Agreement"). The following summary of the Emergence RSU Agreement is qualified in its entirety by reference to the Emergence RSU Agreement, a copy of which is filed as an exhibit to this report.

Pursuant to the Emergence RSU Agreement, RSUs will vest in two equal tranches if reorganized Group attains at least ninety percent (90%) of the specified Adjusted EBITDA Targets for any fiscal year during the ten-year term of the Emergence RSU Agreement. Under certain circumstances specified in the Emergence RSU Agreement, if a participant's employment is terminated during any fiscal year in which the applicable percentage of the Adjusted EBITDA Target for such fiscal year is met, a pro rata portion of such participant's RSUs will vest based on the number of days such participant was employed during such fiscal year.

In accordance with the terms of the employment agreement entered into between Group and Mr. Singh, dated as of April 26, 2007 (the "Singh Employment Agreement"), the DePodesta Separation Agreement and the Kloster Separation Agreement, in the event of an involuntary termination of employment without "cause" (other than on account of death or disability) or by one of these executives for "good reason" or by reason of a "constructive termination, in each case, within twenty-four months after a change of control, all RSUs will immediately vest and be settled in New Common Stock within ten days following such termination.

Stock Option Award Agreements

On the Effective Date, grants of service-based and performance-based stock options were made to reorganized Group's named executive officers pursuant to the Management Compensation Plan.

Grantee	Number of Service-Based Options Granted	Number of Performance-Based Options Granted	Exercise Price Per Share
K. Paul Singh	176,544	57,464	$ 12.22
John F. DePodesta	61,055	19,873	$ 12.22
Thomas R. Kloster	26,246	8,543	$ 12.22
Mark Guirgis	7,032	0	$ 12.22
Tracy B. Lawson	6,980	0	$ 12.22

Service-based stock options were granted to the named executive officers pursuant to the terms and conditions set forth in the form of stock option agreement dated as of the Effective Date (the "Emergence Option Agreement") and performance-based stock options were granted to the named executive officers pursuant to the terms and conditions set forth in the form of performance stock option agreement dated as of the Effective Date (the "Emergence Performance Option Agreement").

Emergence Option Agreement

The Emergence Option Agreement provides for the grant of a nonqualified stock option to purchase shares of New Common Stock at an exercise price per share equal to $12.22. The option vests ratably over two years, with 25% of the option vesting every six months after the date of grant. The stock option expires on the tenth anniversary of the Effective Date (the "Expiration Date").

In accordance with the terms of the Singh Employment Agreement, the DePodesta Separation Agreement and the Kloster Separation Agreement, in the event of an involuntary termination of employment without "cause" (other than on account of death or disability) or by one of these executives for "good reason" or by reason of a "constructive termination," in each case, within twenty-four months after a change of control, the stock option will become 100% vested as of the date of such termination and will remain exercisable until the earlier of 120 days following such termination and the Expiration Date. With respect to all other participants, upon a change of control, any unvested portion of the stock option will immediately terminate and any vested portion of the stock option will remain exercisable until the earlier of 120 days following the date of the change of control and the Expiration Date.

Emergence Performance Option Agreement

The following summary of the Emergence Performance Option Agreement is qualified in its entirety by reference to the Emergence Performance Option Agreement, a copy of which is filed as an exhibit to this report.

The Emergence Performance Option Agreement provides for the grant of a nonqualified stock option to purchase shares of New Common Stock at an exercise price per share equal to $12.22. The performance option vests in two equal tranches if at least 115% of the specified Adjusted EBITDA Targets is attained for any fiscal year during the term of the Emergence Performance Option Agreement. Under certain circumstances specified in the Emergence Performance Option Agreement, if a participant's employment is terminated during any fiscal year in which the applicable percentage of the Adjusted EBITDA Target for such fiscal year is met, a pro rata portion (based on the number of days such participant was employed during such fiscal year) of such participant's performance options will vest and remain exercisable until the earlier of one year following the date on which the Committee determines the applicable percentage of such Adjusted EBITDA Target has been attained (the "Measurement Date") and the tenth anniversary of the Effective Date (the "Expiration Date"). Any unvested portion of the performance option which is not vested and exercisable as of the Measurement Date will thereafter terminate. The performance option expires on the Expiration Date.

Notwithstanding any provision to the contrary in any individual equity award agreement, employment agreement or separation agreement to which Mr. Singh, Mr. DePodesta or Mr. Kloster is a party as of the Effective Date, upon a change of control, any unvested portion of the performance option will immediately terminate and be of no further force and effect and any vested portion of the performance option will remain exercisable until the earlier of one year after the date of the change of control and the Expiration Date.

The foregoing descriptions of the Emergence RSU Agreement, Emergence Option Agreement and Emergence Performance Option Agreement do not purport to be complete and are qualified in their entirety by reference to the full text of such agreements, copies of which are attached as Exhibits 10.9, 10.10 and 10.11, respectively, to this report and incorporated herein by reference.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

In accordance with the Plan, Group's certificate of incorporation and bylaws were amended and restated in their entirety. Reorganized Group's Second Amended and Restated Certificate of Incorporation (the "Amended Certificate Incorporation") and Amended and Restated By-Laws (the "Amended By-Laws") both became effective on the Effective Date. A description of the key provisions of the Amended Certificate of Incorporation and the Amended By-Laws is included in Group's registration statement on Form 8-A under "Description of Capital Stock" filed with the SEC on July 1, 2009, which description is incorporated herein by reference. This description is qualified in its entirety by reference to the full text of these documents, which are attached as Exhibit 3.1 and 3.2 to this report and incorporated herein by reference.

Item 8.01 Other Events.

Adoption of SFAS 160

Effective January 1, 2009, Group adopted Statement of Financial Accounting Standards (SFAS) 160, "Noncontrolling Interests in Consolidated Financial Statements," an amendment of Accounting Research Bulletin (ARB) No. 51, "Consolidated Financial Statements," as described more fully in Note 3 – "Summary of Significant Accounting Policies" to the unaudited interim consolidated financial statements of Group's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2009. The adoption of SFAS 160 did not have a material impact on Group's financial condition, results of operations or cash flows. However, it did impact the presentation and disclosure of noncontrolling (minority) interests in the consolidated financial statements. As a result of the retrospective presentation and disclosure requirements of SFAS 160, Group will be required to reflect the change in presentation and disclosure for all periods presented in future filings.

The principal effect (in thousands) on the balance sheets related to the adoption of SFAS 160 for the years ended December 31, 2008 and 2007 is as follows:

	December 31,	
	2008	2007
Balance Sheets		
Equity, as previously reported	$(461,539)	$(447,540)
Adjustment for SFAS 160 reclass of noncontrolling interest	2,814	839
Equity, as adjusted	$(458,725)	$(446,701)

Additionally, the adoption of SFAS 160 had the effect of reclassifying earnings attributable to noncontrolling interest in the consolidated statement of operations from other income and expense to separate line items. SFAS 160 also requires that net income be adjusted to include the net income attributable to the noncontrolling interest, and a new separate caption for net income attributable to common shareholders be presented in the consolidated statement of earnings. Thus, after adoption of SFAS 160 net income will increase by $2.6 million, $0.1 million and $0.6 million for the years ended December 31, 2008, 2007, and 2006, respectively, and net income attributable to common shareholders will be equal to net income as previously reported prior to the adoption of SFAS 160.

Press Release

A copy of the press release announcing the effectiveness of the Plan and reorganized Group's emergence from chapter 11 of the Bankruptcy Code is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

3.1*	Second Amended and Restated Certificate of Incorporation of Primus Telecommunications Group, Incorporated
3.2*	Amended and Restated By-Laws of Primus Telecommunications Group, Incorporated
4.1	Class A Warrant Agreement, dated as of July 1, 2009, by and between Primus Telecommunications Group, Incorporated and StockTrans, Inc., as Warrant Agent

4.2	Class B Warrant Agreement, dated as of July 1, 2009, by and between Primus Telecommunications Group, Incorporated and StockTrans, Inc., as Warrant Agent
4.3**	Contingent Value Rights Distribution Agreement of Primus Telecommunications Group, Incorporated
10.1	Supplemental Indenture, dated as of July 1, 2009, by and among Primus Telecommunications IHC, Inc., the Guarantors thereto and U.S. Bank National Association, as Trustee
10.2	First Amendment, dated as of July 1, 2009, to Intercreditor Agreement, dated as of February 26, 2007, by and among Primus Telecommunications IHC, Inc., Primus Telecommunications Group, Incorporated, Primus Telecommunications Holding, Inc., U.S. Bank National Association and The Bank of New York Mellon
10.3	First Amendment, dated as of July 1, 2009, to Collateral Agreement, dated as of February 26, 2007, by and among Primus Telecommunications IHC, Inc., U.S. Bank National Association and the Grantors party thereto
10.4	Assumption Agreement, dated as of July 1, 2009, by Primus Telecommunications Group, Incorporated and Primus Telecommunications Holding, Inc., in favor of U.S. Bank National Association, as collateral agent under the Collateral Agreement, dated as of February 26, 2007, by and among Primus Telecommunications IHC, Inc., U.S. Bank National Association and the other Grantors party thereto
10.5	Third Amendment, dated as of July 1, 2009, to the Term Loan Agreement, dated as of February 18, 2005, among Primus Telecommunications Group Incorporated, Primus Telecommunications Holding, Inc., the several banks and other financial institutions or entities from time to time parties thereto, Lehman Commercial Paper, Inc., acting through one or more of its branches as the Administrative Agent and The Bank of New York Mellon, as the successor Administrative Agent
10.6	Separation Agreement by and between John F. DePodesta and Primus Telecommunications Group, Incorporated, dated as of July 1, 2009
10.7	Separation Agreement by and between Thomas R. Kloster and Primus Telecommunications, Inc., dated as of July 1, 2009
10.8	Primus Telecommunications Group, Incorporated Management Compensation Plan
10.9	Form of Restricted Stock Unit Agreement between Grantee and Primus Telecommunications Group, Incorporated, dated as of July 1, 2009

10.10	Form of Nonqualified Stock Option Agreement between Grantee and Primus Telecommunications Group, Incorporated, dated as of July 1, 2009
10.11	Form of Performance Nonqualified Stock Option Agreement between Grantee and Primus Telecommunications Group, Incorporated, dated as of July 1, 2009
99.1	Press Release, dated July 1, 2009

* Incorporated by reference to the Registrant's Registration Statement on Form 8-A, filed with the Commission on July 1, 2009.
** Incorporated by reference to the Registrant's Registration Statement on Form 8-A, filed with the Commission on July 1, 2009.

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 hereunto duly authorized.

Date: July 1, 2009

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

Exhibit 4.1

CLASS A

WARRANT AGREEMENT,

by and between

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

and

STOCKTRANS, INC.,

as the

WARRANT AGENT

July 1, 2009

This WARRANT AGREEMENT (as amended, supplemented or otherwise modified from time to time, this "Agreement") is entered into as of July 1, 2009, by and between PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED, a Delaware corporation (the "Company"), and STOCKTRANS, INC., as warrant agent (together with any successor appointed pursuant to Section 18, the "Warrant Agent").

W I T N E S S E T H:

WHEREAS, pursuant to the Joint Plan of Reorganization of the Company and its affiliate debtors, dated as of June 12, 2009 (the "Plan"), under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq., as amended, the Company proposes to issue to holders of Holding Notes Claims warrants (the "Class A Warrants") to purchase up to 3,000,000 shares of common stock, par value $.001 per share ("Common Stock"), of the Company;

WHEREAS, the Class A Warrants will be issued in three (3) separate series; and

WHEREAS, the Company desires the Warrant Agent to act on behalf of the Company, and the Warrant Agent is willing so to act, in connection with the issuance, registration, transfer, exchange and exercise of the Class A Warrants and the other matters provided for herein with respect to the Class A Warrants;

NOW, THEREFORE, in consideration of the premises and mutual agreements herein set forth, the parties hereto agree as follows:

Section 1. Definitions. The following terms have meanings set forth below:

(a) "Agreement" shall have the meaning ascribed to such term in the preamble hereof.

(b) "Appropriate Officer" shall have the meaning ascribed to such term in Section 5(a) hereof.

(c) "Asset Value" shall have the meaning ascribed to such term in Section 13(c) hereof.

(d) "Beneficial Holder" shall mean any Person that holds beneficial interests in a Global Warrant Certificate.

(e) "Board" shall mean the board of directors of the Company.

(f) "Book-Entry Warrants" shall have the meaning ascribed to such term in Section 3 hereof.

(g) "Business Day" shall mean any day that is not a Saturday, Sunday or other day on which banks are required or authorized by law to be closed in New York.

(h) "Capital Stock" shall mean, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated) of such Person's

capital stock or partnership, limited liability company or other equity interests at any time outstanding, and any and all rights, warrants or options exchangeable for or convertible or exercisable into such capital stock or other interests.

(i) "Cash Dividend" shall have the meaning ascribed to such term in Section 13(d) hereof.

(j) "Change of Control" shall mean (i) the transfer (in one transaction or a series of transactions) of all or substantially all of the assets of the Company and its subsidiaries, taken as a whole, (ii) the liquidation or dissolution of the Company or the adoption of a plan by the stockholders of the Company relating to the dissolution or liquidation of the Company, (iii) any merger, share exchange, consolidation or other business combination of the Company, if immediately after any such transaction Persons who hold more than fifty percent (50%) of the total voting power in the aggregate of the Capital Stock of the surviving entity (or the entity owning 100% of such surviving entity) normally entitled to vote in elections of directors are not Persons who, immediately prior to such transaction, held a majority of the voting power of the Capital Stock of the Company entitled to vote generally in the election of directors, or (iv) the sale or other disposition (in one transaction or a series of related transactions) by the stockholders of the Company of shares of Capital Stock of the Company representing in the aggregate more than fifty percent (50%) of the total voting power of the Company to any Person or "group" (as such term is used in Section 13(d)(3) of the Exchange Act).

(k) "Class A Warrants" shall have the meaning ascribed to such term in the recitals hereof.

(l) "Class A-1 Exercise Price" shall mean $12.22, as adjusted from time to time in accordance with this Agreement.

(m) "Class A-1 Warrants" shall have the meaning ascribed to such term in Section 3 hereof.

(n) "Class A-2 Exercise Price" shall mean $16.53, as adjusted from time to time in accordance with this Agreement.

(o) "Class A-2 Warrants" shall have the meaning ascribed to such term in Section 3 hereof.

(p) "Class A-3 Exercise Price" shall mean $20.50, as adjusted from time to time in accordance with this Agreement.

(q) "Class A-3 Warrants" shall have the meaning ascribed to such term in Section 3 hereof.

(r) "Class B Warrants" shall mean those "Class B Warrants" issued by the Company pursuant to the terms of that certain Class B Warrant Agreement, dated July 1, 2009, between the Company and the Warrant Agent named therein, as any of the same may be amended, supplemented or otherwise modified from time to time.

(s) "Common Stock" shall have the meaning ascribed to such term in the recitals hereof.

(t) "Company" shall have the meaning ascribed to such term in the preamble hereof.

(u) "CVRs" shall have the meaning ascribed to such term in the Plan.

(v) "Depositary" shall have the meaning ascribed to such term in Section 4(b) hereof.

(w) "Distributed Assets" shall have the meaning ascribed to such term in Section 13(c) hereof.

(x) "Effective Date" shall have the meaning ascribed to such term in the Plan.

(y) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

(z) "Excluded Issuance" shall mean any of the following: (i) the issuance of any securities by the Company on the Effective Date pursuant to the Plan, (ii) the issuance of any shares of Common Stock or Rights pursuant to any employee benefit plan or program, incentive compensation plan or program, executive compensation agreement or directors' compensation program, in each case approved by the Board, (iii) the issuance of any shares of Common Stock upon exercise of any of the Warrants, (iv) the issuance of any shares of Common Stock pursuant to the CVRs and (v) the issuance of any shares of Common Stock or Rights pursuant to a transaction described in Section 13(a), 13(b) or 13(c) hereof, or pursuant to a Fundamental Change Transaction.

(aa) "Exercise Amount" shall have the meaning ascribed to such term in Section 8(b) hereof.

(bb) "Exercise Form" shall have the meaning ascribed to such term in Section 8(b) hereof.

(cc) "Exercise Price" shall mean a reference to the Class A-1 Exercise Price, the Class A-2 Exercise Price or the Class A-3 Exercise Price, as the context may require.

(dd) "Expiration Date" shall mean July 1, 2014.

(ee) "Fair Market Value" shall mean, with respect to any security as of any date of determination, (i) if such security is listed or traded on a national securities exchange for at least ten (10) consecutive Trading Days immediately preceding such date of determination, the daily volume-weighted average price of such security for the ten (10) consecutive Trading Days immediately preceding such date of determination as reported by Bloomberg, L.P. (or, if no such price is reported by Bloomberg, L.P. for any particular Trading Day during such 10-Trading Day period, the daily volume-weighted average price of such security as officially reported for such Trading Day on the principal

securities exchange on which such security is then listed or admitted to trading shall be used for the purposes of calculating such 10-Trading Day volume-weighted average price), or (ii) if such security is not listed or admitted to trading on any national securities exchange for at least ten (10) consecutive Trading Days immediately preceding such date of determination, the fair market value of such security as of such date of determination as reasonably determined by the Board in good faith on the basis of such information as it considers appropriate (without regard to any illiquidity or minority discounts). In the event that the Fair Market Value of a share of Common Stock as of a particular date would need to be determined by the Board in accordance with clause (ii) of the immediately preceding sentence in connection with the exercise of a Class A Warrant, the Board shall make such determination as promptly as reasonably practicable following a written request therefor delivered by the holder or Beneficial Holder exercising such Class A Warrant.

(ff) "Fundamental Change Transaction" shall have the meaning ascribed to such term in Section 13(f) hereof.

(gg) "Global Warrant Certificates" shall have the meaning ascribed to such term in Section 4(a) hereof.

(hh) "holder" or "holders" shall mean, in respect of any Class A Warrant or any shares of Common Stock issued or issuable upon exercise of any Class A Warrant, the registered holder or registered holders thereof.

(ii) "Holding Notes Claims" shall have the meaning ascribed to such term in the Plan.

(jj) "Person" shall mean any individual, corporation (including non-profits and not-for-profits), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, governmental entity or other entity of any kind or nature.

(kk) "Plan" shall have the meaning ascribed to such term in the recitals hereof.

(ll) "Record Date" shall mean, with respect to any dividend, distribution or other transaction or event in which the holders of Common Stock have the right to receive any cash, securities, assets or other property or in which the Common Stock (or other applicable security) is exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of stockholders entitled to receive such cash, securities, assets or other property (whether such date is fixed by the Board or by statute, contract or otherwise).

(mm) "Rights" shall have the meaning ascribed to such term in Section 13(e) hereof.

(nn) "Securities Act" shall mean the Securities Act of 1933, as amended.

(oo) "Trading Day" shall mean, with respect to any security, (i) if such security is listed or traded on a national securities exchange, a day on which such security is traded on the principal securities exchange on which such security is then listed or admitted to trading, or (ii) if such security is not listed or traded on a national securities exchange, a Business Day.

(pp) "Transfer Agent" shall mean, collectively, the transfer agent for the Common Stock and every subsequent transfer agent for any shares of the Company's Capital Stock or other securities issuable upon exercise of any of the Class A Warrants.

(qq) "Warrant Agent" shall have the meaning ascribed to such term in the preamble hereof.

(rr) "Warrant Agent Office" shall mean the offices or agency maintained by the Warrant Agent in Ardmore, Pennsylvania (or at such other offices or agencies as may be designated by the Warrant Agent) for the purpose of exchanging, transferring and exercising the Class A Warrants.

(ss) "Warrant Register" shall have the meaning ascribed to such term in Section 6(c) hereof.

(tt) "Warrants" shall mean, collectively, (i) the Class A Warrants and (ii) the Class B Warrants.

(uu) "Warrant Statements" shall have the meaning ascribed to such term in Section 3 hereof.

Section 2. Appointment of Warrant Agent. The Company hereby appoints the Warrant Agent to act as agent for the Company in accordance with the instructions hereinafter set forth in this Agreement, and the Warrant Agent hereby accepts such appointment, upon the terms and conditions hereinafter set forth in this Agreement.

Section 3. Issuance of Class A Warrants. The Class A Warrants shall be divided into the following three (3) separate series: "Class A-1 Warrants," "Class A-2 Warrants," and "Class A-3 Warrants". Subject to the provisions of this Agreement and in accordance with the terms of the Plan, on the Effective Date, (a) Class A-1 Warrants to purchase initially up to an aggregate of 1,000,000 shares of Common Stock, (b) Class A-2 Warrants to purchase initially up to an aggregate of 1,000,000 shares of Common Stock, and (c) Class A-3 Warrants to purchase initially up to an aggregate of 1,000,000 shares of Common Stock will be issued and delivered by the Company. On the Effective Date, the Company will deliver, or cause to be delivered, to the Depositary, one or more Global Warrant Certificates evidencing a portion of the Class A Warrants. Upon receipt by the Warrant Agent of a written order of the Company pursuant to Section 6 hereof, the remainder of the Class A Warrants shall be issued by book-entry registration on the books of the Warrant Agent ("Book-Entry Warrants"). At the request of any holder of Book-Entry Warrants, the Warrant Agent shall deliver to such holder a statement confirming such book-entry position (a "Warrant Statement").

Section 4. Form of Class A Warrants.

(a) Subject to Section 7, the Class A Warrants shall be issued (i) via book-entry registration on the books and records of the Warrant Agent, or (ii) in the form of one or more global certificates (the "Global Warrant Certificates"), with the forms of election to exercise and of assignment printed on the reverse thereof, in substantially the form set forth in Exhibit A attached hereto. The Global Warrant Certificates and Warrant Statements may bear such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Agreement, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with any law or with any rules made pursuant thereto or with any rules of any securities exchange, inter-dealer quotation system or regulated quotation service on which the Class A Warrants may be listed or quoted (as the case may be) or as may, consistently herewith, be determined by any Appropriate Officer.

(b) The Global Warrant Certificates shall be deposited on or after the Effective Date with the Warrant Agent and registered in the name of Cede & Co., as the nominee of The Depository Trust Company (the "Depositary"). Each Global Warrant Certificate shall represent such number of the outstanding Class A Warrants as specified therein, and each shall provide that it shall represent the aggregate amount of outstanding Class A Warrants from time to time endorsed thereon and that the aggregate amount of outstanding Class A Warrants represented thereby may from time to time be reduced or increased, as appropriate, in accordance with the terms of this Agreement.

Section 5. Execution of Global Warrant Certificates.

(a) The Global Warrant Certificates shall be signed on behalf of the Company by its Chairman of the Board, its Chief Executive Officer, its President, any Vice President, its Treasurer or any Assistant Treasurer (each, an "Appropriate Officer"), under its corporate seal. Each such signature upon the Global Warrant Certificates may be in the form of a facsimile signature of any such Appropriate Officer and may be imprinted or otherwise reproduced on the Global Warrant Certificates and for that purpose the Company may adopt and use the facsimile signature of any Appropriate Officer. The corporate seal of the Company may be in the form of a facsimile thereof and may be impressed, affixed, imprinted or otherwise reproduced on the Global Warrant Certificates.

(b) If any Appropriate Officer who shall have signed any of the Global Warrant Certificates shall cease to be an Appropriate Officer before the Global Warrant Certificates so signed shall have been countersigned by the Warrant Agent or delivered by the Company, such Global Warrant Certificates nevertheless may be countersigned and delivered as though such Appropriate Officer had not ceased to be an Appropriate Officer, and any Global Warrant Certificate may be signed on behalf of the Company by any person who, at the actual date of the execution of such Global Warrant Certificate, shall be a proper Appropriate Officer to sign such Global Warrant Certificate, although at the date of the execution of this Agreement any such person was not such an Appropriate Officer.

Section 6. Registration and Countersignature.

(a) Upon receipt of a written order of the Company, the Warrant Agent shall (i) register in the Warrant Register the Book-Entry Warrants and, if requested by any holder thereof, deliver a Warrant Statement to such holder and (ii) upon receipt of the Global Warrant Certificates duly executed on behalf of the Company, either manually or by facsimile signature countersign one or more Global Warrant Certificates evidencing Class A Warrants and deliver such Global Warrant Certificates to or upon the written order of the Company. Such written order of the Company shall specifically state the number of Class A Warrants that are to be issued as Book-Entry Warrants and the number of Class A Warrants that are to be issued as a Global Warrant Certificate. A Global Warrant Certificate shall be, and shall remain, subject to the provisions of this Agreement until such time as all of the Class A Warrants evidenced thereby shall have been duly exercised or shall have expired or been canceled in accordance with the terms hereof.

(b) No Global Warrant Certificate shall be valid for any purpose, and no Class A Warrant evidenced thereby shall be exercisable, until such Global Warrant Certificate has been either manually or by facsimile signature countersigned by the Warrant Agent. Such signature by the Warrant Agent upon any Global Warrant Certificate executed by the Company shall be conclusive evidence that such Global Warrant Certificate so countersigned has been duly issued hereunder.

(c) The Warrant Agent shall keep, at an office designated for such purpose, books (the "Warrant Register") in which, subject to such reasonable regulations as it may prescribe, it shall register the Book-Entry Warrants as well as any Global Warrant Certificates and exchanges and transfers of outstanding Class A Warrants in accordance with the procedures set forth in Section 7 of this Agreement, all in form satisfactory to the Company and the Warrant Agent. No service charge shall be made for any exchange or registration of transfer of the Class A Warrants, but the Company may require payment of a sum sufficient to cover any stamp or other tax or other charge that may be imposed on the holder in connection with any such exchange or registration of transfer. Notwithstanding anything in this Agreement to the contrary, the Warrant Agent shall have no obligation to take any action whatsoever with respect to an exchange or registration of transfer unless and until it is reasonably satisfied that all such payments required by the immediately preceding sentence have been made.

(d) Prior to due presentment for registration of transfer or exchange of any Class A Warrant in accordance with the procedures set forth in this Agreement, the Company and the Warrant Agent may deem and treat the registered holder of such Class A Warrant as the absolute owner of such Class A Warrant (notwithstanding any notation of ownership or other writing on a Global Warrant Certificate made by anyone other than the Company or the Warrant Agent), for the purpose of any exercise thereof, any distribution to the holder thereof and for all other purposes, and neither the Warrant Agent nor the Company shall be affected by notice to the contrary.

Section 7. Registration of Transfers and Exchanges.

(a) *Transfer and Exchange of Global Warrant Certificates or Beneficial Interests Therein*. The transfer and exchange of Global Warrant Certificates or beneficial interests therein shall be effected through the Depositary, in accordance with this Agreement and the procedures of the Depositary therefor.

(b) *Exchange of a Beneficial Interest in a Global Warrant Certificate for a Book-Entry Warrant*.

(i) Any holder of a beneficial interest in a Global Warrant Certificate may, upon request, exchange such beneficial interest for a Book-Entry Warrant. Upon receipt by the Warrant Agent from the Depositary or its nominee of written instructions or such other form of instructions as is customary for the Depositary on behalf of any Person having a beneficial interest in a Global Warrant Certificate, and all other necessary information the Warrant Agent shall cause, in accordance with the standing instructions and procedures existing between the Depositary and Warrant Agent, the number of Class A Warrants represented by the Global Warrant Certificate to be reduced by the number of Class A Warrants to be represented by the Book-Entry Warrants to be issued in exchange for the beneficial interest of such Person in the Global Warrant Certificate and, following such reduction, the Warrant Agent shall register in the name of the holder a Book-Entry Warrant and, if requested by said holder, deliver to said holder a Warrant Statement.

(ii) Book-Entry Warrants issued in exchange for a beneficial interest in a Global Warrant Certificate pursuant to this Section 7(b) shall be registered in such names as the Depositary, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Warrant Agent. The Warrant Agent shall deliver such Warrant Statements to the Persons in whose names such Book-Entry Warrants are so registered.

(c) *Transfer of Book-Entry Warrants*. When Book-Entry Warrants are presented to or deposited with the Warrant Agent with a written request to register the transfer of such Book-Entry Warrants, the Warrant Agent shall register the transfer as requested if its customary requirements for such transactions are met; provided, however, that the Warrant Agent has received a written instruction of transfer in form satisfactory to the Warrant Agent, properly completed and duly executed by the holder thereof or by his attorney, duly authorized in writing.

(d) *Restrictions on Exchange or Transfer of a Book-Entry Warrant for a Beneficial Interest in a Global Warrant Certificate*. A Book-Entry Warrant may not be exchanged for a beneficial interest in a Global Warrant Certificate except upon satisfaction of the requirements set forth below. Upon receipt by the Warrant Agent of appropriate instruments of transfer with respect to a Book-Entry Warrant, in form satisfactory to the Warrant Agent, together with written instructions directing the Warrant Agent to make, or to direct the Depositary to make, an endorsement on the Global Warrant Certificate to reflect an increase in the number of Class A Warrants represented by the Global Warrant Certificate equal to the number of Class A Warrants represented by such Book-Entry Warrant, and all other necessary information, then the Warrant Agent shall cancel such Book-Entry Warrant on the Warrant Register and cause, or direct the Depositary to cause, in accordance with the standing instructions and procedures existing between the Depositary and the Warrant Agent, the number of Class A Warrants represented by the Global Warrant Certificate to be increased accordingly. If no Global Warrant Certificates are then outstanding, the Company shall issue and the Warrant Agent shall either manually or by facsimile countersign a new Global Warrant Certificate representing the appropriate number of Class A Warrants.

(e) *Restrictions on Transfer and Exchange of Global Warrant Certificates*. Notwithstanding any other provisions of this Agreement (other than the provisions set forth in Section 7(f)), unless and until it is exchanged in whole for a Book-Entry Warrant, a Global Warrant Certificate may not be transferred as a whole except by the Depositary to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary.

(f) *Book-Entry Warrants*. If at any time, (i) the Depositary for the Global Warrant Certificates notifies the Company that the Depositary is unwilling or unable to continue as Depositary for the Global Warrant Certificates and a successor Depositary for the Global Warrant Certificates is not appointed by the Company within 90 days after delivery of such notice or (ii) the Company, in its sole discretion, notifies the Warrant Agent in writing that it elects to exclusively cause the issuance of Book-Entry Warrants

under this Agreement, then the Warrant Agent, upon written instructions signed by an Appropriate Officer, and all other necessary information, shall register Book-Entry Warrants, in an aggregate number equal to the number of Class A Warrants represented by the Global Warrant Certificates, in exchange for such Global Warrant Certificates in such names and in such amounts as directed by the Depositary or, in the absence of instructions from the Depositary, by the Company.

(g) *Additional Restrictions on Transfer*. No Class A Warrants may be sold, exchanged or otherwise transferred in violation of the Securities Act or state securities laws. Further, no transfer of Class A Warrants shall be permitted if, at any time following the Effective Date, (i) the Company ceases to be a reporting company under the Exchange Act, and (ii) after giving effect to such transfer, the Company would be, or would be obliged to become, a reporting company under the Exchange Act; provided, that this restriction on transfer shall only apply if a similar restriction is then applicable to the shares of Common Stock. The Company shall promptly notify the Warrant Agent if the Company ceases to be a reporting company under the Exchange Act.

(h) *Cancellation of Global Warrant Certificate*. At such time as all beneficial interests in Global Warrant Certificates have either been exchanged for Book-Entry Warrants, repurchased or cancelled, all Global Warrant Certificates shall be returned to, or retained and cancelled by, the Warrant Agent, upon written instructions from the Company satisfactory to the Warrant Agent.

(i) *Obligations with Respect to Transfers and Exchanges.*

(i) To permit registrations of transfers and exchanges, the Company shall execute Global Warrant Certificates, if applicable, and the Warrant Agent is hereby authorized, in accordance with the provisions of Section 6 and this Section 7, to countersign such Global Warrant Certificates, if applicable, or register Book-Entry Warrants, if applicable, as required pursuant to the provisions of this Section 7 and for the purpose of any distribution of new Global Warrant Certificates contemplated by Section 10 or additional Global Warrant Certificates contemplated by Section 13.

(ii) All Book-Entry Warrants and Global Warrant Certificates issued upon any registration of transfer or exchange of Book-Entry Warrants or Global Warrant Certificates shall be the valid obligations of the Company, entitled to the same benefits under this Agreement as the Book-Entry Warrants or Global Warrant Certificates surrendered upon such registration of transfer or exchange.

(iii) No service charge shall be made to a holder of Class A Warrants for any registration, transfer or exchange, but the Company may require payment of a sum sufficient to cover any stamp or other tax or other charge that may be imposed on the holder in connection with any such exchange or registration of transfer.

(iv) So long as the Depositary, or its nominee, is the registered owner of a Global Warrant Certificate, the Depositary or such nominee, as the case may be, will be considered the sole owner or holder of the Class A Warrants represented by such Global Warrant Certificate for all purposes under this Agreement. Except as provided in Section 7(b) and Section 7(f) upon the exchange of a beneficial interest in a Global Warrant Certificate for Book-Entry Warrants, Beneficial Holders will not be entitled to have any Class A Warrants registered in their names, and will under no circumstances be entitled to receive physical delivery of any such Class A Warrants and will not be considered the holder thereof under the Class A Warrants or this Agreement. Neither the Company nor the Warrant Agent, in its capacity as registrar for such Class A Warrants, will have any responsibility or liability for any aspect of the records relating to beneficial interests in a Global Warrant Certificate or for maintaining, supervising or reviewing any records relating to such beneficial interests.

(v) Subject to Section 7(b), Section 7(c), Section 7(d), and this Section 7(i), the Warrant Agent shall, upon receipt of all information required to be delivered hereunder, from time to time register the transfer of any outstanding Class A Warrants in the Warrant Register, upon delivery to the Warrant Agent, at its office designated for such purpose, of a properly completed form of assignment substantially in the form of Exhibit C hereto, duly signed by the holder thereof or by the duly appointed legal representative thereof or by a duly authorized attorney, such signature to be guaranteed by a participant in the Securities Transfer Agent Medallion Program, the Stock Exchanges Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program and, in the case of a transfer of a Global Warrant Certificate, upon surrender to the Warrant Agent of such Global Warrant Certificate, duly endorsed. Upon any such registration of transfer, a new Global Warrant Certificate or a Warrant Statement, as the case may be, shall be issued to the transferee.

(j) In the event that any purported transfer of a Class A Warrant is in violation of the provisions of this Agreement, such purported transfer shall be void and of no effect and the Warrant Agent shall not give effect to such transfer.

(k) Each Global Warrant Certificate will bear the following legend:

"THE SALE, ASSIGNMENT, PLEDGE, ENCUMBRANCE OR OTHER TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO THE TERMS OF A CLASS A WARRANT AGREEMENT, DATED AS OF JULY 1, 2009 (THE "WARRANT AGREEMENT"), BETWEEN THE ISSUER OF THIS CERTIFICATE AND THE WARRANT AGENT NAMED THEREIN. BY ACCEPTING ANY INTEREST IN THE SECURITIES REPRESENTED BY THIS CERTIFICATE, THE RECIPIENT OF SUCH SECURITIES SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL OF THE PROVISIONS OF SAID WARRANT AGREEMENT. A COPY OF SAID WARRANT AGREEMENT MAY BE OBTAINED UPON WRITTEN REQUEST TO THE SECRETARY OF THE ISSUER OF THIS CERTIFICATE."

Section 8. Duration and Exercise of Class A Warrants.

(a) Subject to the provisions of this Agreement, each Class A Warrant shall entitle (i) in the case of the Book-Entry Warrants, the holder thereof and (ii) in the case of Class A Warrants held through the book-entry facilities of the Depositary or by or through Persons that are direct participants in the Depositary, the Beneficial Holder thereof, to purchase from the Company (and the Company shall issue and sell to such holder) up to the number of fully paid and nonassessable shares of Common Stock for which such Class A Warrant is then exercisable at a price per share of Common Stock equal to the Exercise Price applicable to such Class A Warrant. The amount and kind of securities that may be purchased pursuant to the exercise of a Class A Warrant and the Exercise Price applicable to such Class A Warrant are subject to adjustment pursuant to the provisions of this Agreement.

(b) The holder of a Class A Warrant may exercise, in whole or in part, the purchase rights represented by such Class A Warrant at any time and from time to time during the period commencing on the Effective Date and terminating at 5:00 p.m., New York City time, on the Expiration Date. Any Class A Warrant, or any portion thereof, not exercised prior to 5:00 p.m., New York City time, on the Expiration Date, shall become permanently and irrevocably null and void at 5:00 p.m., New York City time, on the Expiration Date, and all rights thereunder and all rights in respect thereof under this Agreement shall cease at such time. Subject to the provisions of the Class A Warrants and this Agreement, a holder of a Class A Warrant may exercise such holder's right to purchase shares of Common Stock by: (x) in the case of Persons who hold Book-Entry Warrants, providing an exercise form for the election to exercise such Class A Warrant ("Exercise Form") substantially in the form of Exhibit B-1 hereto, properly completed and duly executed by the holder thereof, and providing payment (in cash, by certified or official bank check, or by wire transfer of immediately available funds) of the applicable Exercise Price multiplied by the number of shares of Common Stock in respect of which such Class A Warrant is being exercised (the "Exercise Amount"), to the Warrant Agent, for the account of the Company; and (y) in the case of Class A Warrants held through the book-entry facilities of the Depositary or by or through Persons that are direct participants in the Depositary, providing an Exercise Form substantially in the form of Exhibit B-2 hereto, properly completed and duly executed by the Beneficial Holder thereof, and providing payment of the Exercise Amount, to its broker. Anything in this Section 8 or in the applicable Exercise Form to the contrary notwithstanding, (i) if a holder or Beneficial Holder, as applicable, of a Class A Warrant is exercising such Class A Warrant (or any portion thereof) and intends to sell the shares of Common Stock issuable upon exercise thereof (or portion thereof) in connection with or pursuant to (x) a Change of Control or (y) an effective registration statement covering such shares of Common Stock, or (ii) if a holder or Beneficial Holder, as applicable, of a Class A Warrant is exercising such Class A Warrant (or any portion thereof) on a date when the Fair Market Value of a share of Common Stock as of such date equals or exceeds 150% of the Exercise Price applicable to such Class A Warrant, then such holder or Beneficial

Holder, as applicable, may pay all or any portion of the applicable Exercise Amount, at the option of such holder or Beneficial Holder, as applicable, by requiring the Company to deduct from the number of shares of Common Stock otherwise to be delivered to such holder or Beneficial Holder upon exercise of such Class A Warrant (or portion thereof being exercised) a number of shares of Common Stock having a value, based on the Fair Market Value of the Common Stock on the Trading Day immediately prior to the date of exercise thereof, equal to all or such portion of the Exercise Amount. Any holder or Beneficial Holder electing to exercise its Class A Warrants (or any portion thereof) pursuant to the cashless exercise provisions of this Section 8(b) shall indicate in the applicable Exercise Form such election and whether such exercise is in connection with a Change of Control, pursuant to an effective registration statement or on account of the Fair Market Value of a share of Common Stock as of the date of exercise being equal to or in excess of 150% of the Exercise Price applicable to such Class A Warrant. Such election shall be conditioned upon the applicable Change of Control being consummated, or the applicable registration statement being declared effective, or the Fair Market Value of a share of Common Stock as of the date of exercise being equal to, or in excess of, 150% of the applicable Exercise Price, as the case may be. If any such condition applicable to an election to exercise Class A Warrants (or any portion thereof) on a cashless basis pursuant to this Section 8(b) is not met, then such exercise shall be deemed to be revoked.

(c) Upon exercise of any Class A Warrants pursuant to Section 8(b) and, if applicable, payment of the Exercise Amount, the Company shall promptly, at its expense, and in no event later than ten (10) Business Days thereafter, calculate and cause to be issued to the holder of such Class A Warrants the total number of whole shares of Common Stock for which such Class A Warrants are being exercised (as the same may be hereafter adjusted pursuant to Section 13):

(i) in the case of a Beneficial Holder who holds the Class A Warrants being exercised through the Depositary's book-entry transfer facilities, by same-day or next-day credit to the Depositary for the account of such Beneficial Holder or for the account of a participant in the Depositary the number of shares of Common Stock to which such Person is entitled, in each case registered in such name and delivered to such account as directed in the Exercise Form by such Beneficial Holder or by the direct participant in the Depositary through which such Beneficial Holder is acting, or

(ii) in the case of a holder who holds the Class A Warrants being exercised in the form of Book-Entry Warrants, a book-entry interest in the shares of Common Stock registered on the books of the Transfer Agent or, if permitted by the Company, at the holder's option, by delivery to the address designated by such holder on its Exercise Form of a physical certificate representing the number of shares of Common Stock to which such holder is entitled, in fully registered form, registered in such name or names as may be directed by such holder.

At the time of issuance, the Company shall deliver to such holder written confirmation that such shares of Common Stock have been duly issued and recorded on the books of

the Company as hereinafter provided. The shares of Common Stock so issued shall be registered in the name of the holder or, subject to Section 11, such other name as shall be designated in the order delivered by the holder. Such shares shall be deemed to have been issued and any Person so designated to be named as the registered holder thereof shall be deemed to have become the holder of record of such share or shares of Common Stock as of the date of exercise of such Class A Warrants and, if applicable, payment of the Exercise Amount. Notwithstanding any provision herein to the contrary, the Company shall not be required to register shares of Common Stock issuable upon exercise of a Class A Warrant in the name of any Person who acquired any Class A Warrant otherwise than in accordance with this Agreement.

(d) Class A Warrants shall be exercisable, at the election of the holder or Beneficial Holder (as applicable) thereof, either as an entirety or from time to time for a portion of the number of shares of Common Stock issuable upon exercise of such Class A Warrants (as such number of shares of Common Stock may be adjusted from time to time in accordance with the terms of this Agreement). If less than all of the Class A Warrants evidenced by a Global Warrant Certificate surrendered upon the exercise of Class A Warrants are exercised at any time prior to the Expiration Date, a new Global Warrant Certificate shall be issued for the remaining number of Class A Warrants evidenced by such Global Warrant Certificate so surrendered, and the Warrant Agent is hereby authorized to countersign and deliver the required new Global Warrant Certificate pursuant to the provisions of Section 6 and this Section 8.

(e) The Warrant Agent shall account promptly to the Company with respect to Class A Warrants exercised and concurrently pay or deliver to the Company all moneys and other consideration received by it in connection with the purchase of shares of Common Stock through the exercise of Class A Warrants.

Section 9. Cancellation of Class A Warrants. If the Company or any of its subsidiaries shall purchase or otherwise acquire Class A Warrants, such Class A Warrants shall thereupon be cancelled and retired. The Warrant Agent shall cancel all Global Warrant Certificates surrendered for exchange, substitution, transfer or exercise in whole or in part. Such cancelled Global Warrant Certificates shall thereafter be disposed of in a manner satisfactory to the Company.

Section 10. Mutilated or Missing Global Warrant Certificates. If any Global Warrant Certificates shall be mutilated, lost, stolen or destroyed, the Company shall issue, and the Warrant Agent shall countersign and deliver, in exchange and substitution for and upon cancellation of the mutilated Global Warrant Certificate or in lieu of and substitution for the Global Warrant Certificate that is lost, stolen or destroyed, a new Global Warrant Certificate of like date and tenor and representing the right to purchase an equivalent number of shares of Common Stock, but only upon receipt of evidence reasonably satisfactory to the Company and the Warrant Agent of the loss, theft or destruction of such Global Warrant Certificate and, if requested by either the Company or the Warrant Agent, such indemnity therefor as is customary and reasonably satisfactory to the Company and the Warrant Agent.

Section 11. Payment of Taxes. No service charge shall be made to any holder of a Class A Warrant for any exercise, exchange or registration of transfer of Class A Warrants, and the Company will pay all documentary stamp taxes attributable to the initial issuance of shares of Common Stock upon the exercise of Class A Warrants; provided, however, that neither the Company nor the Warrant Agent shall be required to pay any tax or taxes which may be payable in respect of any transfer involved in the issue of any Class A Warrants or any shares of Common Stock in a name other than that of the registered holder of a Class A Warrant exercising such Class A Warrant, and the Company shall not be required to issue or deliver such Class A Warrants or the shares of Common Stock unless and until the Person or Persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid.

Section 12. Reservation of Shares.

(a) For the purpose of enabling it to satisfy any obligation to issue shares of Common Stock upon exercise of Class A Warrants, the Company will at all times through the Expiration Date, reserve and keep available, free from preemptive rights, out of its aggregate authorized but unissued or treasury shares of Common Stock, the number of shares of Common Stock deliverable upon the exercise of all outstanding Class A Warrants, and the Transfer Agent is hereby irrevocably authorized and directed at all times to reserve such number of authorized and unissued or treasury shares of Common Stock as shall be required for such purpose. The Company will keep a copy of this Agreement on file with the Transfer Agent. The Warrant Agent is hereby irrevocably authorized and directed to requisition from time to time from the Transfer Agent stock certificates issuable upon exercise of outstanding Class A Warrants. The Company will supply the Transfer Agent with duly executed stock certificates for such purpose and will, upon request, provide or otherwise make available any cash which may be payable as provided in Section 14. The Company will furnish the Transfer Agent with a copy of all notices of adjustments and certificates related thereto, transmitted to the Warrant Agent and each holder pursuant to Section 15.

(b) Before taking any action that would cause an adjustment pursuant to Section 13 reducing any Exercise Price below the then par value (if any) of the shares of Common Stock issuable upon exercise of any Class A Warrants, the Company will take any reasonable corporate action that may, in the opinion of its counsel, be necessary in order that the Company may validly and legally issue fully paid and nonassessable shares of Common Stock at such Exercise Price as so adjusted.

(c) The Company covenants that all shares of Common Stock issued upon exercise of the Class A Warrants will, upon issuance in accordance with the terms of this Agreement, be fully paid and nonassessable, free of preemptive rights and free from all taxes, liens, charges and security interests with respect to the issuance and holding thereof (other than any taxes, liens, charges and security interests incurred or created by the holder of the Class A Warrant or the Person to which shares of Common Stock are to be issued).

Section 13. Adjustment of Exercise Price and Number of Shares. The Exercise Price of each Class A Warrant and the number of shares of Common Stock issuable upon the exercise of each Class A Warrant shall be adjusted from time to time as set forth in this Section 13.

(a) Common Stock Dividends. In case the Company shall hereafter pay a dividend or make a distribution to all holders of the outstanding Common Stock in shares of Common Stock, the Exercise Price for each Class A Warrant shall be decreased so that such Exercise Price shall equal the price determined by multiplying such Exercise Price in effect on the Record Date with respect to such dividend or other distribution by a fraction,

(i) the numerator of which shall be the number of shares of Common Stock outstanding at the close of business on such Record Date; and

(ii) the denominator of which shall be the sum of (x) the number of shares of Common Stock outstanding at the close of business on such Record Date and (y) the total number of shares of Common Stock constituting such dividend or other distribution,

such decrease to become effective immediately prior to the opening of business on the first Business Day following such Record Date. The number of shares of Common Stock issuable upon exercise of a Class A Warrant shall be correspondingly increased by dividing such number by the same fraction. If any dividend or distribution of the type described in this Section 13(a) is declared but not so paid or made, the number of shares of Common Stock issuable upon exercise of a Class A Warrant and the applicable Exercise Price shall again be adjusted to the number of shares of Common Stock that would be issuable upon exercise of such Class A Warrant and the Exercise Price that would then be in effect if such dividend or distribution had not been declared.

(b) Subdivisions and Combinations. In case the outstanding shares of Common Stock shall be subdivided into a greater number of shares of Common Stock, or combined into a smaller number of shares of Common Stock, (i) the number of shares of Common Stock to be received by a holder of a Class A Warrant upon exercise thereof shall be appropriately adjusted such that the proportion of the number of shares of Common Stock issuable upon exercise of such Class A Warrant to the total number of outstanding shares of Common Stock prior to such subdivision or combination is equal to the proportion of the number of shares of Common Stock issuable upon exercise of such Class A Warrant after such subdivision or combination to the total number of outstanding shares of Common Stock after such subdivision or combination, and (ii) the Exercise Price in effect on the day upon which such subdivision or combination becomes effective shall be proportionately decreased or increased (as applicable), such decrease or increase, as the case may be, to become effective immediately prior to the opening of business on the first Business Day following the day upon which such subdivision or combination becomes effective.

(c) Dividends of Other Securities and Assets. In case the Company shall, by dividend or otherwise, distribute to all holders of Common Stock shares of any class of Capital Stock of the Company, debt securities, assets or other property of the Company (excluding (w) any dividend or distribution paid exclusively in cash, (x) any dividend or distribution referred to in Section 13(a), (y) any distribution of Rights referred to in Section 13(e) or (z) any distribution as a result of a Fundamental Change Transaction) (any of the foregoing non-excluded distributions hereinafter in this Section 13(c) called the "Distributed Assets"), then, in each such case, the Exercise Price for each Class A Warrant shall be decreased so that such Exercise Price shall be equal to the price determined by dividing such Exercise Price in effect on the Record Date with respect to such dividend or distribution by a fraction,

(i) the numerator of which shall be the Fair Market Value of the Common Stock on such Record Date; and

(ii) the denominator of which shall be (x) the Fair Market Value of the Common Stock on the Record Date minus (y) the fair market value of the Distributed Assets applicable to one (1) share of Common Stock, as reasonably determined by the Board in good faith on the basis of such information as it considers appropriate (without regard to any illiquidity or minority discounts) (the "Asset Value"),

such adjustment to become effective immediately prior to the opening of business on the first Business Day following such Record Date; provided, however, that in the event the then Asset Value (as so determined) of the portion of the Distributed Assets so distributed applicable to one (1) share of Common Stock is equal to or greater than the Fair Market Value of the Common Stock on the Record Date, in lieu of the foregoing adjustment, adequate provision shall be made so that the holder of a Class A Warrant shall have the right to receive upon exercise of the Class A Warrant the amount of Distributed Assets such holder would have received had the holder exercised such Class A Warrant on the Record Date. If the Exercise Price of a Class A Warrant is adjusted as hereinabove

provided, the number of shares of Common Stock issuable upon exercise of such Class A Warrant shall be correspondingly increased by multiplying such number by the same fraction set forth above. In the event that such dividend or distribution is not so paid or made, the number of shares of Common Stock issuable upon exercise of a Class A Warrant and the applicable Exercise Price shall again be adjusted to be the number of shares of Common Stock issuable upon exercise of such Class A Warrant and the Exercise Price that would then be in effect if such dividend or distribution had not been declared.

(d) Cash Dividends. In case the Company shall, by dividend or otherwise, distribute to all holders of Common Stock cash (a "Cash Dividend") (excluding (x) any dividend or distribution in connection with a Fundamental Change Transaction or the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or (y) any regularly scheduled cash dividend declared and paid pursuant to a dividend policy established by the Board not to exceed in any fiscal year of the Company forty-five percent (45%) of the consolidated net income of the Company and its consolidated subsidiaries (determined in accordance with United States generally accepted accounting principles) for the immediately preceding fiscal year, then, in such case, the Exercise Price for each Class A Warrant shall be decreased so that such Exercise Price shall equal the price determined by dividing such Exercise Price in effect on the Record Date for such Cash Dividend by a fraction,

(i) the numerator of which shall be the Fair Market Value of the Common Stock on such Record Date, and

(ii) the denominator of which shall be (x) the Fair Market Value of the Common Stock on such Record Date minus (y) the amount of cash so distributed applicable to one (1) share of Common Stock,

such adjustment to be effective immediately prior to the opening of business on the first Business Day following the Record Date; provided, however, that in the event the portion of cash so distributed applicable to one (1) share of Common Stock is equal to or greater than the Fair Market Value of the Common Stock on the Record Date, in lieu of the foregoing adjustment, adequate provision shall be made so that the holders of Class A Warrants shall have the right to receive upon exercise of the Class A Warrants the amount of cash such holder would have received had such holder exercised such Class A Warrants on the Record Date. If the Exercise Price of a Class A Warrant is adjusted as hereinabove provided, the number of shares of Common Stock issuable upon exercise of such Class A Warrant shall be correspondingly increased by multiplying such number by the same fraction set forth above. In the event that such dividend or distribution is not so paid or made, the number of shares of Common Stock issuable upon exercise of a Class A Warrant and the applicable Exercise Price shall again be adjusted to be the number of shares of Common Stock issuable upon exercise of such Class A Warrant and the Exercise Price that would then be in effect if such dividend or distribution had not been declared.

(e) Dilutive Issuances. In case the Company shall issue, sell or grant to any Person, whether directly or by assumption in a merger or otherwise (but other than any Excluded Issuance), (A) rights, warrants, options, exchangeable securities or convertible securities entitling such Person to subscribe for, purchase or otherwise acquire shares of Common Stock (each referred to herein as "Rights") at a price per share less than the Fair Market Value of the Common Stock on the Trading Day immediately prior to such issuance, sale or grant, or (B) shares of Common Stock at a price per share less than the Fair Market Value of the Common Stock on the Trading Day immediately prior to such issuance, sale or grant, then the Exercise Price of each Class A Warrant in effect on the date of such issuance, sale or grant shall be reduced, concurrently with such issuance, sale or grant, by multiplying such Exercise Price by a fraction, of which (x) the numerator is the number of shares of Common Stock outstanding on the Trading Day immediately prior to such issuance, sale or grant plus the number of shares of Common Stock which the aggregate of the offering price of the total number of shares of Common Stock so offered for subscription, purchase or acquisition pursuant to such Rights, or so issued, would purchase at the Fair Market Value on the Trading Day immediately prior to the date of such issuance, sale or grant, and (y) the denominator shall be the number of shares of Common Stock outstanding on the Trading Day immediately prior to the date of such issuance, sale or grant plus the number of shares of Common Stock so offered for subscription, purchase or acquisition pursuant to such Rights, or so issued; provided, however, that in the case of any Rights issued or granted to all holders of Common Stock that expire by their terms not more than 60 days after the date of issue or grant thereof, no adjustment of the Exercise Price of the Class A Warrants shall be made until the expiration or exercise of all such Rights whereupon such adjustment shall be made in the manner provided in this Section 13(e); provided, further, that no adjustment under Section 13 shall be made in connection with a distribution of "poison pill" rights pursuant to a shareholder rights plan so long as the Company shall, in lieu of making any adjustment pursuant to this Section 13, make proper provision so that each holder who exercises a Class A Warrant after the record date for such distribution and prior to the expiration or redemption of all such rights shall be entitled to receive upon such exercise, in addition to the shares of Common Stock issuable upon such exercise, such number of rights that would have been issued on account of such shares of Common Stock if such shares had been outstanding at the time such rights were distributed. If the Exercise Price of a Class A Warrant is adjusted as hereinabove provided, the number of shares of Common Stock issuable upon exercise of such Class A Warrant shall be correspondingly increased by dividing it by the same fraction. If any such Rights are not exercised prior to the expiration thereof, the Exercise Price of a Class A Warrant and the number of shares of Common Stock issuable upon exercise of such Class A Warrant shall be immediately readjusted, effective as of the date such Rights expire, to the Exercise Price and the number of shares of Common Stock issuable upon exercise of such Class A Warrant that would have been in effect if the unexercised Rights had never been issued, sold or granted. Such adjustment shall be made successively whenever any such event shall occur. For the purposes of this paragraph, the aggregate of the offering price received or to be received by the Company shall include the maximum aggregate amount (if any) payable upon exercise or conversion of such Rights. The value of any consideration received or to be received by the Company, if other than cash, shall be

reasonably determined by the Board in good faith on the basis of such information as it considers appropriate (without regard to any illiquidity or minority discounts). For purposes of determining the price at which the Rights or Common Stock in clause (A) or (B) above are issued, any customary underwriting discounts and commissions, liquidity discounts (reasonably determined in good faith by the Board), placement fees or other similar expenses incurred by the Company in connection with such issuance shall not be taken into account.

(f) Fundamental Change Transaction. If any transaction or event (including, but not limited to, any merger, consolidation or other business combination, sale of assets, tender or exchange offer, reorganization, reclassification, compulsory share exchange or liquidation, but excluding stock dividends, subdivisions or combinations to which Sections 13(a) and 13(b) apply) occurs in which all or substantially all of the outstanding Common Stock is converted into, exchanged for, or the holders thereof are otherwise entitled to receive on account thereof stock, other securities, cash or assets (each, a "Fundamental Change Transaction"), the holder of each Class A Warrant outstanding immediately prior to the occurrence of such Fundamental Change Transaction shall have the right upon any subsequent exercise of all or any portion of such Class A Warrant (and payment of the applicable Exercise Price) to receive (but only out of legally available funds, to the extent required by applicable law) the kind and amount of stock, other securities, cash and/or assets that such holder would have received if such Class A Warrant (or portion thereof being exercised) had been exercised pursuant to the terms hereof immediately prior to such Fundamental Change Transaction (assuming such holder failed to exercise his rights of election, if any, as to the kind or amount of stock, securities, cash, assets or other property receivable upon such Fundamental Change Transaction). The Company will not effect any Fundamental Change Transaction unless prior to the consummation thereof the successor Person (if other than the Company) or purchasing Person shall assume by written instrument the obligation to deliver to each holder of Class A Warrants such shares of stock, securities, cash or assets as, in accordance with the foregoing provisions, such holder may be entitled to purchase. Any such agreement executed by such successor Person shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 13. The provisions of this Section 13(f) shall similarly apply to successive Fundamental Change Transactions.

(g) Calculations. All calculations under this Section 13 shall be made by the Company and shall be made to the nearest cent, with one half-cent being rounded upward. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Company. No adjustment need be made for:

(i) Excluded Issuances;

(ii) a change in the par value of the Common Stock; or

(iii) any event for which an adjustment has already been provided under any subsection of this Section 13; provided, however, that if any event occurs that

would result in an adjustment under more than one subsection of this Section 13, the subsection that results in the most favorable adjustment to the holders of Class A Warrants shall control.

To the extent the Class A Warrants become exercisable into cash, no adjustment need be made thereafter as to the cash. Interest will not accrue on the cash.

(h) De Minimis Adjustments. No adjustment under this Section 13 shall be made unless such adjustment would require a cumulative increase or decrease of at least 1% in the Exercise Price for a Class A Warrant (it being agreed that there shall be no adjustment to the number of shares of Common Stock issuable upon exercise of a Class A Warrant if there is no adjustment to the Exercise Price as a result of this Section 13(h)); provided, however, that any adjustments which by reason of this Section 13(h) are not required to be made shall be carried forward and taken into account in any subsequent adjustment.

(i) Form of Class A Warrant After Adjustment. The form of the Global Warrant Certificate need not be changed because of any adjustments in the Exercise Price or the number of shares of Common Stock issuable upon exercise of the Class A Warrants, and Class A Warrants theretofore or thereafter issued may continue to express the same price and number and kind of shares as are stated in Class A Warrants, as initially issued.

Section 14. Fractional Shares. The Company shall not be required to issue fractional shares of Common Stock on the exercise of Class A Warrants. If more than one Class A Warrant shall be presented for exercise at the same time by the same holder, the number of full shares of Common Stock which shall be issuable upon the exercise thereof shall be computed on the basis of the aggregate number of shares of Common Stock purchasable on exercise of all Class A Warrants so presented. If any fraction of a share of Common Stock would, except for the provisions of this Section 14, be issuable on the exercise of any Class A Warrants (or specified portion thereof), in lieu of issuing such fraction of a share, the Company shall, at its sole option, (x) round up such fraction to the nearest whole number of shares of Common Stock or (y) concurrently pay or provide to the Warrant Agent for payment to the holder of the Class A Warrant an amount in cash equal to the product of (a) such fraction of a share of Common Stock and (b) the Fair Market Value of a share of Common Stock as of the day the Class A Warrant was presented for exercise.

Section 15. Notices to Warrantholders. Upon any adjustment of the number of shares of Common Stock purchasable upon exercise of any Class A Warrant or the Exercise Price of any Class A Warrant, including any adjustment pursuant to Section 13, the Company, within twenty (20) calendar days thereafter, shall (i) prepare and deliver, or cause to be prepared and delivered, to the Warrant Agent a certificate signed by an Appropriate Officer setting forth the event giving rise to such adjustment, such Exercise Price and the number of shares of Common Stock purchasable upon exercise of such Class A Warrant after such adjustment and setting forth in reasonable detail the method of calculation and the facts upon which such adjustment was made, which certificate shall be conclusive evidence of the correctness of the matters set forth therein, and (ii) cause to be given to each of the holders of Class A Warrants at such holder’s

address appearing on the Warrant Register, written notice of such adjustments by first-class mail, postage prepaid. Where appropriate, such notice may be given in advance and included as a part of the notice required to be mailed under the other provisions of this Section 15.

In the event of:

(a) any taking by the Company of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution, or any right to subscribe for, purchase or otherwise acquire any shares of Capital Stock of any class or any other securities or property, or to receive any other right; or

(b) any capital reorganization of the Company, any reclassification or recapitalization of the Capital Stock of the Company or any transfer of all or substantially all the assets of the Company to, or any consolidation or merger of the Company with or into, any other Person; or

(c) any voluntary or involuntary dissolution, liquidation or winding-up of the Company; or

(d) any proposed issue or grant by the Company of any shares of Capital Stock of any class or any other securities, or any right or option to subscribe for, purchase or otherwise acquire any shares of Capital Stock of any class or any other securities, in each case if such issuance or grant is reasonably likely to be at a price below the Fair Market Value of the applicable securities,

then, and in each such event, the Company shall cause written notice of such event to be filed with the Warrant Agent and shall cause written notice of such event to be given to each of the holders of the Class A Warrants at such holder's address appearing on the Warrant Register, by first-class mail, post prepaid, specifying as applicable (x) the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and stating the amount and character of such dividend, distribution or right, (y) the date on which any such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding-up is anticipated to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable on such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding-up and (z) the amount and character of any Capital Stock or other securities, or rights or options with respect thereto, proposed to be issued or granted, the date of such proposed issue or grant and the Persons or class of Persons to whom such proposed issue or grant is to be offered or made. Such notice shall be delivered by the Company as set forth above as soon as reasonably practicable prior to the date specified in such notice on which any such action is to be taken; provided, however, that in no event shall the Company be required to deliver such notice (x) more than ten (10) Business Days prior to such specified date or (y) prior to the time the Company publicly discloses or is required by law (if required by law) to publicly disclose such event. Failure to give such notice shall not affect the validity of any action taken in connection with such proposed event.

Section 16. Merger, Consolidation or Change of Name of Warrant Agent.

(a) Any Person into which the Warrant Agent may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which the Warrant Agent shall be a party, or any Person succeeding to the shareholder services business of the Warrant Agent, shall be the successor to the Warrant Agent hereunder without the execution or filing of any document or any further act on the part of any of the parties hereto, provided that such Person would be eligible for appointment as a successor Warrant Agent under the provisions of Section 18. If at the time such successor to the Warrant Agent shall succeed under this Agreement, any of the Global Warrant Certificates shall have been countersigned but not delivered, any such successor to the Warrant Agent may adopt the countersignature of the original Warrant Agent; and if at that time any of the Global Warrant Certificates shall not have been countersigned, any successor to the Warrant Agent may countersign such Global Warrant Certificates either in the name of the predecessor Warrant Agent or in the name of the successor Warrant Agent; and in all such cases such Global Warrant Certificates shall have the full force provided in the Global Warrant Certificates and in this Agreement.

(b) If at any time the name of the Warrant Agent shall be changed and at such time any of the Global Warrant Certificates shall have been countersigned but not delivered, the Warrant Agent whose name has changed may adopt the countersignature under its prior name; and if at that time any of the Global Warrant Certificates shall not have been countersigned, the Warrant Agent may countersign such Global Warrant Certificates either in its prior name or in its changed name; and in all such cases such Global Warrant Certificates shall have the full force provided in the Global Warrant Certificates and in this Agreement.

Section 17. Warrant Agent. The Warrant Agent undertakes the duties and obligations imposed by this Agreement upon the following terms and conditions, by all of which the Company and the holders of Class A Warrants, by their acceptance thereof, shall be bound:

(a) The statements contained herein and in the Global Warrant Certificates shall be taken as statements of the Company, and the Warrant Agent assumes no responsibility for the accuracy of any of such statements except such as describe the Warrant Agent or action taken or to be taken by it. Except as herein otherwise provided, the Warrant Agent assumes no responsibility with respect to the execution, delivery or distribution of the Global Warrant Certificates.

(b) The Warrant Agent shall not be responsible for any failure of the Company to comply with any of the covenants contained in this Agreement or in the Global Warrant Certificates to be complied with by the Company nor shall it at any time be under any duty or responsibility to any holder of a Class A Warrant to make or cause to be made any adjustment in any Exercise Price or in the number of shares of Common Stock issuable upon exercise of any Class A Warrant (except as instructed by the

Company), or to determine whether any facts exist which may require any such adjustments, or with respect to the nature or extent of or method employed in making any such adjustments when made.

(c) The Warrant Agent may consult at any time with counsel satisfactory to it (who may be counsel for the Company) and the Warrant Agent shall incur no liability or responsibility to the Company or any holder of any Class A Warrant in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the opinion or the advice of such counsel.

(d) The Warrant Agent shall incur no liability or responsibility to the Company or to any holder of any Class A Warrant for any action taken in reliance on any statement, notice, resolution, waiver, consent, order, certificate or other paper, document or instrument believed by it to be genuine and to have been made, signed, sent or presented by the proper party or parties.

(e) The Company agrees to pay to the Warrant Agent the fees set forth in Schedule A attached hereto for all services rendered by the Warrant Agent under this Agreement and to reimburse the Warrant Agent upon demand for all reasonable expenses incurred by the Warrant Agent in the performance of its duties under this Agreement and to indemnify the Warrant Agent and save it harmless against any and all losses, liabilities and expenses, including the cost of defending itself against any claims or charges, and including judgments, costs and reasonable counsel fees and expenses, for anything done or omitted by the Warrant Agent arising out of or in connection with this Agreement except as a result of its gross negligence, bad faith or willful misconduct. The Company shall not be responsible for any settlement made without its written consent.

(f) The Warrant Agent shall be under no obligation to institute any action, suit or legal proceeding or to take any other action likely to involve expense or liability unless the Company or one or more registered holders of Class A Warrants shall furnish the Warrant Agent with reasonable security and indemnity for any costs or expenses which may be incurred. All rights of action under this Agreement or under any of the Class A Warrants may be enforced by the Warrant Agent without the possession of any of the Global Warrant Certificates or the production thereof at any trial or other proceeding relative thereto, and any such action, suit or proceeding instituted by the Warrant Agent shall be brought in its name as Warrant Agent, and any recovery or judgment shall be for the ratable benefit of the registered holders of the Class A Warrants, as their respective rights or interests may appear.

(g) The Warrant Agent, and any stockholder, affiliate, director, officer or employee thereof, may buy, sell or deal in any of the Class A Warrants or other securities of the Company or become pecuniarily interested in any transaction in which the Company may be interested, or contract with or lend money to the Company or otherwise act as fully and freely as though they were not the Warrant Agent under this Agreement, or a stockholder director, officer or employee of the Warrant Agent, as the case may be. Nothing herein shall preclude the Warrant Agent from acting in any other capacity for the Company or for any other Person.

(h) The Warrant Agent shall act hereunder solely as agent for the Company, and its duties shall be determined solely by the provisions hereof. The Warrant Agent shall not be liable for anything which it may do or refrain from doing in connection with this Agreement except for its own gross negligence, bad faith or willful misconduct.

(i) The Company agrees that it will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all such further and other acts, instruments and assurances as any may be reasonably required by the Warrant Agent for the carrying out or performing of the provisions of this Agreement.

(j) The Warrant Agent shall not be under any responsibility in respect of the validity of this Agreement or the execution and delivery hereof (except the due execution hereof by the Warrant Agent) or in respect of the validity or execution of any Global Warrant Certificate (except its countersignature thereof), nor shall the Warrant Agent by any act hereunder be deemed to make any representation or warranty as to the authorization or reservation of the shares of Common Stock to be issued upon exercise of any Class A Warrant or as to whether such shares of Common Stock will when issued be validly issued, fully paid and nonassessable or as to any Exercise Price or the number of shares of Common Stock issuable upon exercise of any Class A Warrant.

(k) The Warrant Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties hereunder from the Chairman of the Board, the Chief Executive Officer, the President, any Vice President, the Treasurer, the Secretary or an Assistant Secretary of the Company, and to apply to such officers for advice or instructions in connection with its duties, and shall not be liable for any action taken or suffered to be taken by it in good faith in accordance with instructions of any such officer or in good faith reliance upon any statement signed by any one of such officers of the Company with respect to any fact or matter (unless other evidence in respect thereof is herein specifically prescribed) which may be deemed to be conclusively proved and established by such signed statement.

Section 18. Change of Warrant Agent. If the Warrant Agent shall resign (such resignation to become effective not earlier than sixty (60) days after the giving of written notice thereof to the Company and the registered holders of Class A Warrants), or shall be adjudged a bankrupt or an insolvent, or shall file a voluntary petition in bankruptcy or make an assignment for the benefit of its creditors or consent to the appointment of a receiver of all or any substantial part of its property or affairs or shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay or meet its debts generally as they become due, or if an order of any court shall be entered approving any petition filed against the Warrant Agent under the provisions of bankruptcy laws or any similar legislation, or if a receiver, trustee or other similar official of it or of all or any substantial part of its property shall be appointed, or if any public officer shall take charge or control of it or of its property or affairs, for the purpose of rehabilitation, conservation, protection, relief, winding up or liquidation, or shall become incapable of acting as Warrant Agent or if the Board shall by resolution remove the Warrant Agent (such removal to become effective not earlier than thirty (30) days after the filing of a certified copy of such resolution with the Warrant Agent and the giving of written notice of such removal to the registered holders of Class A Warrants), the Company shall appoint a successor to

the Warrant Agent. If the Company shall fail to make such appointment within a period of thirty (30) days after such removal or after it has been so notified in writing of such resignation or incapacity by the Warrant Agent or by the registered holder of a Class A Warrant (in the case of incapacity), then the registered holder of any Class A Warrant may apply to any court of competent jurisdiction for the appointment of a successor to the Warrant Agent. Pending appointment of a successor to the Warrant Agent, either by the Company or by such a court, the duties of the Warrant Agent shall be carried out by the Company. Any successor Warrant Agent, whether appointed by the Company or by such a court, shall be a bank or trust company, in good standing, incorporated under the laws of any state or of the United States of America. As soon as practicable after appointment of the successor Warrant Agent, the Company shall cause written notice of the change in the Warrant Agent to be given to each of the registered holders of the Class A Warrants at such holder's address appearing on the Warrant Register. After appointment, the successor Warrant Agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Warrant Agent without further act or deed. The former Warrant Agent shall deliver and transfer to the successor Warrant Agent any property at the time held by it hereunder and execute and deliver, at the expense of the Company, any further assurance, conveyance, act or deed necessary for the purpose. Failure to give any notice provided for in this Section 18 or any defect therein, shall not affect the legality or validity of the removal of the Warrant Agent or the appointment of a successor Warrant Agent, as the case may be.

Section 19. Warrantholder Not Deemed a Stockholder; Information Rights. Nothing contained in this Agreement or in any of the Global Warrant Certificates shall be construed as conferring upon the holders thereof the right to vote or to receive dividends or to consent or to receive notice as stockholders in respect of the meetings of stockholders or for the election of directors of the Company or any other matter, or any rights whatsoever as stockholders of the Company.

Section 20. Notices to Company and Warrant Agent. All notices, requests or demands authorized by this Agreement to be given or made by the Warrant Agent or by any registered holder of any Class A Warrant to or on the Company to be effective shall be in writing (including by facsimile), and shall be deemed to have been duly given or made when delivered by hand, or two (2) Business Days after being delivered to a recognized courier (whose stated terms of delivery are two (2) Business Days or less to the destination of such notice), or five (5) days after being deposited in the mail, first class and postage prepaid or, in the case of facsimile notice, when received, addressed (until another address is filed in writing by the Company with the Warrant Agent), as follows:

Primus Telecommunications Group, Incorporated
7901 Jones Branch Drive, Suite 900
McLean, Virginia 22102
Attention: John F. DePodesta
Facsimile: (703) 902-2814

If the Company shall fail to maintain such office or agency or shall fail to give such notice of any change in the location thereof, presentation may be made and notices and demands may be served at the principal office of the Warrant Agent.

Any notice pursuant to this Agreement to be given by the Company or by any registered holder of any Class A Warrant to or on the Warrant Agent shall be sufficiently given if sent in the same manner as notices, requests or demands are to be given or made to or on the Company (as set forth above) addressed (until another address is filed in writing by the Warrant Agent with the Company), as follows:

StockTrans, Inc.
44 West Lancaster Avenue
Ardmore, Pennsylvania 19003
Attention: Robert J. Winterle
Facsimile: (610) 649-7302

The Warrant Agent maintains a Warrant Agent Office at 44 West Lancaster Avenue, Ardmore, Pennsylvania 19003.

Section 21. Supplements and Amendments. The Company and the Warrant Agent may from time to time supplement or amend this Agreement (a) without the approval of any holders of Class A Warrants in order to cure any ambiguity or to correct or supplement any provision contained herein that may be defective or inconsistent with any other provision herein, or to make any other provisions in regard to matters or questions arising hereunder that the Company and the Warrant Agent may deem necessary or desirable and that shall not adversely affect, alter or change the interests of the holders of the Class A Warrants; (b) with the prior written consent of holders of the Class A Warrants (excluding Class A Warrants held by the Company or any of its controlled affiliates) exercisable for a majority of the shares of Common Stock then issuable upon exercise of all Class A Warrants (excluding Class A Warrants held by the Company or any of its controlled affiliates) then outstanding; provided that each amendment or supplement that decreases the Warrant Agent's rights or increases its duties and responsibilities hereunder shall also require the prior written consent of the Warrant Agent or (c) with the prior written consent of each holder of the Class A Warrants adversely affected, in the case of any amendment pursuant to which any Exercise Price would be increased or the number of shares of Common Stock issuable upon exercise of any Class A Warrant would be decreased.

Section 22. Successors. Subject to Section 7, all the covenants and provisions of this Agreement by or for the benefit of the Company, the Warrant Agent or the holders of Class A Warrants shall bind and inure to the benefit of their respective successors and assigns hereunder.

Section 23. Termination. This Agreement shall terminate on the Expiration Date. Notwithstanding the foregoing, this Agreement will terminate on any earlier date when all Class A Warrants have been exercised. The provisions of Section 17 shall survive such termination. Termination of this Agreement shall not relieve the Company of any of its obligations arising prior to the date of such termination.

Section 24. Governing Law. This Agreement and each Class A Warrant issued hereunder shall be deemed to be a contract made under the laws of the State of New York (without giving effect to the conflict of laws provisions thereof) and for all purposes shall be construed in accordance with the laws of such State.

Section 25. Benefits of this Agreement. Nothing in this Agreement shall be construed to give to any Person other than the Company, the Warrant Agent and the registered holders of the Class A Warrants any legal or equitable right, remedy or claim under this Agreement, and this Agreement shall be for the sole and exclusive benefit of the Company, the Warrant Agent and the registered holders of the Class A Warrants.

Section 26. Counterparts. This Agreement may be executed in any number of counterparts (including by facsimile or portable document format (PDF) signatures) and each of such counterparts shall for all purposes be deemed to be an original, and such counterparts shall together constitute but one and the same instrument.

Section 27. Headings. The headings of sections of this Agreement have been inserted for convenience of reference only, are not to be considered a part hereof and in no way modify or restrict any of the terms or provisions hereof.

Section 28. Entire Agreement. This Agreement and the Global Warrant Certificates constitute the entire agreement of the Company, the Warrant Agent and the registered holders of the Class A Warrants with respect to the subject matter hereof and supercedes all prior agreements and undertakings, both written and oral, among the Company, the Warrant Agent and the registered holders of the Class A Warrants with respect to the subject matter hereof.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Warrant Agreement to be executed and delivered as of the day and year first above written.

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

By: /s/ John F. DePodesta
Name: John F. DePodesta
Title: Executive Vice President

ATTEST:

/s/ Kari Kowalski

STOCKTRANS, INC.

By: /s/ Robert Winterle
Name: Robert J. Winterle
Title: Vice President

ATTEST:

/s/ Angela Lamb

EXHIBIT A to
WARRANT AGREEMENT

FORM OF FACE OF GLOBAL WARRANT CERTIFICATE

VOID AFTER 5:00 P.M., NEW YORK CITY TIME, ON JULY 1, 2014

This Global Warrant Certificate is held by The Depository Trust Company (the "Depositary") or its nominee in custody for the benefit of the beneficial owners hereof, and is not transferable to any Person under any circumstances except that (i) this Global Warrant Certificate may be exchanged in whole but not in part pursuant to Section 7(a) of the Warrant Agreement, (ii) this Global Warrant Certificate may be delivered to the Warrant Agent for cancellation pursuant to Section 7(h) of the Warrant Agreement and (iii) this Global Warrant Certificate may be transferred to a successor Depositary with the prior written consent of the Company.

Unless this Global Warrant Certificate is presented by an authorized representative of the Depositary to the Company or the Warrant Agent for registration of transfer, exchange or payment and any certificate issued is registered in the name of Cede & Co., or such other entity as is requested by an authorized representative of the Depositary (and any payment hereon is made to Cede & Co. or to such other entity as is requested by an authorized representative of the Depositary), any transfer, pledge or other use hereof for value or otherwise by or to any Person is wrongful because the registered owner hereof, Cede & Co., has an interest herein.

Transfers of this Global Warrant Certificate shall be limited to transfers in whole, but not in part, to nominees of the Depositary or to a successor thereof or such successor's nominee, and transfers of portions of this Global Warrant Certificate shall be limited to transfers made in accordance with the restrictions set forth in Section 7 of the Warrant Agreement.

No registration or transfer of the securities issuable pursuant to the Class A Warrant will be recorded on the books of the Company until these provisions have been complied with.

THE SALE, ASSIGNMENT, PLEDGE, ENCUMBRANCE OR OTHER TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO THE TERMS OF A CLASS A WARRANT AGREEMENT, DATED AS OF JULY 1, 2009 (THE "WARRANT AGREEMENT"), BETWEEN THE ISSUER OF THIS CERTIFICATE AND THE WARRANT AGENT NAMED THEREIN. BY ACCEPTING ANY INTEREST IN THE SECURITIES REPRESENTED BY THIS CERTIFICATE, THE RECIPIENT OF SUCH SECURITIES SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL OF THE PROVISIONS OF SAID WARRANT AGREEMENT. A COPY OF SAID WARRANT AGREEMENT MAY BE OBTAINED UPON WRITTEN REQUEST TO THE SECRETARY OF THE ISSUER OF THIS CERTIFICATE.

THIS WARRANT WILL BE VOID IF NOT EXERCISED PRIOR TO
5:00 P.M., NEW YORK CITY TIME, ON JULY 1, 2014

No. WARRANT TO PURCHASE _____
SHARES OF COMMON STOCK

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

WARRANT TO PURCHASE COMMON STOCK

CUSP # _____
DISTRIBUTION DATE: JULY 1, 2009

This Global Warrant Certificate certifies that , or registered assigns, is the registered holder of a Class A-[•] Warrant (the "Warrant") of **PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED**, a Delaware corporation (the "Company"), to purchase the number of shares of common stock, par value $.001 per share (the "Common Stock"), of the Company set forth above. This Warrant expires on July 1, 2014 and entitles the holder to purchase from the Company up to the number of fully paid and nonassessable shares of Common Stock set forth above at a price per share of Common Stock equal to $[•] (as adjusted from time to time in accordance with the terms of the Warrant Agreement, the "Exercise Price"). The Exercise Price and the number of shares of Common Stock purchasable upon exercise of this Warrant are subject to adjustment upon the occurrence of certain events as set forth in the Warrant Agreement.

This Global Warrant Certificate shall not be valid unless countersigned by the Warrant Agent.

IN WITNESS WHEREOF, the Company has caused this Global Warrant Certificate to be executed by its duly authorized officers, and the corporate seal hereunto affixed.

Dated: _____

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

By: _____
Name:
Title:

[Corporate Seal of Primus Telecommunications Group, Incorporated]

ATTEST:

By: _____

Countersigned:

STOCKTRANS, INC.,

AS WARRANT AGENT

By: _____
Name:
Title:

Address of Registered Holder for Notices (until changed in accordance with this Warrant):

_____
_____
_____
_____

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS WARRANT CERTIFICATE SET FORTH ON THE REVERSE HEREOF. SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.

FORM OF REVERSE OF WARRANT

The Warrant evidenced by this Global Warrant Certificate is a part of a duly authorized issue of Warrants to purchase shares of Common Stock issued pursuant to that the Warrant Agreement, a copy of which may be inspected at the Warrant Agent's office designated for such purpose. The Warrant Agreement hereby is incorporated by reference in and made a part of this instrument and is hereby referred to for a description of the rights, limitation of rights, obligations, duties and immunities thereunder of the Warrant Agent, the Company and the registered holders of the Class A Warrants. All capitalized terms used on the face of this Warrant herein but not defined that are defined in the Warrant Agreement shall have the meanings assigned to them therein.

Upon due presentment for registration of transfer of the Warrant at the office of the Warrant Agent designated for such purpose, a new Global Warrant Certificate or Global Warrant Certificates of like tenor and evidencing in the aggregate a like number of Warrants shall be issued to the transferee in exchange for this Global Warrant Certificate, subject to the limitations provided in the Warrant Agreement, without charge except for any applicable tax or other charge.

Subject to Section 14 of the Warrant Agreement, the Company shall not be required to issue fractions of shares of Common Stock or any certificates that evidence fractional shares of Common Stock.

No Warrants may be sold, exchanged or otherwise transferred in violation of the Securities Act or state securities laws.

This Warrant does not entitle the registered holder thereof to any of the rights of a stockholder of the Company.

The Company and Warrant Agent may deem and treat the registered holder hereof as the absolute owner of this Global Warrant Certificate (notwithstanding any notation of ownership or other writing hereon made by anyone other than the Company or the Warrant Agent) for the purpose of any exercise hereof and for all other purposes, and neither the Company nor the Warrant Agent shall be affected by any notice to the contrary.

EXHIBIT B-1 to
WARRANT AGREEMENT

EXERCISE FORM FOR REGISTERED HOLDERS
HOLDING BOOK-ENTRY WARRANTS
(To be executed upon exercise of Warrant)

The undersigned hereby irrevocably [(subject to the proviso set forth below)] elects to exercise the right, represented by the Book-Entry Warrants, to purchase shares of Common Stock and (check one or both):

herewith tenders payment for of the shares of Common Stock to the order of Primus Telecommunications Group, Incorporated in the amount of $ in accordance with the terms of the Warrant Agreement and this Warrant; and/or

herewith tenders this Warrant for shares of Common Stock pursuant to the cashless exercise provisions of Section 8(b) of the Warrant Agreement [in connection with a Change of Control] [pursuant to an effective registration statement] [on account of the Fair Market Value of a share of Common Stock as of the date of this exercise being equal to, or in excess of, 150% of the Exercise Price of this Warrant]. This exercise and election shall be immediately effective or shall be effective as of 5:00 p.m., New York time, on , 20 ; provided, however, that in the event that [the Change of Control shall not be consummated] [the registration statement shall not be declared effective] [the Fair Market Value of a share of Common Stock as of the date of this exercise shall not be equal to, or in excess of, 150% of the Exercise Price of this Warrant], then this exercise shall be deemed to be revoked.

The undersigned requests that [a statement representing] the shares of Common Stock be delivered as follows:

Name _____

Address _____

_____

Delivery Address (if different) _____

_____

_____

If said number of shares shall not be all the shares purchasable under the within Warrant Statement, the undersigned requests that a new Book-Entry Warrant representing the balance of such Warrants shall be registered as follows:

Name _____

Address _____

_____

Delivery Address (if different) _____

_____

Signature

_____
Social Security or Other Taxpayer
Identification Number of Holder

Note: If the statement representing the shares of Common Stock or any Book-Entry Warrants representing Warrants not exercised is to be registered in a name other than that in which the Book-Entry Warrants are registered, the signature of the holder hereof must be guaranteed.

SIGNATURE GUARANTEED BY:

_____

Signatures must be guaranteed by a participant in the Securities Transfer Agent Medallion Program, the Stock Exchanges Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program.

Countersigned:
Dated: , 20

StockTrans, Inc.,
as Warrant Agent

Signature _____
Authorized Signatory

EXHIBIT B-2 to
WARRANT AGREEMENT

EXERCISE FORM FOR BENEFICIAL HOLDERS
HOLDING WARRANTS THROUGH THE DEPOSITORY TRUST COMPANY
TO BE COMPLETED BY DIRECT PARTICIPANT
IN THE DEPOSITORY TRUST COMPANY
(To be executed upon exercise of Warrant)

The undersigned hereby irrevocably [(subject to the first proviso set forth below)] elects to exercise the right, represented by Warrants held for its benefit through the book-entry facilities of Depository Trust Company (the "Depositary"), to purchase Common Stock and (check one or both):

herewith tenders payment for of the Common Stock to the order of Primus Telecommunications Group, Incorporated in the amount of $ in accordance with the terms of the Warrant Agreement and this Warrant; and/or

herewith tenders this Warrant for shares of Common Stock pursuant to the cashless exercise provisions of Section 8(b) of the Warrant Agreement [in connection with a Change of Control] [pursuant to an effective registration statement] [on account of the Fair Market Value of a share of Common Stock as of the date of this exercise being equal to, or in excess of, 150% of the Exercise Price of this Warrant]. This exercise and election shall be immediately effective or shall be effective as of 5:00 p.m., New York time, on , 20 ; provided, however, that in the event that [the Change of Control shall not be consummated] [the registration statement shall not be declared effective] [the Fair Market Value of a share of Common Stock as of the date of this exercise shall not be equal to, or in excess of, 150% of the Exercise Price of this Warrant], then this exercise shall be deemed to be revoked.

The undersigned requests that the shares of Common Stock issuable upon exercise of the Warrants be in registered form in the authorized denominations, registered in such names and delivered, all as specified in accordance with the instructions set forth below; provided, that if the shares of Common Stock are evidenced by global securities, the shares of Common Stock shall be registered in the name of the Depositary or its nominee.

Dated:

NOTE: THIS EXERCISE NOTICE MUST BE DELIVERED TO THE WARRANT AGENT, PRIOR TO 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE. THE WARRANT AGENT SHALL NOTIFY YOU (THROUGH THE CLEARING SYSTEM) OF (1) THE WARRANT AGENT'S ACCOUNT AT THE DEPOSITARY TO WHICH YOU MUST DELIVER YOUR WARRANTS ON THE EXERCISE DATE AND (2) THE ADDRESS, PHONE NUMBER AND FACSIMILE NUMBER WHERE YOU CAN CONTACT THE WARRANT AGENT AND TO WHICH WARRANT EXERCISE NOTICES ARE TO BE SUBMITTED. NAME OF DIRECT PARTICIPANT IN THE DEPOSITARY:

(PLEASE PRINT)

ADDRESS:

CONTACT NAME:

ADDRESS:

TELEPHONE (INCLUDING INTERNATIONAL CODE):

FAX (INCLUDING INTERNATIONAL CODE):

SOCIAL SECURITY OR OTHER TAXPAYER IDENTIFICATION NUMBER (IF APPLICABLE):

ACCOUNT FROM WHICH WARRANTS ARE BEING DELIVERED:

DEPOSITARY ACCOUNT NO.:

WARRANT EXERCISE NOTICES WILL ONLY BE VALID IF DELIVERED IN ACCORDANCE WITH THE INSTRUCTIONS SET FORTH IN THIS NOTIFICATION (OR AS OTHERWISE DIRECTED), MARKED TO THE ATTENTION OF “WARRANT EXERCISE”. WARRANT HOLDER DELIVERING WARRANTS, IF OTHER THAN THE DIRECT DEPOSITARY PARTICIPANT DELIVERING THIS WARRANT EXERCISE NOTICE:

NAME: _____
(PLEASE PRINT)

CONTACT NAME:

TELEPHONE (INCLUDING INTERNATIONAL CODE):

FAX (INCLUDING INTERNATIONAL CODE):

SOCIAL SECURITY OR OTHER TAXPAYER IDENTIFICATION NUMBER (IF APPLICABLE):

ACCOUNT TO WHICH THE SHARES OF COMMON STOCK ARE TO BE CREDITED:

DEPOSITARY ACCOUNT NO.

FILL IN FOR DELIVERY OF THE COMMON STOCK, IF OTHER THAN TO THE PERSON DELIVERING THIS WARRANT EXERCISE NOTICE:

NAME: _____
(PLEASE PRINT)

ADDRESS: _____

CONTACT NAME: _____

TELEPHONE (INCLUDING INTERNATIONAL CODE): _____

FAX (INCLUDING INTERNATIONAL CODE): _____

SOCIAL SECURITY OR OTHER TAXPAYER IDENTIFICATION NUMBER (IF APPLICABLE): _____

NUMBER OF WARRANTS BEING EXERCISED: _____
(ONLY ONE EXERCISE PER WARRANT EXERCISE NOTICE)

Signature: _____
Name: _____
Capacity in which Signing: _____
SIGNATURE GUARANTEED BY: _____

Signatures must be guaranteed by a participant in the Securities Transfer Agent Medallion Program, the Stock Exchanges Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program.

EXHIBIT C to
WARRANT AGREEMENT

FORM OF ASSIGNMENT

(To be executed only upon assignment of Warrant)

For value received, hereby sells, assigns and transfers unto the Assignee(s) named below the rights represented by such Warrant to purchase number of shares of Common Stock listed opposite the respective name(s) of the Assignee(s) named below and all other rights of the holder of Class A Warrants under the within Warrant, and does hereby irrevocably constitute and appoint attorney, to transfer said Warrant on the books of the within-named Company with respect to the number of shares of Common Stock set forth below, with full power of substitution in the premises:

Name(s) of Assignee(s)	**Address**	**No. of Shares of Common Stock**

And if said number of shares of Common Stock shall not be all the shares of Common Stock represented by the Warrant, a new Warrant is to be issued in the name of said undersigned for the balance remaining of the shares of Common Stock registered by said Warrant.

Dated: , 20__ Signature _____

Note: The above signature should correspond exactly with the name on the face of this Warrant

Exhibit 4.2

CLASS B

WARRANT AGREEMENT,

by and between

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

and

STOCKTRANS, INC.,

as the

WARRANT AGENT

July 1, 2009

This WARRANT AGREEMENT (as amended, supplemented or otherwise modified from time to time, this "Agreement") is entered into as of July 1, 2009, by and between PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED, a Delaware corporation (the "Company"), and STOCKTRANS, INC., as warrant agent (together with any successor appointed pursuant to Section 18, the "Warrant Agent").

W I T N E S S E T H:

WHEREAS, pursuant to the Joint Plan of Reorganization of the Company and its affiliate debtors, dated as of June 12, 2009 (the "Plan"), under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq., as amended, the Company proposes to issue to holders of Group Notes Claims warrants (the "Class B Warrants") to purchase up to 1,500,000 shares of common stock, par value $.001 per share ("Common Stock"), of the Company; and

WHEREAS, the Company desires the Warrant Agent to act on behalf of the Company, and the Warrant Agent is willing so to act, in connection with the issuance, registration, transfer, exchange and exercise of the Class B Warrants and the other matters provided for herein with respect to the Class B Warrants;

NOW, THEREFORE, in consideration of the premises and mutual agreements herein set forth, the parties hereto agree as follows:

Section 1. Definitions. The following terms have meanings set forth below:

(a) "Agreement" shall have the meaning ascribed to such term in the preamble hereof.

(b) "Appropriate Officer" shall have the meaning ascribed to such term in Section 5(a) hereof.

(c) "Asset Value" shall have the meaning ascribed to such term in Section 13(c) hereof.

(d) "Beneficial Holder" shall mean any Person that holds beneficial interests in a Global Warrant Certificate.

(e) "Board" shall mean the board of directors of the Company.

(f) "Book-Entry Warrants" shall have the meaning ascribed to such term in Section 3 hereof.

(g) "Business Day" shall mean any day that is not a Saturday, Sunday or other day on which banks are required or authorized by law to be closed in New York.

(h) "Capital Stock" shall mean, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated) of such Person's capital stock or partnership, limited liability company or other equity interests at any time outstanding, and any and all rights, warrants or options exchangeable for or convertible or exercisable into such capital stock or other interests.

(i) "Cash Dividend" shall have the meaning ascribed to such term in Section 13(d) hereof.

(j) "Change of Control" shall mean (i) the transfer (in one transaction or a series of transactions) of all or substantially all of the assets of the Company and its subsidiaries, taken as a whole, (ii) the liquidation or dissolution of the Company or the adoption of a plan by the stockholders of the Company relating to the dissolution or liquidation of the Company, (iii) any merger, share exchange, consolidation or other business combination of the Company, if immediately after any such transaction Persons who hold more than fifty percent (50%) of the total voting power in the aggregate of the Capital Stock of the surviving entity (or the entity owning 100% of such surviving entity) normally entitled to vote in elections of directors are not Persons who, immediately prior to such transaction, held a majority of the voting power of the Capital Stock of the Company entitled to vote generally in the election of directors, or (iv) the sale or other disposition (in one transaction or a series of related transactions) by the stockholders of the Company of shares of Capital Stock of the Company representing in the aggregate more than fifty percent (50%) of the total voting power of the Company to any Person or "group" (as such term is used in Section 13(d)(3) of the Exchange Act).

(k) "Class A Warrants" shall mean those "Class A Warrants" issued by the Company pursuant to the terms of that certain Class A Warrant Agreement, dated July 1, 2009, between the Company and the Warrant Agent named therein, as any of the same may be amended, supplemented or otherwise modified from time to time.

(l) "Class B Warrants" shall have the meaning ascribed to such term in the recitals hereof.

(m) "Common Stock" shall have the meaning ascribed to such term in the recitals hereof.

(n) "Company" shall have the meaning ascribed to such term in the preamble hereof.

(o) "CVRs" shall have the meaning ascribed to such term in the Plan.

(p) "Depositary" shall have the meaning ascribed to such term in Section 4(b) hereof.

(q) "Distributed Assets" shall have the meaning ascribed to such term in Section 13(c) hereof.

(r) "Effective Date" shall have the meaning ascribed to such term in the Plan.

(s) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

(t) "Excluded Issuance" shall mean any of the following: (i) the issuance of any securities by the Company on the Effective Date pursuant to the Plan, (ii) the issuance of any shares of Common Stock or Rights pursuant to any employee benefit plan or program, incentive compensation plan or program, executive compensation agreement or directors' compensation program, in each case approved by the Board, (iii) the issuance of any shares of Common Stock upon exercise of any of the Warrants, (iv) the issuance of any shares of Common Stock pursuant to the CVRs and (v) the issuance of any shares of Common Stock or Rights pursuant to a transaction described in Section 13(a), 13(b) or 13(c) hereof, or pursuant to a Fundamental Change Transaction.

(u) "Exercise Amount" shall have the meaning ascribed to such term in Section 8(b) hereof.

(v) "Exercise Form" shall have the meaning ascribed to such term in Section 8(b) hereof.

(w) "Exercise Price" shall mean $26.01, as adjusted from time to time in accordance with this Agreement.

(x) "Expiration Date" shall mean July 1, 2014.

(y) "Fair Market Value" shall mean, with respect to any security as of any date of determination, (i) if such security is listed or traded on a national securities exchange for at least ten (10) consecutive Trading Days immediately preceding such date of determination, the daily volume-weighted average price of such security for the ten (10) consecutive Trading Days immediately preceding such date of determination as reported by Bloomberg, L.P. (or, if no such price is reported by Bloomberg, L.P. for any particular Trading Day during such 10-Trading Day period, the daily volume-weighted average price of such security as officially reported for such Trading Day on the principal securities exchange on which such security is then listed or admitted to trading shall be used for the purposes of calculating such 10-Trading Day volume-weighted average price), or (ii) if such security is not listed or admitted to trading on any national securities exchange for at least ten (10) consecutive Trading Days immediately preceding such date of determination, the fair market value of such security as of such date of determination as reasonably determined by the Board in good faith on the basis of such information as it considers appropriate (without regard to any illiquidity or minority discounts). In the event that the Fair Market Value of a share of Common Stock as of a particular date would need to be determined by the Board in accordance with clause (ii) of the immediately preceding sentence in connection with the exercise of a Class B Warrant, the Board shall make such determination as promptly as reasonably practicable following a written request therefor delivered by the holder or Beneficial Holder exercising such Class B Warrant.

(z) "Fundamental Change Transaction" shall have the meaning ascribed to such term in Section 13(f) hereof.

(aa) "Global Warrant Certificates" shall have the meaning ascribed to such term in Section 4(a) hereof.

(bb) "Group Notes Claims" shall have the meaning ascribed to such term in the Plan.

(cc) "holder" or "holders" shall mean, in respect of any Class B Warrant or any shares of Common Stock issued or issuable upon exercise of any Class B Warrant, the registered holder or registered holders thereof.

(dd) "Person" shall mean any individual, corporation (including non-profits and not-for-profits), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, governmental entity or other entity of any kind or nature.

(ee) "Plan" shall have the meaning ascribed to such term in the recitals hereof.

(ff) "Record Date" shall mean, with respect to any dividend, distribution or other transaction or event in which the holders of Common Stock have the right to receive any cash, securities, assets or other property or in which the Common Stock (or other applicable security) is exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of stockholders entitled to receive such cash, securities, assets or other property (whether such date is fixed by the Board or by statute, contract or otherwise).

(gg) "Rights" shall have the meaning ascribed to such term in Section 13(e) hereof.

(hh) "Securities Act" shall mean the Securities Act of 1933, as amended.

(ii) "Trading Day" shall mean, with respect to any security, (i) if such security is listed or traded on a national securities exchange, a day on which such security is traded on the principal securities exchange on which such security is then listed or admitted to trading, or (ii) if such security is not listed or traded on a national securities exchange, a Business Day.

(jj) "Transfer Agent" shall mean, collectively, the transfer agent for the Common Stock and every subsequent transfer agent for any shares of the Company's Capital Stock or other securities issuable upon exercise of any of the Class B Warrants.

(kk) "Warrant Agent" shall have the meaning ascribed to such term in the preamble hereof.

(ll) "Warrant Agent Office" shall mean the offices or agency maintained by the Warrant Agent in Ardmore, Pennsylvania (or at such other offices or agencies as may be designated by the Warrant Agent) for the purpose of exchanging, transferring and exercising the Class B Warrants.

(mm) "Warrant Register" shall have the meaning ascribed to such term in Section 6(c) hereof.

(nn) "Warrants" shall mean, collectively, (i) the Class A Warrants and (ii) the Class B Warrants.

(oo) "Warrant Statements" shall have the meaning ascribed to such term in Section 3 hereof.

Section 2. Appointment of Warrant Agent. The Company hereby appoints the Warrant Agent to act as agent for the Company in accordance with the instructions hereinafter set forth in this Agreement, and the Warrant Agent hereby accepts such appointment, upon the terms and conditions hereinafter set forth in this Agreement.

Section 3. Issuance of Class B Warrants. Subject to the provisions of this Agreement and in accordance with the terms of the Plan, on the Effective Date, Class B Warrants to purchase initially up to an aggregate of 1,500,000 shares of Common Stock will be issued and delivered by the Company. On the Effective Date, the Company will deliver, or cause to be delivered, to the Depositary, one or more Global Warrant Certificates evidencing a portion of the Class B Warrants. Upon receipt by the Warrant Agent of a written order of the Company pursuant to Section 6 hereof, the remainder of the Class B Warrants shall be issued by book-entry registration on the books of the Warrant Agent ("Book-Entry Warrants"). At the request of any holder of Book-Entry Warrants, the Warrant Agent shall deliver to such holder a statement confirming such book-entry position (a "Warrant Statement").

Section 4. Form of Class B Warrants.

(a) Subject to Section 7, the Class B Warrants shall be issued (i) via book-entry registration on the books and records of the Warrant Agent, or (ii) in the form of one or more global certificates (the "Global Warrant Certificates"), with the forms of election to exercise and of assignment printed on the reverse thereof, in substantially the form set forth in Exhibit A attached hereto. The Global Warrant Certificates and Warrant Statements may bear such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Agreement, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with any law or with any rules made pursuant thereto or with any rules of any securities exchange, inter-dealer quotation system or regulated quotation service on which the Class B Warrants may be listed or quoted (as the case may be) or as may, consistently herewith, be determined by any Appropriate Officer.

(b) The Global Warrant Certificates shall be deposited on or after the Effective Date with the Warrant Agent and registered in the name of Cede & Co., as the nominee of The Depository Trust Company (the "Depositary"). Each Global Warrant Certificate shall represent such number of the outstanding Class B Warrants as specified therein, and each shall provide that it shall represent the aggregate amount of outstanding Class B Warrants from time to time endorsed thereon and that the aggregate amount of outstanding Class B Warrants represented thereby may from time to time be reduced or increased, as appropriate, in accordance with the terms of this Agreement.

Section 5. Execution of Global Warrant Certificates.

(a) The Global Warrant Certificates shall be signed on behalf of the Company by its Chairman of the Board, its Chief Executive Officer, its President, any Vice President, its Treasurer or any Assistant Treasurer (each, an "Appropriate Officer"), under its corporate seal. Each such signature upon the Global Warrant Certificates may be in the form of a facsimile signature of any such Appropriate Officer and may be imprinted or otherwise reproduced on the Global Warrant Certificates and for that purpose the Company may adopt and use the facsimile signature of any Appropriate Officer. The corporate seal of the Company may be in the form of a facsimile thereof and may be impressed, affixed, imprinted or otherwise reproduced on the Global Warrant Certificates.

(b) If any Appropriate Officer who shall have signed any of the Global Warrant Certificates shall cease to be an Appropriate Officer before the Global Warrant Certificates so signed shall have been countersigned by the Warrant Agent or delivered by the Company, such Global Warrant Certificates nevertheless may be countersigned and delivered as though such Appropriate Officer had not ceased to be an Appropriate Officer, and any Global Warrant Certificate may be signed on behalf of the Company by any person who, at the actual date of the execution of such Global Warrant Certificate, shall be a proper Appropriate Officer to sign such Global Warrant Certificate, although at the date of the execution of this Agreement any such person was not such an Appropriate Officer.

Section 6. Registration and Countersignature.

(a) Upon receipt of a written order of the Company, the Warrant Agent shall (i) register in the Warrant Register the Book-Entry Warrants and, if requested by any holder thereof, deliver a Warrant Statement to such holder and (ii) upon receipt of the Global Warrant Certificates duly executed on behalf of the Company, either manually or by facsimile signature countersign one or more Global Warrant Certificates evidencing Class B Warrants and deliver such Global Warrant Certificates to or upon the written order of the Company. Such written order of the Company shall specifically state the number of Class B Warrants that are to be issued as Book-Entry Warrants and the number of Class B Warrants that are to be issued as a Global Warrant Certificate. A Global Warrant Certificate shall be, and shall remain, subject to the provisions of this Agreement until such time as all of the Class B Warrants evidenced thereby shall have been duly exercised or shall have expired or been canceled in accordance with the terms hereof.

(b) No Global Warrant Certificate shall be valid for any purpose, and no Class B Warrant evidenced thereby shall be exercisable, until such Global Warrant Certificate has been either manually or by facsimile signature countersigned by the Warrant Agent. Such signature by the Warrant Agent upon any Global Warrant Certificate executed by the Company shall be conclusive evidence that such Global Warrant Certificate so countersigned has been duly issued hereunder.

(c) The Warrant Agent shall keep, at an office designated for such purpose, books (the "Warrant Register") in which, subject to such reasonable regulations as it may prescribe, it shall register the Book-Entry Warrants as well as any Global Warrant Certificates and exchanges and transfers of outstanding Class B Warrants in accordance with the procedures set forth in Section 7 of this Agreement, all in form satisfactory to the Company and the Warrant Agent. No service charge shall be made for any exchange or registration of transfer of the Class B Warrants, but the Company may require payment of a sum sufficient to cover any stamp or other tax or other charge that may be imposed on the holder in connection with any such exchange or registration of transfer. Notwithstanding anything in this Agreement to the contrary, the Warrant Agent shall have no obligation to take any action whatsoever with respect to an exchange or registration of transfer unless and until it is reasonably satisfied that all such payments required by the immediately preceding sentence have been made.

(d) Prior to due presentment for registration of transfer or exchange of any Class B Warrant in accordance with the procedures set forth in this Agreement, the Company and the Warrant Agent may deem and treat the registered holder of such Class B Warrant as the absolute owner of such Class B Warrant (notwithstanding any notation of ownership or other writing on a Global Warrant Certificate made by anyone other than the Company or the Warrant Agent), for the purpose of any exercise thereof, any distribution to the holder thereof and for all other purposes, and neither the Warrant Agent nor the Company shall be affected by notice to the contrary.

Section 7. Registration of Transfers and Exchanges.

(a) *Transfer and Exchange of Global Warrant Certificates or Beneficial Interests Therein*. The transfer and exchange of Global Warrant Certificates or beneficial interests therein shall be effected through the Depositary, in accordance with this Agreement and the procedures of the Depositary therefor.

(b) *Exchange of a Beneficial Interest in a Global Warrant Certificate for a Book-Entry Warrant*.

(i) Any holder of a beneficial interest in a Global Warrant Certificate may, upon request, exchange such beneficial interest for a Book-Entry Warrant. Upon receipt by the Warrant Agent from the Depositary or its nominee of written instructions or such other form of instructions as is customary for the Depositary on behalf of any Person having a beneficial interest in a Global Warrant Certificate, and all other necessary information the Warrant Agent shall cause, in accordance with the standing instructions and procedures existing between the Depositary and Warrant Agent, the number of Class B Warrants represented by the Global Warrant Certificate to be reduced by the number of Class B Warrants to be represented by the Book-Entry Warrants to be issued in exchange for the beneficial interest of such Person in the Global Warrant Certificate and, following

such reduction, the Warrant Agent shall register in the name of the holder a Book-Entry Warrant and, if requested by said holder, deliver to said holder a Warrant Statement.

(ii) Book-Entry Warrants issued in exchange for a beneficial interest in a Global Warrant Certificate pursuant to this Section 7(b) shall be registered in such names as the Depositary, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Warrant Agent. The Warrant Agent shall deliver such Warrant Statements to the Persons in whose names such Book-Entry Warrants are so registered.

(c) *Transfer of Book-Entry Warrants*. When Book-Entry Warrants are presented to or deposited with the Warrant Agent with a written request to register the transfer of such Book-Entry Warrants, the Warrant Agent shall register the transfer as requested if its customary requirements for such transactions are met; provided, however, that the Warrant Agent has received a written instruction of transfer in form satisfactory to the Warrant Agent, properly completed and duly executed by the holder thereof or by his attorney, duly authorized in writing.

(d) *Restrictions on Exchange or Transfer of a Book-Entry Warrant for a Beneficial Interest in a Global Warrant Certificate*. A Book-Entry Warrant may not be exchanged for a beneficial interest in a Global Warrant Certificate except upon satisfaction of the requirements set forth below. Upon receipt by the Warrant Agent of appropriate instruments of transfer with respect to a Book-Entry Warrant, in form satisfactory to the Warrant Agent, together with written instructions directing the Warrant Agent to make, or to direct the Depositary to make, an endorsement on the Global Warrant Certificate to reflect an increase in the number of Class B Warrants represented by the Global Warrant Certificate equal to the number of Class B Warrants represented by such Book-Entry Warrant, and all other necessary information, then the Warrant Agent shall cancel such Book-Entry Warrant on the Warrant Register and cause, or direct the Depositary to cause, in accordance with the standing instructions and procedures existing between the Depositary and the Warrant Agent, the number of Class B Warrants represented by the Global Warrant Certificate to be increased accordingly. If no Global Warrant Certificates are then outstanding, the Company shall issue and the Warrant Agent shall either manually or by facsimile countersign a new Global Warrant Certificate representing the appropriate number of Class B Warrants.

(e) *Restrictions on Transfer and Exchange of Global Warrant Certificates*. Notwithstanding any other provisions of this Agreement (other than the provisions set forth in Section 7(f)), unless and until it is exchanged in whole for a Book-Entry Warrant, a Global Warrant Certificate may not be transferred as a whole except by the Depositary to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary.

(f) *Book-Entry Warrants*. If at any time, (i) the Depositary for the Global Warrant Certificates notifies the Company that the Depositary is unwilling or unable to

continue as Depositary for the Global Warrant Certificates and a successor Depositary for the Global Warrant Certificates is not appointed by the Company within 90 days after delivery of such notice or (ii) the Company, in its sole discretion, notifies the Warrant Agent in writing that it elects to exclusively cause the issuance of Book-Entry Warrants under this Agreement, then the Warrant Agent, upon written instructions signed by an Appropriate Officer, and all other necessary information, shall register Book-Entry Warrants, in an aggregate number equal to the number of Class B Warrants represented by the Global Warrant Certificates, in exchange for such Global Warrant Certificates in such names and in such amounts as directed by the Depositary or, in the absence of instructions from the Depositary, by the Company.

(g) *Additional Restrictions on Transfer*. No Class B Warrants may be sold, exchanged or otherwise transferred in violation of the Securities Act or state securities laws. Further, no transfer of Class B Warrants shall be permitted if, at any time following the Effective Date, (i) the Company ceases to be a reporting company under the Exchange Act, and (ii) after giving effect to such transfer, the Company would be, or would be obliged to become, a reporting company under the Exchange Act; provided, that this restriction on transfer shall only apply if a similar restriction is then applicable to the shares of Common Stock. The Company shall promptly notify the Warrant Agent if the Company ceases to be a reporting company under the Exchange Act.

(h) *Cancellation of Global Warrant Certificate*. At such time as all beneficial interests in Global Warrant Certificates have either been exchanged for Book-Entry Warrants, repurchased or cancelled, all Global Warrant Certificates shall be returned to, or retained and cancelled by, the Warrant Agent, upon written instructions from the Company satisfactory to the Warrant Agent.

(i) *Obligations with Respect to Transfers and Exchanges.*

(i) To permit registrations of transfers and exchanges, the Company shall execute Global Warrant Certificates, if applicable, and the Warrant Agent is hereby authorized, in accordance with the provisions of Section 6 and this Section 7, to countersign such Global Warrant Certificates, if applicable, or register Book-Entry Warrants, if applicable, as required pursuant to the provisions of this Section 7 and for the purpose of any distribution of new Global Warrant Certificates contemplated by Section 10 or additional Global Warrant Certificates contemplated by Section 13.

(ii) All Book-Entry Warrants and Global Warrant Certificates issued upon any registration of transfer or exchange of Book-Entry Warrants or Global Warrant Certificates shall be the valid obligations of the Company, entitled to the same benefits under this Agreement as the Book-Entry Warrants or Global Warrant Certificates surrendered upon such registration of transfer or exchange.

(iii) No service charge shall be made to a holder of Class B Warrants for any registration, transfer or exchange, but the Company may require payment of a sum sufficient to cover any stamp or other tax or other charge that may be imposed on the holder in connection with any such exchange or registration of transfer.

(iv) So long as the Depositary, or its nominee, is the registered owner of a Global Warrant Certificate, the Depositary or such nominee, as the case may be, will be considered the sole owner or holder of the Class B Warrants represented by such Global Warrant Certificate for all purposes under this Agreement. Except as provided in Section 7(b) and Section 7(f) upon the exchange of a beneficial interest in a Global Warrant Certificate for Book-Entry Warrants, Beneficial Holders will not be entitled to have any Class B Warrants registered in their names, and will under no circumstances be entitled to receive physical delivery of any such Class B Warrants and will not be considered the holder thereof under the Class B Warrants or this Agreement. Neither the Company nor the Warrant Agent, in its capacity as registrar for such Class B Warrants, will have any responsibility or liability for any aspect of the records relating to beneficial interests in a Global Warrant Certificate or for maintaining, supervising or reviewing any records relating to such beneficial interests.

(v) Subject to Section 7(b), Section 7(c), Section 7(d), and this Section 7(i), the Warrant Agent shall, upon receipt of all information required to be delivered hereunder, from time to time register the transfer of any outstanding Class B Warrants in the Warrant Register, upon delivery to the Warrant Agent, at its office designated for such purpose, of a properly completed form of assignment substantially in the form of Exhibit C hereto, duly signed by the holder thereof or by the duly appointed legal representative thereof or by a duly authorized attorney, such signature to be guaranteed by a participant in the Securities Transfer Agent Medallion Program, the Stock Exchanges Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program and, in the case of a transfer of a Global Warrant Certificate, upon surrender to the Warrant Agent of such Global Warrant Certificate, duly endorsed. Upon any such registration of transfer, a new Global Warrant Certificate or a Warrant Statement, as the case may be, shall be issued to the transferee.

(j) In the event that any purported transfer of a Class B Warrant is in violation of the provisions of this Agreement, such purported transfer shall be void and of no effect and the Warrant Agent shall not give effect to such transfer.

(k) Each Global Warrant Certificate will bear the following legend:

"THE SALE, ASSIGNMENT, PLEDGE, ENCUMBRANCE OR OTHER TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO THE TERMS OF A CLASS B WARRANT AGREEMENT, DATED AS OF JULY 1, 2009 (THE "WARRANT AGREEMENT"), BETWEEN THE ISSUER OF THIS CERTIFICATE AND THE WARRANT AGENT NAMED THEREIN. BY ACCEPTING ANY INTEREST IN THE SECURITIES REPRESENTED BY THIS CERTIFICATE, THE RECIPIENT OF SUCH SECURITIES SHALL BE DEEMED TO AGREE TO AND SHALL

BECOME BOUND BY ALL OF THE PROVISIONS OF SAID WARRANT AGREEMENT. A COPY OF SAID WARRANT AGREEMENT MAY BE OBTAINED UPON WRITTEN REQUEST TO THE SECRETARY OF THE ISSUER OF THIS CERTIFICATE."

Section 8. Duration and Exercise of Class B Warrants.

(a) Subject to the provisions of this Agreement, each Class B Warrant shall entitle (i) in the case of the Book-Entry Warrants, the holder thereof and (ii) in the case of Class B Warrants held through the book-entry facilities of the Depositary or by or through Persons that are direct participants in the Depositary, the Beneficial Holder thereof, to purchase from the Company (and the Company shall issue and sell to such holder) up to the number of fully paid and nonassessable shares of Common Stock for which such Class B Warrant is then exercisable at a price per share of Common Stock equal to the Exercise Price applicable to such Class B Warrant. The amount and kind of securities that may be purchased pursuant to the exercise of a Class B Warrant and the Exercise Price applicable to such Class B Warrant are subject to adjustment pursuant to the provisions of this Agreement.

(b) The holder of a Class B Warrant may exercise, in whole or in part, the purchase rights represented by such Class B Warrant at any time and from time to time during the period commencing on the Effective Date and terminating at 5:00 p.m., New York City time, on the Expiration Date. Any Class B Warrant, or any portion thereof, not exercised prior to 5:00 p.m., New York City time, on the Expiration Date, shall become permanently and irrevocably null and void at 5:00 p.m., New York City time, on the Expiration Date, and all rights thereunder and all rights in respect thereof under this Agreement shall cease at such time. Subject to the provisions of the Class B Warrants and this Agreement, a holder of a Class B Warrant may exercise such holder's right to purchase shares of Common Stock by: (x) in the case of Persons who hold Book-Entry Warrants, providing an exercise form for the election to exercise such Class B Warrant ("Exercise Form") substantially in the form of Exhibit B-1 hereto, properly completed and duly executed by the holder thereof, and providing payment (in cash, by certified or official bank check, or by wire transfer of immediately available funds) of the Exercise Price multiplied by the number of shares of Common Stock in respect of which such Class B Warrant is being exercised (the "Exercise Amount"), to the Warrant Agent, for the account of the Company; and (y) in the case of Class B Warrants held through the book-entry facilities of the Depositary or by or through Persons that are direct participants in the Depositary, providing an Exercise Form substantially in the form of Exhibit B-2 hereto, properly completed and duly executed by the Beneficial Holder thereof, and providing payment of the Exercise Amount, to its broker. Anything in this Section 8 or in the applicable Exercise Form to the contrary notwithstanding, (i) if a holder or Beneficial Holder, as applicable, of a Class B Warrant is exercising such Class B Warrant (or any portion thereof) and intends to sell the shares of Common Stock issuable upon exercise thereof (or portion thereof) in connection with or pursuant to (x) a Change of Control or (y) an effective registration statement covering such shares of Common Stock, or (ii) if a holder or Beneficial Holder, as applicable, of a Class B Warrant is exercising such Class B Warrant (or any portion thereof) on a date when the

Fair Market Value of a share of Common Stock as of such date equals or exceeds 150% of the Exercise Price applicable to such Class B Warrant, then such holder or Beneficial Holder, as applicable, may pay all or any portion of the applicable Exercise Amount, at the option of such holder or Beneficial Holder, as applicable, by requiring the Company to deduct from the number of shares of Common Stock otherwise to be delivered to such holder or Beneficial Holder upon exercise of such Class B Warrant (or portion thereof being exercised) a number of shares of Common Stock having a value, based on the Fair Market Value of the Common Stock on the Trading Day immediately prior to the date of exercise thereof, equal to all or such portion of the Exercise Amount. Any holder or Beneficial Holder electing to exercise its Class B Warrants (or any portion thereof) pursuant to the cashless exercise provisions of this Section 8(b) shall indicate in the applicable Exercise Form such election and whether such exercise is in connection with a Change of Control, pursuant to an effective registration statement or on account of the Fair Market Value of a share of Common Stock as of the date of exercise being equal to or in excess of 150% of the Exercise Price applicable to such Class B Warrant. Such election shall be conditioned upon the applicable Change of Control being consummated, or the applicable registration statement being declared effective, or the Fair Market Value of a share of Common Stock as of the date of exercise being equal to, or in excess of, 150% of the Exercise Price, as the case may be. If any such condition applicable to an election to exercise Class B Warrants (or any portion thereof) on a cashless basis pursuant to this Section 8(b) is not met, then such exercise shall be deemed to be revoked.

(c) Upon exercise of any Class B Warrants pursuant to Section 8(b) and, if applicable, payment of the Exercise Amount, the Company shall promptly, at its expense, and in no event later than ten (10) Business Days thereafter, calculate and cause to be issued to the holder of such Class B Warrants the total number of whole shares of Common Stock for which such Class B Warrants are being exercised (as the same may be hereafter adjusted pursuant to Section 13):

(i) in the case of a Beneficial Holder who holds the Class B Warrants being exercised through the Depositary's book-entry transfer facilities, by same-day or next-day credit to the Depositary for the account of such Beneficial Holder or for the account of a participant in the Depositary the number of shares of Common Stock to which such Person is entitled, in each case registered in such name and delivered to such account as directed in the Exercise Form by such Beneficial Holder or by the direct participant in the Depositary through which such Beneficial Holder is acting, or

(ii) in the case of a holder who holds the Class B Warrants being exercised in the form of Book-Entry Warrants, a book-entry interest in the shares of Common Stock registered on the books of the Transfer Agent or, if permitted by the Company, at the holder's option, by delivery to the address designated by such holder on its Exercise Form of a physical certificate representing the number of shares of Common Stock to which such holder is entitled, in fully registered form, registered in such name or names as may be directed by such holder.

At the time of issuance, the Company shall deliver to such holder written confirmation that such shares of Common Stock have been duly issued and recorded on the books of the Company as hereinafter provided. The shares of Common Stock so issued shall be registered in the name of the holder or, subject to Section 11, such other name as shall be designated in the order delivered by the holder. Such shares shall be deemed to have been issued and any Person so designated to be named as the registered holder thereof shall be deemed to have become the holder of record of such share or shares of Common Stock as of the date of exercise of such Class B Warrants and, if applicable, payment of the Exercise Amount. Notwithstanding any provision herein to the contrary, the Company shall not be required to register shares of Common Stock issuable upon exercise of a Class B Warrant in the name of any Person who acquired any Class B Warrant otherwise than in accordance with this Agreement.

(d) Class B Warrants shall be exercisable, at the election of the holder or Beneficial Holder (as applicable) thereof, either as an entirety or from time to time for a portion of the number of shares of Common Stock issuable upon exercise of such Class B Warrants (as such number of shares of Common Stock may be adjusted from time to time in accordance with the terms of this Agreement). If less than all of the Class B Warrants evidenced by a Global Warrant Certificate surrendered upon the exercise of Class B Warrants are exercised at any time prior to the Expiration Date, a new Global Warrant Certificate shall be issued for the remaining number of Class B Warrants evidenced by such Global Warrant Certificate so surrendered, and the Warrant Agent is hereby authorized to countersign and deliver the required new Global Warrant Certificate pursuant to the provisions of Section 6 and this Section 8.

(e) The Warrant Agent shall account promptly to the Company with respect to Class B Warrants exercised and concurrently pay or deliver to the Company all moneys and other consideration received by it in connection with the purchase of shares of Common Stock through the exercise of Class B Warrants.

Section 9. Cancellation of Class B Warrants. If the Company or any of its subsidiaries shall purchase or otherwise acquire Class B Warrants, such Class B Warrants shall thereupon be cancelled and retired. The Warrant Agent shall cancel all Global Warrant Certificates surrendered for exchange, substitution, transfer or exercise in whole or in part. Such cancelled Global Warrant Certificates shall thereafter be disposed of in a manner satisfactory to the Company.

Section 10. Mutilated or Missing Global Warrant Certificates. If any Global Warrant Certificates shall be mutilated, lost, stolen or destroyed, the Company shall issue, and the Warrant Agent shall countersign and deliver, in exchange and substitution for and upon cancellation of the mutilated Global Warrant Certificate or in lieu of and substitution for the Global Warrant Certificate that is lost, stolen or destroyed, a new Global Warrant Certificate of like date and tenor and representing the right to purchase an equivalent number of shares of Common Stock, but only upon receipt of evidence reasonably satisfactory to the Company and the Warrant Agent of the loss, theft or destruction of such Global Warrant Certificate and, if requested by either the Company or the Warrant Agent, such indemnity therefor as is customary and reasonably satisfactory to the Company and the Warrant Agent.

Section 11. Payment of Taxes. No service charge shall be made to any holder of a Class B Warrant for any exercise, exchange or registration of transfer of Class B Warrants, and the Company will pay all documentary stamp taxes attributable to the initial issuance of shares of Common Stock upon the exercise of Class B Warrants; provided, however, that neither the Company nor the Warrant Agent shall be required to pay any tax or taxes which may be payable in respect of any transfer involved in the issue of any Class B Warrants or any shares of Common Stock in a name other than that of the registered holder of a Class B Warrant exercising such Class B Warrant, and the Company shall not be required to issue or deliver such Class B Warrants or the shares of Common Stock unless and until the Person or Persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid.

Section 12. Reservation of Shares.

(a) For the purpose of enabling it to satisfy any obligation to issue shares of Common Stock upon exercise of Class B Warrants, the Company will at all times through the Expiration Date, reserve and keep available, free from preemptive rights, out of its aggregate authorized but unissued or treasury shares of Common Stock, the number of shares of Common Stock deliverable upon the exercise of all outstanding Class B Warrants, and the Transfer Agent is hereby irrevocably authorized and directed at all times to reserve such number of authorized and unissued or treasury shares of Common Stock as shall be required for such purpose. The Company will keep a copy of this Agreement on file with the Transfer Agent. The Warrant Agent is hereby irrevocably authorized and directed to requisition from time to time from the Transfer Agent stock certificates issuable upon exercise of outstanding Class B Warrants. The Company will supply the Transfer Agent with duly executed stock certificates for such purpose and will, upon request, provide or otherwise make available any cash which may be payable as provided in Section 14. The Company will furnish the Transfer Agent with a copy of all notices of adjustments and certificates related thereto, transmitted to the Warrant Agent and each holder pursuant to Section 15.

(b) Before taking any action that would cause an adjustment pursuant to Section 13 reducing any Exercise Price below the then par value (if any) of the shares of Common Stock issuable upon exercise of any Class B Warrants, the Company will take any reasonable corporate action that may, in the opinion of its counsel, be necessary in order that the Company may validly and legally issue fully paid and nonassessable shares of Common Stock at such Exercise Price as so adjusted.

(c) The Company covenants that all shares of Common Stock issued upon exercise of the Class B Warrants will, upon issuance in accordance with the terms of this Agreement, be fully paid and nonassessable, free of preemptive rights and free from all taxes, liens, charges and security interests with respect to the issuance and holding thereof (other than any taxes, liens, charges and security interests incurred or created by the holder of the Class B Warrant or the Person to which shares of Common Stock are to be issued).

Section 13. Adjustment of Exercise Price and Number of Shares. The Exercise Price of each Class B Warrant and the number of shares of Common Stock issuable upon the exercise of each Class B Warrant shall be adjusted from time to time as set forth in this Section 13.

(a) Common Stock Dividends. In case the Company shall hereafter pay a dividend or make a distribution to all holders of the outstanding Common Stock in shares of Common Stock, the Exercise Price for each Class B Warrant shall be decreased so that such Exercise Price shall equal the price determined by multiplying such Exercise Price in effect on the Record Date with respect to such dividend or other distribution by a fraction,

(i) the numerator of which shall be the number of shares of Common Stock outstanding at the close of business on such Record Date; and

(ii) the denominator of which shall be the sum of (x) the number of shares of Common Stock outstanding at the close of business on such Record Date and (y) the total number of shares of Common Stock constituting such dividend or other distribution,

such decrease to become effective immediately prior to the opening of business on the first Business Day following such Record Date. The number of shares of Common Stock issuable upon exercise of a Class B Warrant shall be correspondingly increased by dividing such number by the same fraction. If any dividend or distribution of the type described in this Section 13(a) is declared but not so paid or made, the number of shares of Common Stock issuable upon exercise of a Class B Warrant and the Exercise Price shall again be adjusted to the number of shares of Common Stock that would be issuable upon exercise of such Class B Warrant and the Exercise Price that would then be in effect if such dividend or distribution had not been declared.

(b) Subdivisions and Combinations. In case the outstanding shares of Common Stock shall be subdivided into a greater number of shares of Common Stock, or combined into a smaller number of shares of Common Stock, (i) the number of shares of Common Stock to be received by a holder of a Class B Warrant upon exercise thereof shall be appropriately adjusted such that the proportion of the number of shares of Common Stock issuable upon exercise of such Class B Warrant to the total number of outstanding shares of Common Stock prior to such subdivision or combination is equal to the proportion of the number of shares of Common Stock issuable upon exercise of such Class B Warrant after such subdivision or combination to the total number of outstanding shares of Common Stock after such subdivision or combination, and (ii) the Exercise Price in effect on the day upon which such subdivision or combination becomes effective shall be proportionately decreased or increased (as applicable), such decrease or increase, as the case may be, to become effective immediately prior to the opening of business on the first Business Day following the day upon which such subdivision or combination becomes effective.

(c) Dividends of Other Securities and Assets. In case the Company shall, by dividend or otherwise, distribute to all holders of Common Stock shares of any class of Capital Stock of the Company, debt securities, assets or other property of the Company (excluding (w) any dividend or distribution paid exclusively in cash, (x) any dividend or distribution referred to in Section 13(a), (y) any distribution of Rights referred to in Section 13(e) or (z) any distribution as a result of a Fundamental Change Transaction) (any of the foregoing non-excluded distributions hereinafter in this Section 13(c) called the "Distributed Assets"), then, in each such case, the Exercise Price for each Class B Warrant shall be decreased so that such Exercise Price shall be equal to the price determined by dividing such Exercise Price in effect on the Record Date with respect to such dividend or distribution by a fraction,

(i) the numerator of which shall be the Fair Market Value of the Common Stock on such Record Date; and

(ii) the denominator of which shall be (x) the Fair Market Value of the Common Stock on the Record Date minus (y) the fair market value of the Distributed Assets applicable to one (1) share of Common Stock, as reasonably determined by the Board in good faith on the basis of such information as it considers appropriate (without regard to any illiquidity or minority discounts) (the "Asset Value"),

such adjustment to become effective immediately prior to the opening of business on the first Business Day following such Record Date; provided, however, that in the event the then Asset Value (as so determined) of the portion of the Distributed Assets so distributed applicable to one (1) share of Common Stock is equal to or greater than the Fair Market Value of the Common Stock on the Record Date, in lieu of the foregoing adjustment, adequate provision shall be made so that the holder of a Class B Warrant shall have the right to receive upon exercise of the Class B Warrant the amount of Distributed Assets such holder would have received had the holder exercised such Class B Warrant on the Record Date. If the Exercise Price of a Class B Warrant is adjusted as hereinabove

provided, the number of shares of Common Stock issuable upon exercise of such Class B Warrant shall be correspondingly increased by multiplying such number by the same fraction set forth above. In the event that such dividend or distribution is not so paid or made, the number of shares of Common Stock issuable upon exercise of a Class B Warrant and the Exercise Price shall again be adjusted to be the number of shares of Common Stock issuable upon exercise of such Class B Warrant and the Exercise Price that would then be in effect if such dividend or distribution had not been declared.

(d) Cash Dividends. In case the Company shall, by dividend or otherwise, distribute to all holders of Common Stock cash (a "Cash Dividend") (excluding (x) any dividend or distribution in connection with a Fundamental Change Transaction or the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or (y) any regularly scheduled cash dividend declared and paid pursuant to a dividend policy established by the Board not to exceed in any fiscal year of the Company forty-five percent (45%) of the consolidated net income of the Company and its consolidated subsidiaries (determined in accordance with United States generally accepted accounting principles) for the immediately preceding fiscal year, then, in such case, the Exercise Price for each Class B Warrant shall be decreased so that such Exercise Price shall equal the price determined by dividing such Exercise Price in effect on the Record Date for such Cash Dividend by a fraction,

(i) the numerator of which shall be the Fair Market Value of the Common Stock on such Record Date, and

(ii) the denominator of which shall be (x) the Fair Market Value of the Common Stock on such Record Date minus (y) the amount of cash so distributed applicable to one (1) share of Common Stock,

such adjustment to be effective immediately prior to the opening of business on the first Business Day following the Record Date; provided, however, that in the event the portion of cash so distributed applicable to one (1) share of Common Stock is equal to or greater than the Fair Market Value of the Common Stock on the Record Date, in lieu of the foregoing adjustment, adequate provision shall be made so that the holders of Class B Warrants shall have the right to receive upon exercise of the Class B Warrants the amount of cash such holder would have received had such holder exercised such Class B Warrants on the Record Date. If the Exercise Price of a Class B Warrant is adjusted as hereinabove provided, the number of shares of Common Stock issuable upon exercise of such Class B Warrant shall be correspondingly increased by multiplying such number by the same fraction set forth above. In the event that such dividend or distribution is not so paid or made, the number of shares of Common Stock issuable upon exercise of a Class B Warrant and the Exercise Price shall again be adjusted to be the number of shares of Common Stock issuable upon exercise of such Class B Warrant and the Exercise Price that would then be in effect if such dividend or distribution had not been declared.

(e) Dilutive Issuances. In case the Company shall issue, sell or grant to any Person, whether directly or by assumption in a merger or otherwise (but other than any Excluded Issuance), (A) rights, warrants, options, exchangeable securities or convertible

securities entitling such Person to subscribe for, purchase or otherwise acquire shares of Common Stock (each referred to herein as "Rights") at a price per share less than the Fair Market Value of the Common Stock on the Trading Day immediately prior to such issuance, sale or grant, or (B) shares of Common Stock at a price per share less than the Fair Market Value of the Common Stock on the Trading Day immediately prior to such issuance, sale or grant, then the Exercise Price of each Class B Warrant in effect on the date of such issuance, sale or grant shall be reduced, concurrently with such issuance, sale or grant, by multiplying such Exercise Price by a fraction, of which (x) the numerator is the number of shares of Common Stock outstanding on the Trading Day immediately prior to such issuance, sale or grant plus the number of shares of Common Stock which the aggregate of the offering price of the total number of shares of Common Stock so offered for subscription, purchase or acquisition pursuant to such Rights, or so issued, would purchase at the Fair Market Value on the Trading Day immediately prior to the date of such issuance, sale or grant, and (y) the denominator shall be the number of shares of Common Stock outstanding on the Trading Day immediately prior to the date of such issuance, sale or grant plus the number of shares of Common Stock so offered for subscription, purchase or acquisition pursuant to such Rights, or so issued; provided, however, that in the case of any Rights issued or granted to all holders of Common Stock that expire by their terms not more than 60 days after the date of issue or grant thereof, no adjustment of the Exercise Price of the Class B Warrants shall be made until the expiration or exercise of all such Rights whereupon such adjustment shall be made in the manner provided in this Section 13(e); provided, further, that no adjustment under Section 13 shall be made in connection with a distribution of "poison pill" rights pursuant to a shareholder rights plan so long as the Company shall, in lieu of making any adjustment pursuant to this Section 13, make proper provision so that each holder who exercises a Class B Warrant after the record date for such distribution and prior to the expiration or redemption of all such rights shall be entitled to receive upon such exercise, in addition to the shares of Common Stock issuable upon such exercise, such number of rights that would have been issued on account of such shares of Common Stock if such shares had been outstanding at the time such rights were distributed. If the Exercise Price of a Class B Warrant is adjusted as hereinabove provided, the number of shares of Common Stock issuable upon exercise of such Class B Warrant shall be correspondingly increased by dividing it by the same fraction. If any such Rights are not exercised prior to the expiration thereof, the Exercise Price of a Class B Warrant and the number of shares of Common Stock issuable upon exercise of such Class B Warrant shall be immediately readjusted, effective as of the date such Rights expire, to the Exercise Price and the number of shares of Common Stock issuable upon exercise of such Class B Warrant that would have been in effect if the unexercised Rights had never been issued, sold or granted. Such adjustment shall be made successively whenever any such event shall occur. For the purposes of this paragraph, the aggregate of the offering price received or to be received by the Company shall include the maximum aggregate amount (if any) payable upon exercise or conversion of such Rights. The value of any consideration received or to be received by the Company, if other than cash, shall be reasonably determined by the Board in good faith on the basis of such information as it considers appropriate (without regard to any illiquidity or minority discounts). For purposes of determining the price at which the Rights or Common Stock in clause (A) or

(B) above are issued, any customary underwriting discounts and commissions, liquidity discounts (reasonably determined in good faith by the Board), placement fees or other similar expenses incurred by the Company in connection with such issuance shall not be taken into account.

(f) Fundamental Change Transaction. If any transaction or event (including, but not limited to, any merger, consolidation or other business combination, sale of assets, tender or exchange offer, reorganization, reclassification, compulsory share exchange or liquidation, but excluding stock dividends, subdivisions or combinations to which Sections 13(a) and 13(b) apply) occurs in which all or substantially all of the outstanding Common Stock is converted into, exchanged for, or the holders thereof are otherwise entitled to receive on account thereof stock, other securities, cash or assets (each, a "Fundamental Change Transaction"), the holder of each Class B Warrant outstanding immediately prior to the occurrence of such Fundamental Change Transaction shall have the right upon any subsequent exercise of all or any portion of such Class B Warrant (and payment of the Exercise Price) to receive (but only out of legally available funds, to the extent required by applicable law) the kind and amount of stock, other securities, cash and/or assets that such holder would have received if such Class B Warrant (or portion thereof being exercised) had been exercised pursuant to the terms hereof immediately prior to such Fundamental Change Transaction (assuming such holder failed to exercise his rights of election, if any, as to the kind or amount of stock, securities, cash, assets or other property receivable upon such Fundamental Change Transaction). The Company will not effect any Fundamental Change Transaction unless prior to the consummation thereof the successor Person (if other than the Company) or purchasing Person shall assume by written instrument the obligation to deliver to each holder of Class B Warrants such shares of stock, securities, cash or assets as, in accordance with the foregoing provisions, such holder may be entitled to purchase. Any such agreement executed by such successor Person shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 13. The provisions of this Section 13(f) shall similarly apply to successive Fundamental Change Transactions.

(g) Calculations. All calculations under this Section 13 shall be made by the Company and shall be made to the nearest cent, with one half-cent being rounded upward. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Company. No adjustment need be made for:

(i) Excluded Issuances;

(ii) a change in the par value of the Common Stock; or

(iii) any event for which an adjustment has already been provided under any subsection of this Section 13; provided, however, that if any event occurs that would result in an adjustment under more than one subsection of this Section 13, the subsection that results in the most favorable adjustment to the holders of Class B Warrants shall control.

To the extent the Class B Warrants become exercisable into cash, no adjustment need be made thereafter as to the cash. Interest will not accrue on the cash.

(h) De Minimis Adjustments. No adjustment under this Section 13 shall be made unless such adjustment would require a cumulative increase or decrease of at least 1% in the Exercise Price for a Class B Warrant (it being agreed that there shall be no adjustment to the number of shares of Common Stock issuable upon exercise of a Class B Warrant if there is no adjustment to the Exercise Price as a result of this Section 13(h)); provided, however, that any adjustments which by reason of this Section 13(h) are not required to be made shall be carried forward and taken into account in any subsequent adjustment.

(i) Form of Class B Warrant After Adjustment. The form of the Global Warrant Certificate need not be changed because of any adjustments in the Exercise Price or the number of shares of Common Stock issuable upon exercise of the Class B Warrants, and Class B Warrants theretofore or thereafter issued may continue to express the same price and number and kind of shares as are stated in Class B Warrants, as initially issued.

Section 14. Fractional Shares. The Company shall not be required to issue fractional shares of Common Stock on the exercise of Class B Warrants. If more than one Class B Warrant shall be presented for exercise at the same time by the same holder, the number of full shares of Common Stock which shall be issuable upon the exercise thereof shall be computed on the basis of the aggregate number of shares of Common Stock purchasable on exercise of all Class B Warrants so presented. If any fraction of a share of Common Stock would, except for the provisions of this Section 14, be issuable on the exercise of any Class B Warrants (or specified portion thereof), in lieu of issuing such fraction of a share, the Company shall, at its sole option, (x) round up such fraction to the nearest whole number of shares of Common Stock or (y) concurrently pay or provide to the Warrant Agent for payment to the holder of the Class B Warrant an amount in cash equal to the product of (a) such fraction of a share of Common Stock and (b) the Fair Market Value of a share of Common Stock as of the day the Class B Warrant was presented for exercise.

Section 15. Notices to Warrantholders. Upon any adjustment of the number of shares of Common Stock purchasable upon exercise of any Class B Warrant or the Exercise Price of any Class B Warrant, including any adjustment pursuant to Section 13, the Company, within twenty (20) calendar days thereafter, shall (i) prepare and deliver, or cause to be prepared and delivered, to the Warrant Agent a certificate signed by an Appropriate Officer setting forth the event giving rise to such adjustment, such Exercise Price and the number of shares of Common Stock purchasable upon exercise of such Class B Warrant after such adjustment and setting forth in reasonable detail the method of calculation and the facts upon which such adjustment was made, which certificate shall be conclusive evidence of the correctness of the matters set forth therein, and (ii) cause to be given to each of the holders of Class B Warrants at such holder's address appearing on the Warrant Register, written notice of such adjustments by first-class mail, postage prepaid. Where appropriate, such notice may be given in advance and included as a part of the notice required to be mailed under the other provisions of this Section 15.

In the event of:

(a) any taking by the Company of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution, or any right to subscribe for, purchase or otherwise acquire any shares of Capital Stock of any class or any other securities or property, or to receive any other right; or

(b) any capital reorganization of the Company, any reclassification or recapitalization of the Capital Stock of the Company or any transfer of all or substantially all the assets of the Company to, or any consolidation or merger of the Company with or into, any other Person; or

(c) any voluntary or involuntary dissolution, liquidation or winding-up of the Company; or

(d) any proposed issue or grant by the Company of any shares of Capital Stock of any class or any other securities, or any right or option to subscribe for, purchase or otherwise acquire any shares of Capital Stock of any class or any other securities, in each case if such issuance or grant is reasonably likely to be at a price below the Fair Market Value of the applicable securities,

then, and in each such event, the Company shall cause written notice of such event to be filed with the Warrant Agent and shall cause written notice of such event to be given to each of the holders of the Class B Warrants at such holder's address appearing on the Warrant Register, by first-class mail, post prepaid, specifying as applicable (x) the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and stating the amount and character of such dividend, distribution or right, (y) the date on which any such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding-up is anticipated to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable on such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding-up and (z) the amount and character of any Capital Stock or other securities, or rights or options with respect thereto, proposed to be issued or granted, the date of such proposed issue or grant and the Persons or class of Persons to whom such proposed issue or grant is to be offered or made. Such notice shall be delivered by the Company as set forth above as soon as reasonably practicable prior to the date specified in such notice on which any such action is to be taken; provided, however, that in no event shall the Company be required to deliver such notice (x) more than ten (10) Business Days prior to such specified date or (y) prior to the time the Company publicly discloses or is required by law (if required by law) to publicly disclose such event. Failure to give such notice shall not affect the validity of any action taken in connection with such proposed event.

Section 16. Merger, Consolidation or Change of Name of Warrant Agent.

(a) Any Person into which the Warrant Agent may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which the Warrant Agent shall be a party, or any Person succeeding to the shareholder services business of the Warrant Agent, shall be the successor to the Warrant Agent hereunder without the execution or filing of any document or any further act on the part of any of the parties hereto, provided that such Person would be eligible for appointment as a successor Warrant Agent under the provisions of Section 18. If at the time such successor to the Warrant Agent shall succeed under this Agreement, any of the Global Warrant Certificates shall have been countersigned but not delivered, any such successor to the Warrant Agent may adopt the countersignature of the original Warrant Agent; and if at that time any of the Global Warrant Certificates shall not have been countersigned, any successor to the Warrant Agent may countersign such Global Warrant Certificates either in the name of the predecessor Warrant Agent or in the name of the successor Warrant Agent; and in all such cases such Global Warrant Certificates shall have the full force provided in the Global Warrant Certificates and in this Agreement.

(b) If at any time the name of the Warrant Agent shall be changed and at such time any of the Global Warrant Certificates shall have been countersigned but not delivered, the Warrant Agent whose name has changed may adopt the countersignature

under its prior name; and if at that time any of the Global Warrant Certificates shall not have been countersigned, the Warrant Agent may countersign such Global Warrant Certificates either in its prior name or in its changed name; and in all such cases such Global Warrant Certificates shall have the full force provided in the Global Warrant Certificates and in this Agreement.

Section 17. Warrant Agent. The Warrant Agent undertakes the duties and obligations imposed by this Agreement upon the following terms and conditions, by all of which the Company and the holders of Class B Warrants, by their acceptance thereof, shall be bound:

(a) The statements contained herein and in the Global Warrant Certificates shall be taken as statements of the Company, and the Warrant Agent assumes no responsibility for the accuracy of any of such statements except such as describe the Warrant Agent or action taken or to be taken by it. Except as herein otherwise provided, the Warrant Agent assumes no responsibility with respect to the execution, delivery or distribution of the Global Warrant Certificates.

(b) The Warrant Agent shall not be responsible for any failure of the Company to comply with any of the covenants contained in this Agreement or in the Global Warrant Certificates to be complied with by the Company nor shall it at any time be under any duty or responsibility to any holder of a Class B Warrant to make or cause to be made any adjustment in any Exercise Price or in the number of shares of Common Stock issuable upon exercise of any Class B Warrant (except as instructed by the Company), or to determine whether any facts exist which may require any such adjustments, or with respect to the nature or extent of or method employed in making any such adjustments when made.

(c) The Warrant Agent may consult at any time with counsel satisfactory to it (who may be counsel for the Company) and the Warrant Agent shall incur no liability or responsibility to the Company or any holder of any Class B Warrant in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the opinion or the advice of such counsel.

(d) The Warrant Agent shall incur no liability or responsibility to the Company or to any holder of any Class B Warrant for any action taken in reliance on any statement, notice, resolution, waiver, consent, order, certificate or other paper, document or instrument believed by it to be genuine and to have been made, signed, sent or presented by the proper party or parties.

(e) The Company agrees to pay to the Warrant Agent the fees set forth in Schedule A attached hereto for all services rendered by the Warrant Agent under this Agreement and to reimburse the Warrant Agent upon demand for all reasonable expenses incurred by the Warrant Agent in the performance of its duties under this Agreement and to indemnify the Warrant Agent and save it harmless against any and all losses, liabilities and expenses, including the cost of defending itself against any claims or charges, and including judgments, costs and reasonable counsel fees and expenses, for anything done or omitted by the Warrant Agent arising out of or in connection with this Agreement except as a result of its gross negligence, bad faith or willful misconduct. The Company shall not be responsible for any settlement made without its written consent.

(f) The Warrant Agent shall be under no obligation to institute any action, suit or legal proceeding or to take any other action likely to involve expense or liability unless the Company or one or more registered holders of Class B Warrants shall furnish the Warrant Agent with reasonable security and indemnity for any costs or expenses which may be incurred. All rights of action under this Agreement or under any of the Class B Warrants may be enforced by the Warrant Agent without the possession of any of the Global Warrant Certificates or the production thereof at any trial or other proceeding relative thereto, and any such action, suit or proceeding instituted by the Warrant Agent shall be brought in its name as Warrant Agent, and any recovery or judgment shall be for the ratable benefit of the registered holders of the Class B Warrants, as their respective rights or interests may appear.

(g) The Warrant Agent, and any stockholder, affiliate, director, officer or employee thereof, may buy, sell or deal in any of the Class B Warrants or other securities of the Company or become pecuniarily interested in any transaction in which the Company may be interested, or contract with or lend money to the Company or otherwise act as fully and freely as though they were not the Warrant Agent under this Agreement, or a stockholder director, officer or employee of the Warrant Agent, as the case may be. Nothing herein shall preclude the Warrant Agent from acting in any other capacity for the Company or for any other Person.

(h) The Warrant Agent shall act hereunder solely as agent for the Company, and its duties shall be determined solely by the provisions hereof. The Warrant Agent shall not be liable for anything which it may do or refrain from doing in connection with this Agreement except for its own gross negligence, bad faith or willful misconduct.

(i) The Company agrees that it will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all such further and other acts, instruments and assurances as any may be reasonably required by the Warrant Agent for the carrying out or performing of the provisions of this Agreement.

(j) The Warrant Agent shall not be under any responsibility in respect of the validity of this Agreement or the execution and delivery hereof (except the due execution hereof by the Warrant Agent) or in respect of the validity or execution of any Global Warrant Certificate (except its countersignature thereof), nor shall the Warrant Agent by any act hereunder be deemed to make any representation or warranty as to the authorization or reservation of the shares of Common Stock to be issued upon exercise of any Class B Warrant or as to whether such shares of Common Stock will when issued be validly issued, fully paid and nonassessable or as to any Exercise Price or the number of shares of Common Stock issuable upon exercise of any Class B Warrant.

(k) The Warrant Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties hereunder from the Chairman of the Board, the Chief Executive Officer, the President, any Vice President, the Treasurer,

the Secretary or an Assistant Secretary of the Company, and to apply to such officers for advice or instructions in connection with its duties, and shall not be liable for any action taken or suffered to be taken by it in good faith in accordance with instructions of any such officer or in good faith reliance upon any statement signed by any one of such officers of the Company with respect to any fact or matter (unless other evidence in respect thereof is herein specifically prescribed) which may be deemed to be conclusively proved and established by such signed statement.

Section 18. Change of Warrant Agent. If the Warrant Agent shall resign (such resignation to become effective not earlier than sixty (60) days after the giving of written notice thereof to the Company and the registered holders of Class B Warrants), or shall be adjudged a bankrupt or an insolvent, or shall file a voluntary petition in bankruptcy or make an assignment for the benefit of its creditors or consent to the appointment of a receiver of all or any substantial part of its property or affairs or shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay or meet its debts generally as they become due, or if an order of any court shall be entered approving any petition filed against the Warrant Agent under the provisions of bankruptcy laws or any similar legislation, or if a receiver, trustee or other similar official of it or of all or any substantial part of its property shall be appointed, or if any public officer shall take charge or control of it or of its property or affairs, for the purpose of rehabilitation, conservation, protection, relief, winding up or liquidation, or shall become incapable of acting as Warrant Agent or if the Board shall by resolution remove the Warrant Agent (such removal to become effective not earlier than thirty (30) days after the filing of a certified copy of such resolution with the Warrant Agent and the giving of written notice of such removal to the registered holders of Class B Warrants), the Company shall appoint a successor to the Warrant Agent. If the Company shall fail to make such appointment within a period of thirty (30) days after such removal or after it has been so notified in writing of such resignation or incapacity by the Warrant Agent or by the registered holder of a Class B Warrant (in the case of incapacity), then the registered holder of any Class B Warrant may apply to any court of competent jurisdiction for the appointment of a successor to the Warrant Agent. Pending appointment of a successor to the Warrant Agent, either by the Company or by such a court, the duties of the Warrant Agent shall be carried out by the Company. Any successor Warrant Agent, whether appointed by the Company or by such a court, shall be a bank or trust company, in good standing, incorporated under the laws of any state or of the United States of America. As soon as practicable after appointment of the successor Warrant Agent, the Company shall cause written notice of the change in the Warrant Agent to be given to each of the registered holders of the Class B Warrants at such holder's address appearing on the Warrant Register. After appointment, the successor Warrant Agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Warrant Agent without further act or deed. The former Warrant Agent shall deliver and transfer to the successor Warrant Agent any property at the time held by it hereunder and execute and deliver, at the expense of the Company, any further assurance, conveyance, act or deed necessary for the purpose. Failure to give any notice provided for in this Section 18 or any defect therein, shall not affect the legality or validity of the removal of the Warrant Agent or the appointment of a successor Warrant Agent, as the case may be.

Section 19. Warrantholder Not Deemed a Stockholder; Information Rights. Nothing contained in this Agreement or in any of the Global Warrant Certificates shall be construed as

conferring upon the holders thereof the right to vote or to receive dividends or to consent or to receive notice as stockholders in respect of the meetings of stockholders or for the election of directors of the Company or any other matter, or any rights whatsoever as stockholders of the Company.

Section 20. Notices to Company and Warrant Agent. All notices, requests or demands authorized by this Agreement to be given or made by the Warrant Agent or by any registered holder of any Class B Warrant to or on the Company to be effective shall be in writing (including by facsimile), and shall be deemed to have been duly given or made when delivered by hand, or two (2) Business Days after being delivered to a recognized courier (whose stated terms of delivery are two (2) Business Days or less to the destination of such notice), or five (5) days after being deposited in the mail, first class and postage prepaid or, in the case of facsimile notice, when received, addressed (until another address is filed in writing by the Company with the Warrant Agent), as follows:

Primus Telecommunications Group, Incorporated
7901 Jones Branch Drive, Suite 900
McLean, Virginia 22102
Attention: John F. DePodesta
Facsimile: (703) 902-2814

If the Company shall fail to maintain such office or agency or shall fail to give such notice of any change in the location thereof, presentation may be made and notices and demands may be served at the principal office of the Warrant Agent.

Any notice pursuant to this Agreement to be given by the Company or by any registered holder of any Class B Warrant to or on the Warrant Agent shall be sufficiently given if sent in the same manner as notices, requests or demands are to be given or made to or on the Company (as set forth above) addressed (until another address is filed in writing by the Warrant Agent with the Company), as follows:

StockTrans, Inc.
44 West Lancaster Avenue
Ardmore, Pennsylvania 19003
Attention: Robert J. Winterle
Facsimile: (610) 649-7302

The Warrant Agent maintains a Warrant Agent Office at 44 West Lancaster Avenue, Ardmore, Pennsylvania 19003.

Section 21. Supplements and Amendments. The Company and the Warrant Agent may from time to time supplement or amend this Agreement (a) without the approval of any holders of Class B Warrants in order to cure any ambiguity or to correct or supplement any provision contained herein that may be defective or inconsistent with any other provision herein, or to make any other provisions in regard to matters or questions arising hereunder that the

Company and the Warrant Agent may deem necessary or desirable and that shall not adversely affect, alter or change the interests of the holders of the Class B Warrants; (b) with the prior written consent of holders of the Class B Warrants (excluding Class B Warrants held by the Company or any of its controlled affiliates) exercisable for a majority of the shares of Common Stock then issuable upon exercise of all Class B Warrants (excluding Class B Warrants held by the Company or any of its controlled affiliates) then outstanding; provided that each amendment or supplement that decreases the Warrant Agent's rights or increases its duties and responsibilities hereunder shall also require the prior written consent of the Warrant Agent or (c) with the prior written consent of each holder of the Class B Warrants adversely affected, in the case of any amendment pursuant to which any Exercise Price would be increased or the number of shares of Common Stock issuable upon exercise of any Class B Warrant would be decreased.

Section 22. Successors. Subject to Section 7, all the covenants and provisions of this Agreement by or for the benefit of the Company, the Warrant Agent or the holders of Class B Warrants shall bind and inure to the benefit of their respective successors and assigns hereunder.

Section 23. Termination. This Agreement shall terminate on the Expiration Date. Notwithstanding the foregoing, this Agreement will terminate on any earlier date when all Class B Warrants have been exercised. The provisions of Section 17 shall survive such termination. Termination of this Agreement shall not relieve the Company of any of its obligations arising prior to the date of such termination.

Section 24. Governing Law. This Agreement and each Class B Warrant issued hereunder shall be deemed to be a contract made under the laws of the State of New York (without giving effect to the conflict of laws provisions thereof) and for all purposes shall be construed in accordance with the laws of such State.

Section 25. Benefits of this Agreement. Nothing in this Agreement shall be construed to give to any Person other than the Company, the Warrant Agent and the registered holders of the Class B Warrants any legal or equitable right, remedy or claim under this Agreement, and this Agreement shall be for the sole and exclusive benefit of the Company, the Warrant Agent and the registered holders of the Class B Warrants.

Section 26. Counterparts. This Agreement may be executed in any number of counterparts (including by facsimile or portable document format (PDF) signatures) and each of such counterparts shall for all purposes be deemed to be an original, and such counterparts shall together constitute but one and the same instrument.

Section 27. Headings. The headings of sections of this Agreement have been inserted for convenience of reference only, are not to be considered a part hereof and in no way modify or restrict any of the terms or provisions hereof.

Section 28. Entire Agreement. This Agreement and the Global Warrant Certificates constitute the entire agreement of the Company, the Warrant Agent and the registered holders of the Class B Warrants with respect to the subject matter hereof and supercedes all prior agreements and undertakings, both written and oral, among the Company, the Warrant Agent and the registered holders of the Class B Warrants with respect to the subject matter hereof.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Warrant Agreement to be executed and delivered as of the day and year first above written.

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

By: /s/ John F. DePodesta
Name: John F. DePodesta
Title: Executive Vice President

ATTEST:

/s/ Kari Kowalski

STOCKTRANS, INC.

By: /s/ Robert Winterle
Name: Robert J. Winterle
Title: Vice President

ATTEST:

/s/ Angela Lamb

EXHIBIT A to
WARRANT AGREEMENT

FORM OF FACE OF GLOBAL WARRANT CERTIFICATE

VOID AFTER 5:00 P.M., NEW YORK CITY TIME, ON JULY 1, 2014

This Global Warrant Certificate is held by The Depository Trust Company (the "Depositary") or its nominee in custody for the benefit of the beneficial owners hereof, and is not transferable to any Person under any circumstances except that (i) this Global Warrant Certificate may be exchanged in whole but not in part pursuant to Section 7(a) of the Warrant Agreement, (ii) this Global Warrant Certificate may be delivered to the Warrant Agent for cancellation pursuant to Section 7(h) of the Warrant Agreement and (iii) this Global Warrant Certificate may be transferred to a successor Depositary with the prior written consent of the Company.

Unless this Global Warrant Certificate is presented by an authorized representative of the Depositary to the Company or the Warrant Agent for registration of transfer, exchange or payment and any certificate issued is registered in the name of Cede & Co., or such other entity as is requested by an authorized representative of the Depositary (and any payment hereon is made to Cede & Co. or to such other entity as is requested by an authorized representative of the Depositary), any transfer, pledge or other use hereof for value or otherwise by or to any Person is wrongful because the registered owner hereof, Cede & Co., has an interest herein.

Transfers of this Global Warrant Certificate shall be limited to transfers in whole, but not in part, to nominees of the Depositary or to a successor thereof or such successor's nominee, and transfers of portions of this Global Warrant Certificate shall be limited to transfers made in accordance with the restrictions set forth in Section 7 of the Warrant Agreement.

No registration or transfer of the securities issuable pursuant to the Class B Warrant will be recorded on the books of the Company until these provisions have been complied with.

THE SALE, ASSIGNMENT, PLEDGE, ENCUMBRANCE OR OTHER TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO THE TERMS OF A CLASS B WARRANT AGREEMENT, DATED AS OF JULY 1, 2009 (THE "WARRANT AGREEMENT"), BETWEEN THE ISSUER OF THIS CERTIFICATE AND THE WARRANT AGENT NAMED THEREIN. BY ACCEPTING ANY INTEREST IN THE SECURITIES REPRESENTED BY THIS CERTIFICATE, THE RECIPIENT OF SUCH SECURITIES SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL OF THE PROVISIONS OF SAID WARRANT AGREEMENT. A COPY OF SAID WARRANT AGREEMENT MAY BE OBTAINED UPON WRITTEN REQUEST TO THE SECRETARY OF THE ISSUER OF THIS CERTIFICATE.

THIS WARRANT WILL BE VOID IF NOT EXERCISED PRIOR TO
5:00 P.M., NEW YORK CITY TIME, ON JULY 1, 2014

No.

WARRANT TO PURCHASE _____
SHARES OF COMMON STOCK

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

WARRANT TO PURCHASE COMMON STOCK

CUSP # 741929 15 2
DISTRIBUTION DATE: JULY 1, 2009

This Global Warrant Certificate certifies that , or registered assigns, is the registered holder of a Class B Warrant (the "Warrant") of **PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED**, a Delaware corporation (the "Company"), to purchase the number of shares of common stock, par value $.001 per share (the "Common Stock"), of the Company set forth above. This Warrant expires on July 1, 2014 and entitles the holder to purchase from the Company up to the number of fully paid and nonassessable shares of Common Stock set forth above at a price per share of Common Stock equal to $26.01 (as adjusted from time to time in accordance with the terms of the Warrant Agreement, the "Exercise Price"). The Exercise Price and the number of shares of Common Stock purchasable upon exercise of this Warrant are subject to adjustment upon the occurrence of certain events as set forth in the Warrant Agreement.

This Global Warrant Certificate shall not be valid unless countersigned by the Warrant Agent.

IN WITNESS WHEREOF, the Company has caused this Global Warrant Certificate to be executed by its duly authorized officers, and the corporate seal hereunto affixed.

Dated: _____

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

By: _____
Name:
Title:

[Corporate Seal of Primus Telecommunications Group, Incorporated]

ATTEST:

By: _____

Countersigned:

STOCKTRANS, INC.,

AS WARRANT AGENT

By: _____
Name:
Title:

Address of Registered Holder for Notices (until changed in accordance with this Warrant):

_____
_____
_____
_____

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS WARRANT CERTIFICATE SET FORTH ON THE REVERSE HEREOF. SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.

FORM OF REVERSE OF WARRANT

The Warrant evidenced by this Global Warrant Certificate is a part of a duly authorized issue of Warrants to purchase shares of Common Stock issued pursuant to that the Warrant Agreement, a copy of which may be inspected at the Warrant Agent's office designated for such purpose. The Warrant Agreement hereby is incorporated by reference in and made a part of this instrument and is hereby referred to for a description of the rights, limitation of rights, obligations, duties and immunities thereunder of the Warrant Agent, the Company and the registered holders of the Class B Warrants. All capitalized terms used on the face of this Warrant herein but not defined that are defined in the Warrant Agreement shall have the meanings assigned to them therein.

Upon due presentment for registration of transfer of the Warrant at the office of the Warrant Agent designated for such purpose, a new Global Warrant Certificate or Global Warrant Certificates of like tenor and evidencing in the aggregate a like number of Warrants shall be issued to the transferee in exchange for this Global Warrant Certificate, subject to the limitations provided in the Warrant Agreement, without charge except for any applicable tax or other charge.

Subject to Section 14 of the Warrant Agreement, the Company shall not be required to issue fractions of shares of Common Stock or any certificates that evidence fractional shares of Common Stock.

No Warrants may be sold, exchanged or otherwise transferred in violation of the Securities Act or state securities laws.

This Warrant does not entitle the registered holder thereof to any of the rights of a stockholder of the Company.

The Company and Warrant Agent may deem and treat the registered holder hereof as the absolute owner of this Global Warrant Certificate (notwithstanding any notation of ownership or other writing hereon made by anyone other than the Company or the Warrant Agent) for the purpose of any exercise hereof and for all other purposes, and neither the Company nor the Warrant Agent shall be affected by any notice to the contrary.

EXHIBIT B-1 to
WARRANT AGREEMENT

EXERCISE FORM FOR REGISTERED HOLDERS
HOLDING BOOK-ENTRY WARRANTS
(To be executed upon exercise of Warrant)

The undersigned hereby irrevocably [(subject to the proviso set forth below)] elects to exercise the right, represented by the Book-Entry Warrants, to purchase shares of Common Stock and (check one or both):

herewith tenders payment for of the shares of Common Stock to the order of Primus Telecommunications Group, Incorporated in the amount of $ in accordance with the terms of the Warrant Agreement and this Warrant; and/or

herewith tenders this Warrant for shares of Common Stock pursuant to the cashless exercise provisions of Section 8(b) of the Warrant Agreement [in connection with a Change of Control] [pursuant to an effective registration statement] [on account of the Fair Market Value of a share of Common Stock as of the date of this exercise being equal to, or in excess of, 150% of the Exercise Price of this Warrant]. This exercise and election shall be immediately effective or shall be effective as of 5:00 p.m., New York time, on , 20 ; provided, however, that in the event that [the Change of Control shall not be consummated] [the registration statement shall not be declared effective] [the Fair Market Value of a share of Common Stock as of the date of this exercise shall not be equal to, or in excess of, 150% of the Exercise Price of this Warrant], then this exercise shall be deemed to be revoked.

The undersigned requests that [a statement representing] the shares of Common Stock be delivered as follows:

Name _____

Address _____

_____

Delivery Address (if different) _____

_____

_____

If said number of shares shall not be all the shares purchasable under the within Warrant Statement, the undersigned requests that a new Book-Entry Warrant representing the balance of such Warrants shall be registered as follows:

Name _____

Address _____

Delivery Address (if different) _____

Signature

_____
Social Security or Other Taxpayer Identification Number of Holder

Note: If the statement representing the shares of Common Stock or any Book-Entry Warrants representing Warrants not exercised is to be registered in a name other than that in which the Book-Entry Warrants are registered, the signature of the holder hereof must be guaranteed.

SIGNATURE GUARANTEED BY:

_____

Signatures must be guaranteed by a participant in the Securities Transfer Agent Medallion Program, the Stock Exchanges Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program.

Countersigned:
Dated: , 20

StockTrans, Inc.,
as Warrant Agent

Signature _____
Authorized Signatory

EXHIBIT B-2 to
WARRANT AGREEMENT

EXERCISE FORM FOR BENEFICIAL HOLDERS
HOLDING WARRANTS THROUGH THE DEPOSITORY TRUST COMPANY
TO BE COMPLETED BY DIRECT PARTICIPANT
IN THE DEPOSITORY TRUST COMPANY
(To be executed upon exercise of Warrant)

The undersigned hereby irrevocably [(subject to the first proviso set forth below)] elects to exercise the right, represented by Warrants held for its benefit through the book-entry facilities of Depository Trust Company (the "Depositary"), to purchase Common Stock and (check one or both):

herewith tenders payment for of the Common Stock to the order of Primus Telecommunications Group, Incorporated in the amount of $ in accordance with the terms of the Warrant Agreement and this Warrant; and/or

herewith tenders this Warrant for shares of Common Stock pursuant to the cashless exercise provisions of Section 8(b) of the Warrant Agreement [in connection with a Change of Control] [pursuant to an effective registration statement] [on account of the Fair Market Value of a share of Common Stock as of the date of this exercise being equal to, or in excess of, 150% of the Exercise Price of this Warrant]. This exercise and election shall be immediately effective or shall be effective as of 5:00 p.m., New York time, on , 20 ; provided, however, that in the event that [the Change of Control shall not be consummated] [the registration statement shall not be declared effective] [the Fair Market Value of a share of Common Stock as of the date of this exercise shall not be equal to, or in excess of, 150% of the Exercise Price of this Warrant], then this exercise shall be deemed to be revoked.

The undersigned requests that the shares of Common Stock issuable upon exercise of the Warrants be in registered form in the authorized denominations, registered in such names and delivered, all as specified in accordance with the instructions set forth below; provided, that if the shares of Common Stock are evidenced by global securities, the shares of Common Stock shall be registered in the name of the Depositary or its nominee.

Dated:

NOTE: THIS EXERCISE NOTICE MUST BE DELIVERED TO THE WARRANT AGENT, PRIOR TO 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE. THE WARRANT AGENT SHALL NOTIFY YOU (THROUGH THE CLEARING SYSTEM) OF (1) THE WARRANT AGENT'S ACCOUNT AT THE DEPOSITARY TO WHICH YOU MUST DELIVER YOUR WARRANTS ON THE EXERCISE DATE AND (2) THE ADDRESS, PHONE NUMBER AND FACSIMILE NUMBER WHERE YOU CAN CONTACT THE WARRANT AGENT AND TO WHICH WARRANT EXERCISE NOTICES ARE TO BE SUBMITTED. NAME OF DIRECT PARTICIPANT IN THE DEPOSITARY:

(PLEASE PRINT)

ADDRESS:

CONTACT NAME:

ADDRESS:

TELEPHONE (INCLUDING INTERNATIONAL CODE):

FAX (INCLUDING INTERNATIONAL CODE):

SOCIAL SECURITY OR OTHER TAXPAYER IDENTIFICATION NUMBER (IF APPLICABLE):

ACCOUNT FROM WHICH WARRANTS ARE BEING DELIVERED:

DEPOSITARY ACCOUNT NO.:

WARRANT EXERCISE NOTICES WILL ONLY BE VALID IF DELIVERED IN ACCORDANCE WITH THE INSTRUCTIONS SET FORTH IN THIS NOTIFICATION (OR AS OTHERWISE DIRECTED), MARKED TO THE ATTENTION OF “WARRANT EXERCISE”. WARRANT HOLDER DELIVERING WARRANTS, IF OTHER THAN THE DIRECT DEPOSITARY PARTICIPANT DELIVERING THIS WARRANT EXERCISE NOTICE:

NAME: _____
(PLEASE PRINT)

CONTACT NAME:

TELEPHONE (INCLUDING INTERNATIONAL CODE):

FAX (INCLUDING INTERNATIONAL CODE):

SOCIAL SECURITY OR OTHER TAXPAYER IDENTIFICATION NUMBER (IF APPLICABLE):

ACCOUNT TO WHICH THE SHARES OF COMMON STOCK ARE TO BE CREDITED:

DEPOSITARY ACCOUNT NO.

FILL IN FOR DELIVERY OF THE COMMON STOCK, IF OTHER THAN TO THE PERSON DELIVERING THIS WARRANT EXERCISE NOTICE:

NAME: _____
(PLEASE PRINT)

ADDRESS: _____

CONTACT NAME: _____

TELEPHONE (INCLUDING INTERNATIONAL CODE): _____

FAX (INCLUDING INTERNATIONAL CODE): _____

SOCIAL SECURITY OR OTHER TAXPAYER IDENTIFICATION NUMBER (IF APPLICABLE): _____

NUMBER OF WARRANTS BEING EXERCISED: _____
(ONLY ONE EXERCISE PER WARRANT EXERCISE NOTICE)

Signature: _____
Name: _____
Capacity in which Signing: _____
SIGNATURE GUARANTEED BY: _____

Signatures must be guaranteed by a participant in the Securities Transfer Agent Medallion Program, the Stock Exchanges Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program.

EXHIBIT C to
WARRANT AGREEMENT

FORM OF ASSIGNMENT

(To be executed only upon assignment of Warrant)

For value received, hereby sells, assigns and transfers unto the Assignee(s) named below the rights represented by such Warrant to purchase number of shares of Common Stock listed opposite the respective name(s) of the Assignee(s) named below and all other rights of the holder of Class B Warrants under the within Warrant, and does hereby irrevocably constitute and appoint attorney, to transfer said Warrant on the books of the within-named Company with respect to the number of shares of Common Stock set forth below, with full power of substitution in the premises:

Name(s) of Assignee(s)	**Address**	**No. of Shares of Common Stock**

And if said number of shares of Common Stock shall not be all the shares of Common Stock represented by the Warrant, a new Warrant is to be issued in the name of said undersigned for the balance remaining of the shares of Common Stock registered by said Warrant.

Dated: , 20

Signature _____

Note: The above signature should correspond exactly with the name on the face of this Warrant

Exhibit 10.1

SUPPLEMENTAL INDENTURE

SUPPLEMENTAL INDENTURE (this "**Supplemental Indenture**"), dated as of July 1, 2009, by and among Primus Telecommunications IHC, Inc., a Delaware corporation (the "Issuer"), the Guarantors (as defined in the Indenture referred to below) and U.S. Bank National Association, a national banking association, as Trustee under the Indenture referred to below (the "Trustee"). Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

W I T N E S S E T H

WHEREAS, the Issuer and the Guarantors have heretofore executed and delivered to the Trustee an indenture, dated as of February 26, 2007, by and among the Issuers, the Guarantors, and the Trustee (the "**Indenture**"), pursuant to which the Company has issued $175.3 million aggregate principal amount of the Company's 14.25% Senior Secured Notes due 2011 (the "**Notes**");

WHEREAS, the Issuer has implemented a restructuring of the Notes and the related Claims evidenced thereby (as that term is defined in section 101(5) of title 11 of the United States Code) through a confirmed plan of reorganization pursuant to voluntary bankruptcy cases under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 in the United States Bankruptcy Court for the District of Delaware (the "**Plan**"); and

WHEREAS, the Plan provides that the Indenture shall be amended as set forth in this Supplemental Indenture;

NOW, THEREFORE, the Issuer and the Guarantors hereby covenant and agree with the Trustee for the equal and proportionate benefit of the Holders as follows:

ARTICLE 1
AMENDMENT

Section 1.01. Amendment to Exhibit A. All references in the Indenture to Exhibit A shall mean the form of Note attached to this Supplemental Indenture as Exhibit A.

Section 1.02. Amendment to the Recitals of the Issuer and the Guarantors. The first paragraph of the Recitals of the Issuer and the Guarantors shall be deleted and replaced in its entirety with the following:

The Issuer has duly authorized the creation of an issue of 14.25% Senior Subordinated Secured Notes Due 2013 (the "Initial Notes") and 14.25% Series B Senior Subordinated Secured Notes Due 2013 (the "Exchange Notes" and, together with the Initial Notes, the "Notes"), of substantially the tenor and amount hereinafter set forth, and to provide therefor the Issuer has duly authorized the execution and delivery of this Indenture.

Section 1.03 Amendments to Section 1.01.

(a) Section 1.01 is hereby amended to amend and restate the following definitions in their entirety:

"**Additional Notes**" means any Notes issued subsequent to the Closing Date (other than Exchange Notes issued in exchange for Initial Notes and other than PIK Notes (and any increase in the principal amount thereof) issued as a result of the payment of PIK Interest) in accordance with the terms of this Indenture, including Section 3.01, Section 3.03 and Section 10.11.

"**Notes**" has the meaning stated in the first recital of this Indenture and more particularly means any Notes authenticated and delivered under the Indenture, including Additional Notes and PIK Notes. For purposes of this Indenture, the term "Notes" shall include any Exchange Notes to be issued and exchanged for any Initial Notes pursuant to the Registration Rights Agreement and this Indenture and shall include any PIK Notes (and any increase in the principal amount of any Global Note) issued as a result of the payment of PIK Interest and, for purposes of this Indenture, (A) all Initial Notes and Exchange Notes (including, to the extent provided in clauses (B) and (C), Additional Notes and PIK Notes (or increase in the principal amount of any Global Note as a result of the payment of PIK Interest), respectively) shall vote together as one series of Notes under this Indenture, (B) all Additional Notes that are of the same series as other Notes shall vote together with such other Notes as one series of Notes under this Indenture, and (C) all PIK Notes that are of the same series as other Notes (or increase in the principal amount of any Global Note as a result of the payment of PIK Interest) shall vote together with such other Notes as one series of Notes under this Indenture.

(b) Section 1.01 is hereby amended to insert the following definitions in alphabetical order:

"**Canadian Facility**" means that certain Senior Secured Credit Agreement, dated as of March 27, 2007, by and among Primus Telecommunications Canada Inc., 3082833 Nova Scotia Company, the lenders party thereto from time to time, Group, Holding and Guggenheim Corporate Funding, LLC, as administrative agent and collateral agent (as may be amended, restated, supplemented or otherwise modified from time to time).

"**Cash Interest**" means interest paid in the form of cash.

"**PIK Interest**" means interest paid with respect to the Notes in the form of either increasing the outstanding principal amount of a Global Note or, with respect to any Note that is not a Global Note, issuing PIK Notes.

"**PIK Notes**" means additional Notes issued under this Indenture on the same terms and conditions as the Notes issued on the Closing Date in connection with the payment of PIK Interest.

"**Priority Indebtedness**" means (a) any Indebtedness of any Restricted Subsidiary of the Issuer and (b) any Indebtedness of any Restricted Person (including the Notes) which is secured by any Lien on any of the assets or properties of any character (including, without limitation, licenses and trademarks) of the Issuer or any Restricted Person, or on any shares of Capital Stock or Indebtedness of any Restricted Person; provided, that Priority Indebtedness shall not include Indebtedness owing by any Restricted Person to the Issuer or any Subsidiary Guarantor.

(c) Section 1.01 is hereby amended to amend and restate clause (xii) of the definition of Permitted Liens in its entirety as follows:

(xii) Liens securing Indebtedness incurred after July 1, 2009 to refinance or replace any secured Indebtedness outstanding on July 1, 2009 (plus premiums, accrued interest, and reasonable fees and expenses on or relating to such secured Indebtedness) that was incurred under clause (i) of paragraph (b) of Section 10.11; provided that such Liens do not extend to or cover any property or assets of any Restricted Person other than the property or assets or, in the case of accounts receivables and inventories and to the extent covered by the terms of the Indebtedness being refinanced, properties or assets of a similar type or category as the property or assets securing the Indebtedness being refinanced or replaced;

Section 1.04. Insertion of Section 1.15. A new Section 1.15 is inserted to provide as follows:

Notwithstanding anything herein to the contrary and to the extent not prohibited by the Trust Indenture Act of 1939, the right to receive payments under this Agreement by the Second Lien Collateral Agent or the Holders and the lien and security interest granted to the Second Lien Collateral Agent pursuant to the Collateral Agreement and the exercise of any right or remedy by the Second Lien Collateral Agent or the Holders hereunder or thereunder are subject to the provisions of the Intercreditor Agreement and the lien and payment subordination provisions contained therein, among Parent, the Company, The Bank of New York Mellon (as successor to Lehman Commercial Paper Inc.), as First Lien Collateral Agent, and U.S. Bank National Association, as Second Lien Collateral Agent, and certain other persons party or that may become party thereto from time to time. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement or the Collateral Agreement, the terms of the Intercreditor Agreement shall govern and control.

Section 1.05. Amendments to Section 3.01.

(a) The fourth paragraph of Section 3.01 of the Indenture shall be deleted and replaced in its entirety with the following:

The Initial Notes shall be known as the "14.25% Senior Subordinated Secured Notes Due 2013" and the Exchange Notes shall be known as the "14.25% Series B Senior Subordinated Secured Notes Due 2013," in each case, of the Issuer. The Stated Maturity of the Notes shall be May 20, 2013, and the Notes shall bear interest at the rate of 14.25% per annum from the Issuance Date, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable semi-annually on May 31 and November 30 in each year, commencing on May 31, 2007, and at said Stated Maturity, until the principal thereof is paid or duly provided for.

(b) The second-to-last paragraph of Section 3.01 of the Indenture shall be deleted and replaced in its entirety with the following:

The Issuer shall pay interest on the Notes in cash; provided, however, that prior to the earlier of (i) the extension of the maturity of or the repayment in full of the Indebtedness outstanding pursuant to the First Lien Term Loan Credit Facility and the Canadian Facility or (ii) June 1, 2011, up to 4.25% per annum of the interest on the Notes may be paid, at the sole option of the Issuer, as PIK Interest.

With respect to Global Notes only, if a Holder has given wire instructions to the Issuer, the Issuer will pay all principal of (and premium and Additional Interest, if any) and Cash Interest on such Holder's Notes in accordance with those instructions. Otherwise, the principal of (and premium and Additional Interest, if any) and Cash Interest on the Notes shall be payable at the office or agency of the Issuer maintained for such purpose in The City of New York, or at such other office or agency of the Issuer as may be maintained for such purpose; provided, however, that, at the option of the Issuer, Cash Interest may be paid by check mailed to addresses of the Persons entitled thereto as such addresses shall appear on the Note Register.

(c) There shall be added to the end of Section 3.01 of the Indenture the following paragraph:

Notwithstanding anything in this Indenture to the contrary, in connection with the payment of PIK Interest, the Issuer is entitled, without the consent of the Holders (and without regard to any restrictions or limitations set forth in Section 10.11 hereof), to either increase the outstanding principal amount of a Global Note or, with respect to any Note that is not a Global Note, issue PIK Notes.

Section 1.06 Amendment to Section 3.02. Section 3.02 of the Indenture is hereby amended and restated in its entirety as follows:

Denominations. The Notes shall be issuable only in registered form without coupons and only in denominations of $1,000 and any integral multiple thereof; provided that Notes issued to a Holder that certifies that it is an Accredited Investor on the form set forth as Exhibit C pursuant to Section 3.07 shall be issuable only in registered form without coupons and only in denominations of $250,000 and any integral multiple of $1,000 in excess thereof; provided further that PIK Notes shall be issuable in registered form without coupons and only in denominations of $1.00 and any integral multiple thereof.

Section 1.07 Amendment to Section 3.03. The fourth paragraph of Section 3.03 of the Indenture is hereby amended and restated in its entirety as follows:

At any time and from time to time after the execution and delivery of this Indenture, the Issuer may deliver Initial Notes executed by the Issuer to the Trustee for authentication, together with an Issuer Order for the authentication and delivery of such Initial Notes directing the Trustee to authenticate the Notes and certifying that all conditions precedent to the issuance of Notes contained herein have been fully complied with, and the Trustee in accordance with such Issuer Order shall authenticate and deliver such Initial Notes. On Issuer Order, the Trustee shall authenticate for original issue Exchange Notes; provided that such Exchange Notes shall be issuable only upon the valid surrender for cancellation of Initial Notes of a like aggregate principal amount in accordance with an Exchange Offer pursuant to the Registration Rights Agreement and an Issuer Order for the authentication of such securities certifying that all conditions precedent to the issuance have been complied with (including the effectiveness of a registration statement related thereto). On Issuer Order, the Trustee shall authenticate for original issue PIK Notes (or increases in the principal amount of any Global Note) as a result of the payment of PIK Interest; provided that such PIK Notes (or increase in the principal amount of any Global Note) as a result of the payment of PIK Interest shall be issuable upon an Issuer Order for the authentication of such securities (or increase in the principal amount of any Global Note) certifying that all conditions precedent to the issuance have been complied with. In each case, the Trustee shall be entitled to receive an Officer's Certificate and an Opinion of Counsel of the Issuer that it may reasonably request in connection with such authentication of Notes. Such order shall specify the amount of Notes to be authenticated or increased and the date on which the original issue of Initial Notes, Exchange Notes or PIK Notes (or increases in the principal amount of any Global Note) are to be authenticated or increased.

Section 1.08. Amendment to Section 10.01. There shall be added to the end of Section 10.01 of the Indenture the following sentence:

PIK Interest shall be considered paid on the date due if the Trustee is directed on or prior to such date to issue PIK Notes or increase the principal amount of the Global Note, in each case, in an amount equal to the amount of applicable PIK Interest.

Section 1.09. Amendment to Section 10.09. Section 10.09 of the Indenture is hereby amended to add the following at the end of such section:

(d) At Group's option, in lieu of complying with the provisions set forth in Sections 10.09(a), (b) and (c) above, Group may furnish to the Trustee:

(i) as soon as available, but in any event within 90 days after the end of each fiscal year of Group, a copy of the audited consolidated balance sheet of Group as at the end of such year and the related audited consolidated statements of income and of cash flows for such year, setting forth in each case in comparative form the figures as of the end of and for the previous year, reported on by Deloitte & Touche or other independent certified public accountants of nationally recognized standing;

(ii) as soon as available, but in any event not later than 45 days after the end of each of the first three quarterly periods of each fiscal year of Group, the unaudited consolidated balance sheet of Group as at the end of such quarter and the related unaudited consolidated statements of income and of cash flows for such quarter and the portion of the fiscal year through the end of such quarter, setting forth in each case in comparative form the figures as of the end of and for the corresponding period in the previous year; and all such financial statements to be complete and correct in all material respects and to be prepared in reasonable detail and in accordance with GAAP applied consistently throughout the periods reflected therein and with prior periods (except as approved by such accountants or officer, as the case may be, and disclosed therein);

(iii) in connection with each delivery pursuant to clause (ii) above, a certificate by the Chief Financial Officer of Group certifying that such financial statements are fairly stated in all material respects (subject to normal year-end audit adjustments); and

(iv) in addition, for so long as any Notes remain outstanding, Group shall furnish to the Holders, beneficial owners of the Notes, and to securities analysts and prospective investors, upon their request, the information described above as well as all information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Group will distribute such information and such reports electronically to the Trustee, and will make them available upon request to any Holder, any beneficial owner of the Notes, any prospective investor, any securities analyst and any market maker in the Notes by posting such information and reports on Intralinks or any comparable password protected outline data system, which will require a confidentiality acknowledgement. Group shall also comply with Section 314 of the Trust Indenture Act.

Section 1.10. Amendments to Section 10.10.

(a) Section 10.10(c)(vii) of the Indenture is hereby amended and restated in its entirety as follows:

(vii) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the

Notes surrendered; provided that each Note purchased and each new Note issued shall be in a principal amount of $1,000 or integral multiples thereof; provided further that each PIK Note in definitive form purchased and each new PIK Note issued shall be in a principal amount of $1.00 or integral multiples thereof.

(b) The second paragraph of Section 10.10(e) of the Indenture is hereby amended and restated in its entirety as follows:

The Paying Agent promptly shall mail, to the Holders of Notes so accepted, payment in an amount equal to the purchase price, and the Trustee promptly shall authenticate and mail to such Holders a new Note equal in principal amount of any unpurchased portion of the Notes surrendered; provided that each Note purchased and each new Note issued shall be in a principal amount of $1,000 or integral multiples thereof; provided further that each PIK Note in definitive form purchased and each new PIK Note in definitive form issued shall be in a principal amount of $1.00 or integral multiples thereof. The Issuer will announce publicly the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

Section 1.11. Amendments to Section 10.11.

(a) Section 10.11(a) of the Indenture is hereby amended and restated in its entirety as follows:

(a) Issuer will not, and will not permit any of the Restricted Persons to, Incur any Indebtedness, including Acquired Indebtedness (other than Existing Indebtedness and the Notes issued under the Indenture (other than Additional Notes)); provided, however, that

(i) the Issuer and any Restricted Person that is a Guarantor may Incur Indebtedness, including Acquired Indebtedness but excluding Priority Indebtedness, if immediately thereafter the ratio (the "Indebtedness to Consolidated Cash Flow Ratio") of:

(A) the aggregate principal amount (or accreted value, as the case may be) of Indebtedness of the Restricted Persons on a consolidated basis outstanding as of the Transaction Date to

(B) the Pro Forma Consolidated Cash Flow of the Restricted Persons for the preceding two full fiscal quarters multiplied by two, determined on a pro forma basis as if any such Indebtedness that had been Incurred and the proceeds thereof had been applied at the beginning of such two fiscal quarters,

would be greater than zero and less than 3.5 to 1.0 or, if Group is, at the time of determination, a Restricted Person, 5.0 to 1.0; and

(ii) the Issuer and any Restricted Person that is a Guarantor may Incur Priority Indebtedness, including Acquired Indebtedness, if immediately thereafter the ratio (the "Priority Indebtedness to Consolidated Cash Flow Ratio") of

(A) the aggregate principal amount (or accreted value, as the case may be) of Priority Indebtedness of the Restricted Persons on a consolidated basis outstanding as of the Transaction Date to

(B) the Pro Forma Consolidated Cash Flow of the Restricted Persons for the preceding two full fiscal quarters multiplied by two, determined on a pro forma basis as if any such Indebtedness that had been Incurred and the proceeds thereof had been applied at the beginning of such two fiscal quarters, would be greater than zero and less than 2.0 to 1.0.

(b) Clause (iii) of Section 10.11(b) of the Indenture is hereby amended by inserting the following before the semicolon at the end of such clause:

and, in the case of any Indebtedness other than intercompany Indebtedness arising out of the ordinary course of business intercompany transactions, may not constitute Priority Indebtedness

(c) Clause (iv) of Section 10.11(b) of the Indenture is hereby amended and restated in its entirety as follows:

(iv) Indebtedness of any Restricted Person issued in exchange for, or the net proceeds of which are used to refinance or refund, then outstanding Indebtedness of a Restricted Person, other than Indebtedness Incurred under clauses (i), (iii), (v), (viii), (ix) and (x) of this paragraph, and any refinancings thereof in an amount not to exceed the amount so refinanced or refunded (plus premiums, accrued interest, and reasonable fees and expenses); provided that such new Indebtedness shall only be permitted under this clause (iv) if

(A) in case the Notes are refinanced in part or the Indebtedness to be refinanced is pari passu with the Notes or any applicable Guarantee, such new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is issued or remains outstanding, is expressly made pari passu with, or subordinate in right of payment to, the remaining Notes or the applicable Guarantee,

(B) in case the Indebtedness to be refinanced is subordinated in right of payment to the Notes or any applicable Guarantee, such new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is issued or remains outstanding, is made subordinate expressly in right of payment to the Notes or the applicable Guarantee at least to the extent that the Indebtedness to be refinanced is subordinated to the Notes and the applicable Guarantee,

(C) such new Indebtedness, determined as of the date of Incurrence of such new Indebtedness, does not mature prior to the Stated Maturity of the Indebtedness to be refinanced or refunded, and the Average Life of such new Indebtedness is at least equal to the remaining Average Life of the Indebtedness to be refinanced or refunded; and provided further that in no event may (1) Indebtedness of Parent be refinanced by means of any Indebtedness of any Restricted Person that is a Subsidiary of Parent pursuant to this clause (iv) and (2) Indebtedness of the Issuer be refinanced by means of any Indebtedness of any Restricted Subsidiary of the Issuer pursuant to this clause (iv), and

(D) such new Indebtedness may not constitute Priority Indebtedness except to the extent that, and in the same manner as, the Indebtedness to be refinanced or refunded is Priority Indebtedness;

(d) Clause (vi) of Section 10.11(b) of the Indenture is hereby amended to insert the following at the end of such clause:

provided, that proceeds of Indebtedness of any Subsidiary Guarantor may not be used to defease any Indebtedness of any Person other than such Subsidiary Guarantor or another Subsidiary Guarantor;

(e) Clause (vii) of Section 10.11(b) of the Indenture is hereby amended and restated in its entirety as follows:

(vii) Acquired Indebtedness not to exceed $100 million at any one time outstanding; provided that, as a result of such incurrence,

(A) in the case of Acquired Indebtedness incurred by any Restricted Person, the Indebtedness to Consolidated Cash Flow Ratio at the time of the incurrence of such Acquired Indebtedness and calculated giving pro forma effect to such incurrence (in accordance with the definition of “Indebtedness to Consolidated Cash Flow Ratio”) and the related Asset Acquisition as if the same had occurred at the beginning of the most recently ended two fiscal quarters, would have been less than, in the case of Acquired Indebtedness incurred directly by any Restricted Person, the Indebtedness to Consolidated Cash Flow Ratio for the same period without giving pro forma effect to such incurrence and Asset Acquisition; and

(B) in the case of Acquired Indebtedness that is Priority Indebtedness, the Priority Indebtedness to Consolidated Cash Flow Ratio at the time of the incurrence of such Acquired Indebtedness and calculated

giving pro forma effect to such incurrence (in accordance with the definition of "Priority Indebtedness to Consolidated Cash Flow Ratio") and the related Asset Acquisition as if the same had occurred at the beginning of the most recently ended two fiscal quarters, would have been less than the Priority Indebtedness to Consolidated Cash Flow Ratio for the same period without giving pro forma effect to such incurrence and Asset Acquisition;

(f) Clause (ix) of Section 10.11(b) of the Indenture is hereby amended and restated in its entirety as follows:

(ix) Indebtedness (other than Priority Indebtedness) of any Restricted Person not otherwise permitted hereunder in an aggregate principal amount which, when aggregated with the principal amount of all other Indebtedness then outstanding and incurred by any Restricted Person pursuant to this clause (ix) or clause (xi) below, does not exceed $200 million at any one time outstanding;

(g) Clause (x) of Section 10.11(b) of the Indenture is hereby amended by deleting the period at the end of such clause and substituting "; and" in lieu thereof.

(h) Section 10.11(b) of the Indenture is hereby amended by inserting the following new clause (xi):

(xi) Indebtedness of the Issuer and the Subsidiary Guarantors in respect of the Notes (and guarantees thereof), whether issued prior to or after July 1, 2009, in an aggregate principal amount outstanding, when combined with any outstanding principal amount of Indebtedness issued under clause (ix) above, not to exceed $200,000,000.

Section 1.12. Amendments to Section 10.17.

(a) Section 10.17(vii) of the Indenture is hereby amended and restated in its entirety as follows:

(vii) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered; provided that each Note purchased and each new Note issued shall be in a principal amount of $1,000 or integral multiples thereof; provided further that each PIK Note in definitive form purchased and each new PIK Note in definitive form issued shall be in a principal amount of $1.00 or integral multiples thereof.

(b) The second to the last paragraph of Section 10.17 of the Indenture is hereby amended and restated in its entirety as follows:

The Paying Agent promptly shall mail to the Holders of Notes so accepted payment in an amount equal to the purchase price, and the Trustee shall upon Issuer Order promptly authenticate and mail to such Holders a new Note equal in principal amount to any unpurchased portion of the Note surrendered; provided that each Note purchased and each new Note issued shall be in a principal amount of $1,000 or integral multiples thereof; provided further that each PIK Note in definitive form purchased and each new PIK Note in definitive form issued shall be in a principal amount of $1.00 or integral multiples thereof. The Issuer will publicly announce the results of the Excess Proceeds Offer as soon as practicable after the Excess Proceeds Payment Date. For purposes of this Section 10.17, the Trustee shall act as the Paying Agent.

Section 1.13. Amendment to Section 11.04. The first paragraph of Section 11.04 of the Indenture is hereby amended and restated in its entirety as follows:

Selection by Trustee of Notes to Be Redeemed. If less than all the Notes are to be redeemed, the particular Notes to be redeemed shall be selected not more than 60 days prior to the Redemption Date by the Trustee, from the Outstanding Notes not previously called for redemption, in compliance with the requirements of the principal national securities exchange, if any, on which the Notes are listed, if the Notes are not listed on a national securities exchange, on a pro rata basis, by lot or by such method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions of the principal of Notes; provided that no such partial redemption shall reduce the portion of the principal amount of a Note not redeemed to less than $1,000; provided further that no such partial redemption shall reduce the portion of the principal amount of a PIK Note in definitive form not redeemed to less than $1.00.

Section 1.14. Amendment to Intercreditor Agreement. On the date hereof, the Collateral Agent, on behalf of the Holders of the Notes, shall enter into the amendment to the Intercreditor Agreement substantially in the form attached as Annex A hereto.

Section 1.15 Amendment to the Collateral Agreement. On the date hereof, the Collateral Agent, on behalf of the Holders of the Notes, shall enter into the amendment to the Collateral Agreement substantially in the form attached as Annex B hereto.

ARTICLE 2
MISCELLANEOUS

Section 2.01 Effect and Operation of Supplemental Indenture. This Supplemental Indenture shall be effective, binding and operative immediately upon its execution by the Issuer, the Guarantors and the Trustee, and thereupon this Supplemental Indenture shall form a part of the Indenture for all purposes, and every Note and Guarantee heretofore or hereafter authenticated and delivered under the Indenture shall be bound hereby. Upon the execution of this Supplemental Indenture by the Issuer, the Guarantors and the Trustee, all Defaults and Events of Default under the Indenture existing prior to the execution of this Supplemental Indenture shall be deemed cured.

Section 2.02 Indenture and Supplemental Indenture Construed Together. This Supplemental Indenture is an indenture supplemental to and in implementation of the Indenture, and the Indenture and this Supplemental Indenture shall henceforth be read and construed together.

Section 2.03 Trust Indenture Act Controls. If any provision of the Indenture, as amended by this Supplemental Indenture, limits, qualifies or conflicts with the duties imposed by TIA § 318(c), the imposed duties shall control.

Section 2.04 GOVERNING LAW. THE INTERNAL LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS SECOND SUPPLEMENTAL INDENTURE WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

Section 2.05 Successors. All covenants and agreements by an Obligor in the Indenture, as amended by this Supplemental Indenture, shall bind its successors and assigns, whether so expressed or not.

Section 2.06 Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

Section 2.07 Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

Section 2.08 Severability. In case any provision in the Indenture, as amended by this Supplemental Indenture, or in the Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 2.09 The Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Company.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

PRIMUS TELECOMMUNICATIONS IHC, INC.,
as the Issuer

By: /s/ Thomas Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

Guarantors:

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

By: /s/ Thomas Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

PRIMUS TELECOMMUNICATIONS HOLDING, INC.

By: /s/ Thomas Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

PRIMUS TELECOMMUNICATIONS, INC.

By: /s/ Thomas Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

TRESCOM INTERNATIONAL, INC.

By: /s/ Thomas Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

LEAST COST ROUTING, INC.

By: /s/ Thomas Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

TRESCOM U.S.A., INC.

By: /s/ Thomas Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

IPRIMUS USA, INC.

By: /s/ Thomas Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

IPRIMUS.COM, INC.

By: /s/ Thomas Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: /s/ William G. Keenan
Name: William G. Keenan
Title: Vice President

EXHIBIT A

[FORM OF FACE OF NOTE]

PRIMUS TELECOMMUNICATIONS IHC, INC.

14.25% [Series B][1] Senior Subordinated Secured Note Due 2013

[CUSIP] [CINS]

No. $

Primus Telecommunications IHC, Inc., a Delaware corporation (herein called the "Issuer," which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to or registered assigns, the principal sum of United States dollars on May 20, 2013, at the office or agency of the Issuer referred to below, and to pay interest thereon on May 31, 2007 and semi-annually thereafter, on May 31 and November 30 in each year, from February 26, 2007 or from the most recent Interest Payment Date to which interest has been paid or duly provided for, at the rate of 14.25% per annum as set forth below, until the principal hereof is paid or duly provided for, and (to the extent lawful) to pay on demand interest on any overdue interest at the rate borne by the Notes from the date on which such overdue interest becomes payable to the date payment of such interest has been made or duly provided for. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Note (or one or more Predecessor Notes) is registered at the close of business on the Regular Record Date for such interest, which shall be the May 15 or November 15 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date, and such defaulted interest, and (to the extent lawful) interest on such defaulted interest at the rate borne by the Notes, may be paid to the Person in whose name this Note (or one or more Predecessor Notes) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Notes not less than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture. The right of a Holder to payments hereunder is subject to the subordination provisions for the prior payment of First Lien Obligations (as defined in the Intercreditor Agreement) to the extent set forth in the Intercreditor Agreement.

The Issuer shall pay interest on the Notes in cash ("Cash Interest"); provided, however, that prior to the earlier of (i) the extension of the maturity of or the repayment in full of the Indebtedness outstanding pursuant to the First Lien Term Loan Credit Facility and the Canadian

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[1] Include only for Exchange Notes.

Facility or (ii) June 1, 2011, up to 4.25% per annum of the interest on the Notes may be paid, at the option of the Issuer, [by increasing the principal amount of this Note][2] [by issuing PIK Notes ("PIK Interest")] [3]. The Issuer must elect the form of interest payment with respect to each Interest Payment Date by delivering a notice to the Trustee prior to such Interest Payment Date. The Trustee shall promptly deliver a corresponding notice to the Holders. In the absence of such an election for any Interest Payment Date, interest on this Note will be payable in the form of the interest payment for the prior Interest Payment Date.

PIK Interest on this Note will be payable [by increasing the principal amount of this Note by an amount equal to the amount of PIK Interest (rounded up to the nearest $1,000)][4] [by issuing PIK Notes in an aggregate principal amount equal to the amount of PIK Interest (rounded up to the nearest whole dollar) and the Trustee will, at the request of the Issuer, authenticate and deliver such PIK Notes for original issuance to the Holders on the relevant record date, as shown on the Note Register][5]. [Following an increase in the principal amount of this Note as a result of the payment of PIK Interest, this Note will bear interest on such increased principal amount from and after the date of such payment of PIK Interest.][6] [Any PIK Notes will be dated as of the applicable Interest Payment Date and will bear interest from and after such date.][7] All PIK Notes issued pursuant to the payment of PIK Interest will mature on May 20, 2013 and will be governed by, and subject to the terms, provisions and conditions of, the Indenture and shall have the same rights and benefits as the Notes issued on the Issuance Date. [Any PIK Notes will be issued with the description "PIK" on the face of such PIK Note.][8]

The Holder of this Note is entitled to the benefits of the Registration Rights Agreement, dated as of February 26, 2007 (the "Registration Rights Agreement"), among the Issuer, Primus Telecommunications Group, Incorporated, Primus Telecommunications Holding, Inc., the subsidiaries party thereto and the Holders party thereto. In the event that either (i) any of the Registration Statements required by the Registration Rights Agreement is not declared effective by the Commission on or prior to the date specified for such effectiveness in the Registration Rights Agreement (the "Effectiveness Target Date"), (ii) the Exchange Offer has not been consummated on or prior to the date specified for such consummation in the Registration Rights Agreement or (iii) any Registration Statement required by the Registration Rights Agreement is filed and declared effective but thereafter ceases to be effective or fails to be usable for its intended purpose (in the case of the Exchange Offer Registration Statement referred to in the Registration Rights Agreement, at any time after the Effectiveness Target Date and, in the case of a Shelf Registration Statement referred to in the Registration Rights Agreement, at any time

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[2] Include for Global Notes only.
[3] Include for certificated Notes only.
[4] Include for Global Notes only.
[5] Include for certificated Notes only.
[6] Include for Global Notes only.
[7] Include for certificated Notes only.
[8] Include for certificated Notes only.

but subject to certain permitted suspensions as more fully described in the Registration Rights Agreement) without being succeeded within five Business Days by a post-effective amendment to such Registration Statement that cures such failure and that is declared effective within such five Business Day period (each such event referred to in clauses (i) through (iii) above, a "Registration Default"), additional cash interest ("Additional Interest") shall accrue to each Holder of the Notes commencing upon the occurrence of such Registration Default in an amount equal to .25% per annum of the principal amount of Notes held by such Holder. The amount of Additional Interest will increase by an additional .25% per annum of the principal amount of Notes with respect to each subsequent 90-day period (or portion thereof) until all Registration Defaults have been cured, up to a maximum rate of Additional Interest of 1.00% per annum of the principal amount of Notes. All accrued Additional Interest will be paid to Holders by the Issuer in the same manner as interest is paid pursuant to the Indenture. Following the cure of all Registration Defaults, the accrual of Additional Interest will cease.

If a Holder has given wire instructions to the Issuer, the Issuer will pay all principal of (and premium and Additional Interest, if any) and Cash Interest on such Holder's Notes in accordance with those instructions. Otherwise, payment of the principal of (and premium and Additional Interest, if any) and Cash Interest on this Note will be made at the office or agency of the Issuer maintained for that purpose in The City of New York, or at such other office or agency of the Issuer as may be maintained for such purpose, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided, however, that payment of Cash Interest may be made at the option of the Issuer (i) by check mailed to the address of the Person entitled thereto as such address shall appear on the Note Register or (ii) by transfer to an account maintained by the payee located in the United States.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been duly executed by the Trustee referred to on the reverse hereof by manual signature, this Note shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed under its corporate seal.

PRIMUS TELECOMMUNICATIONS IHC, INC.

By: _____
Name:
Title:

Attest:

Authorized Signature

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

Dated: _____

This is one of the Notes referred to in the within-mentioned Indenture

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Signatory

[FORM OF REVERSE SIDE OF NOTE]

PRIMUS TELECOMMUNICATIONS IHC, INC.

14.25% [Series B][9] Senior Subordinated Secured Notes Due 2013

This Note is one of a duly authorized issue of notes of the Issuer designated as its 14.25% Senior Subordinated Secured Notes Due 2013 (herein called the "Notes"), which may be issued under an indenture (herein called the "Indenture") dated as of February 26, 2007 among the Issuer, Primus Telecommunications Group, Incorporated ("Group"), Primus Telecommunications Holding, Inc. ("Holding" and, together with Group, "Parent"), the subsidiaries party thereto (the "Subsidiary Guarantors" and, together with Parent, the "Guarantors") and U.S. Bank National Association, trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties, obligations and immunities thereunder of the Issuer, Parent, the Subsidiary Guarantors, the Trustee and the Holders of the Notes, and of the terms upon which the Notes are, and are to be, authenticated and delivered.

The performance and punctual payment when due, whether at maturity, by acceleration, by redemption or otherwise, of all monetary obligations of the Issuer under this Indenture and the Notes, whether for principal of, or interest or Additional Interest on, the Notes, indemnification or otherwise, are unconditionally guaranteed by Parent as set forth in the Indenture.

The Notes are subject to redemption upon not less than 30 nor more than 60 days prior notice, in whole or in part, at any time or from time to time on or after February 26, 2008 and prior to Maturity, at the election of the Issuer, at Redemption Prices (expressed in percentages of principal amount thereof), plus accrued and unpaid interest and Additional Interest, if any, thereon to the Redemption Date (subject to the right of Holders of record on the relevant Record Date to receive interest due on an Interest Payment Date that is on or prior to the Redemption Date), if redeemed during the 12-month period beginning February 26 of the years indicated:

	Redemption
2008	102.00%
2009	101.00%
2010 (and thereafter)	100.00%

Notwithstanding the foregoing, prior to February 26, 2008, the Issuer may on any one or more occasions redeem up to 35% of the originally issued principal amount of Notes at a redemption price of 100.00% of the principal amount thereof, plus accrued and unpaid interest and Additional Interest, if any, thereon to the redemption date, with the Net Cash Proceeds of one or more Equity Offerings to the extent such Net Cash Proceeds have been contributed to the

[9] Include only for Exchange Notes.

Issuer as common equity; provided (i) that at least 65% of the originally issued principal amount of Notes remains outstanding immediately after giving effect to such redemption and (ii) that notice of such redemption is mailed within 60 days of the closing of each such Equity Offering.

Upon the occurrence of a Change of Control, the Holder of this Note may require the Issuer, subject to certain limitations provided in the Indenture, to repurchase all or any part of this Note at a purchase price in cash in an amount equal to 101% of the principal amount thereof plus accrued and unpaid interest and Additional Interest, if any, to the date of purchase.

Under certain circumstances, in the event the Net Cash Proceeds received by the Issuer from an Asset Sale, which proceeds are not used to (i) (A) apply an amount equal to such Net Cash Proceeds to permanently reduce, repay, redeem or repurchase First Lien Indebtedness of any Restricted Person that is not a Guarantor, in each case owing to a Person other than any Restricted Person; provided that if such unsubordinated Indebtedness (other than secured Indebtedness under any Credit Facility) is pari passu with the Notes, then the Issuer will ratably reduce, repay, redeem or repurchase Indebtedness under the Notes, or (B) invest an equal amount, or the amount not so applied pursuant to clause (A), in long-term property or assets of a nature or type or that are used in a business (or in a company having property and assets of a nature or type, or engaged in a business) similar or related to the nature or type of the property and assets of, or the business of, the Issuer and the Restricted Persons existing on the date of such investment (as determined in good faith by the Board of Directors of Group, whose determination shall be conclusive and evidenced by a Board Resolution) and (ii) apply (no later than the end of the 360-day period immediately following the date of receipt of the Net Cash Proceeds from an Asset Sale) such excess Net Cash Proceeds (to the extent not applied pursuant to clause (i)) in accordance with the Indenture, the Issuer shall be required to make an offer to all Holders to purchase the maximum principal amount of Notes, in an integral multiple of $1,000, that may be purchased out of such amount at a purchase price in cash equal to 100% of the principal amount thereof, plus accrued, unpaid interest and Additional Interest, if any, to the date of purchase, in accordance with the Indenture. Holders of Notes that are subject to any offer to purchase shall receive an Excess Proceeds Offer from the Issuer prior to any related Excess Proceeds Payment Date.

In the case of any redemption or repurchase of Notes, interest installments and Additional Interest, if any, whose Stated Maturity is on or prior to the Redemption Date or Excess Proceeds Payment Date will be payable to the Holders of such Notes, or one or more Predecessor Notes, of record at the close of business on the relevant Record Date referred to on the face hereof. Notes (or portions thereof) for whose redemption and payment provision is made in accordance with the Indenture shall cease to bear interest from and after the Redemption Date or Excess Proceeds Payment Date, as the case may be.

In the event of redemption of this Note in part only, a new Note or Notes for the unredeemed portion hereof shall be issued in the name of the Holder hereof upon the cancellation hereof.

If an Event of Default shall occur and be continuing, the principal of all the Notes may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture contains provisions for defeasance at any time of (a) the entire indebtedness of the Issuer on this Note and (b) certain restrictive covenants and the related Defaults and Events of Default, upon compliance by the Issuer with certain conditions set forth therein, which provisions apply to this Note.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Issuer and the rights of the Holders under the Indenture at any time by the Issuer and the Trustee with the consent of the Holders of a majority in aggregate principal amount of the Notes at the time Outstanding. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Notes at the time Outstanding, on behalf of the Holders of all the Notes, to waive compliance by the Issuer with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by or on behalf of the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange herewith or in lieu hereof whether or not notation of such consent or waiver is made upon this Note.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Issuer, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest and Additional Interest, if any, on this Note at the times, place, and rate, and in the coin or currency, herein prescribed.

If less than all the Notes are to be redeemed, the particular Notes to be redeemed shall be selected not more than 60 days prior to the Redemption Date in compliance with the requirements of the principal national securities exchange, if any, on which the Notes are listed or, if the Notes are not listed on a national securities exchange, on a pro rata basis, by lot or by such other method as the Trustee in its sole discretion shall deem fair and appropriate and which may provide for the selection for redemption of portions of the principal of Notes.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registrable on the Note Register of the Issuer, upon surrender of this Note for registration of transfer at the office or agency of the Issuer maintained for such purpose in The City of New York, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Issuer and the Note Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Notes, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Notes are issuable only in registered form without coupons in denominations of $1,000 and any integral multiple thereof; provided that PIK Notes are issuable only in registered form without coupons in denominations of $1.00 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, the Notes are exchangeable for a like aggregate principal amount of Notes of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any registration of transfer or exchange of Notes, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to the time of due presentment of this Note for registration of transfer, the Issuer, the Trustee and any agent of the Issuer or the Trustee may treat the Person in whose name this Note is registered on the Note Register as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Issuer, the Trustee nor any agent shall be affected by notice to the contrary.

THIS NOTE SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

Interest on this Note shall be computed on the basis of a 360-day year of twelve 30-day months. All terms used in this Note which are defined in the Indenture and not otherwise defined herein shall have the meanings assigned to them in the Indenture.

Notwithstanding anything herein or in the Indenture to the contrary and to the extent not prohibited by the Trust Indenture Act of 1939, the right to receive payments under this Agreement by the Second Lien Collateral Agent or the Holders and the lien and security interest granted to the Second Lien Collateral Agent pursuant to the Collateral Agreement and the exercise of any right or remedy by the Second Lien Collateral Agent or the Holders hereunder or thereunder are subject to the provisions of the Intercreditor Agreement and the lien and payment subordination provisions contained therein, among Parent, the Company, The Bank of New York Mellon (as successor to Lehman Commercial Paper Inc.), as First Lien Collateral Agent, and U.S. Bank National Association, as Second Lien Collateral Agent, and certain other persons party or that may become party thereto from time to time. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement or the Collateral Agreement, the terms of the Intercreditor Agreement shall govern and control.

[FORM OF TRANSFER NOTICE]

FOR VALUE RECEIVED the undersigned registered holder hereby sell(s), assign(s) and transfer(s) unto

Insert Taxpayer Identification No.

(Please print or typewrite name and address including zip code of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing its attorney to transfer such Note on the books of the Issuer with full power of substitution in the premises.

[THE FOLLOWING PROVISION TO BE INCLUDED ON ALL NOTES OTHER THAN EXCHANGE NOTES AND OFFSHORE PHYSICAL NOTES]

In connection with any transfer of this Note occurring prior to the date which is the earlier of the (i) date of an effective Registration Statement or (ii) one year after the later of the original issuance of this Note or the last date on which this Note was held by an Affiliate of the Issuer, the undersigned confirms that without utilizing any general solicitation or general advertising:

[Check One]

☐ (a) this Note is being transferred in compliance with the exemption from registration under the Securities Act of 1933, as amended, provided by Rule 144A thereunder,

or

☐ (b) this Note is being transferred other than in accordance with (a) above and documents are being furnished which comply with the conditions of transfer set forth in this Note and the Indenture.

If neither of the foregoing boxes is checked, the Trustee or other Note Registrar shall not be obligated to register this Note in the name of any Person other than the Holder hereof unless and until the conditions to any such transfer of registration set forth herein and in Section 3.05 of the Indenture shall have been satisfied.

Signature Guarantee*:

Date:

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within-mentioned instrument in every particular, without alteration or any change whatsoever.

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* Guarantor must be a member of the Securities Transfer Agents Medallion Program (“STAMP”), the New York Stock Exchange Medallion Signature Program (“MSP”) or the Stock Exchange Medallion Program (“SEMP”)

DTC Participant Number: _____

TO BE COMPLETED BY PURCHASER IF (a) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing this Note for its own account or an account with respect to which it exercises sole investment discretion and that it or such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933, as amended, and that each is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Issuer as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that each is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Date:

NOTICE: To be executed by an executive officer

OPTION OF HOLDER TO ELECT PURCHASE

If you wish to have this Note purchased by the Issuer pursuant to Section 10.10 or 10.17 of the Indenture, check the Box: ☐

If you wish to have a portion of this Note purchased by the Issuer pursuant to Section 10.10 or 10.17 of the Indenture, state the amount (in original principal amount) below:

$.

Date:

Your Signature:

(Sign exactly as your name appears on the other side of this Note)

Signature Guarantee*: _____

* Guarantor must be a member of the Securities Transfer Agents Medallion Program ("STAMP"), the New York Stock Exchange Medallion Signature Program ("MSP") or the Stock Exchange Medallion Program ("SEMP")

DTC Participant Number: _____

ANNEX A

FORM OF
AMENDMENT TO INTERCREDITOR AGREEMENT

FORM OF
AMENDMENT TO COLLATERAL AGREEMENT

Exhibit 10.2

FIRST AMENDMENT (this "First Amendment") to the INTERCREDITOR AGREEMENT, dated as of February 26, 2007 (as amended through the date hereof, the "Intercreditor Agreement"), by and among PRIMUS TELECOMMUNICATIONS HOLDING, INC., a Delaware corporation (the "Company"), PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED (the "Parent"), PRIMUS TELECOMMUNICATIONS IHC, INC., a Delaware corporation (the "Notes Issuer"), THE BANK OF NEW YORK MELLON (as successor to LEHMAN COMMERCIAL PAPER INC., in its capacity as administrative agent for the First Lien Obligations (as defined in the Intercreditor Agreement)) (in such capacity, the "First Lien Collateral Agent"), and U.S. BANK NATIONAL ASSOCIATION, in its capacity as collateral agent for the Second Lien Obligations (as defined in the Intercreditor Agreement) (in such capacity, the "Second Lien Collateral Agent"), is dated as of the First Amendment Effective Date (as defined below). Unless otherwise noted herein, terms defined in the Intercreditor Agreement and used herein shall have the meanings given to them in the Intercreditor Agreement.

W I T N E S S E T H:

WHEREAS, the Parent, the Company, the Notes Issuer and certain other subsidiaries of the Parent commenced voluntary bankruptcy proceedings (the "Proceedings") on March 16, 2009, in connection with a prenegotiated plan of reorganization (as such plan may be modified from time to time, the "Plan") under Chapter 11 of title 11 of the United States Code (the "Bankruptcy Code");

WHEREAS, subject to the satisfaction of certain conditions, the Plan provides for the amendment of the Intercreditor Agreement in accordance with this First Amendment in certain circumstances;

WHEREAS, pursuant to the terms of the Plan and this First Amendment, the Second Lien Obligations will be subordinated to the First Lien Obligations in the manner and subject to the terms and conditions set forth herein; and

WHEREAS, this First Amendment will become effective on the date the conditions set forth in Section 5 hereto are satisfied and the Plan is substantially consummated.

NOW, THEREFORE, in consideration of the premises herein contained and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Amendments to Intercreditor Agreement.

(a) Each instance of the words "Lehman Commercial Paper Inc." and "LCPI" in the Intercreditor Agreement is hereby replaced with "The Bank of New York Mellon".

(b) Section 1.1 (*Defined Terms*).

(i) Section 1.1 of the Intercreditor Agreement is hereby amended by adding thereto the following definitions, which shall be inserted in proper alphabetical order:

"**Blockage Notice**" has the meaning assigned to that term in Section 8.3.

"**Capital Stock**" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) in equity of such Person, whether now outstanding or issued after the First Amendment Effective Date, including, without limitation, all Common Stock and Preferred Stock.

"**Common Stock**" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting, but in no event shall such Common Stock be redeemable for cash or other consideration (other than additional Common Stock) prior to the Discharge of the First Lien Obligations)) of such Person's common stock, whether now outstanding or issued after the First Amendment Effective Date, including, without limitation, all series and classes of such common stock.

"**Equity Interests**" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"**First Amendment Effective Date**" means the date the First Amendment to the Intercreditor Agreement, by and among the Company, the Parent, the Notes Issuer, the First Lien Collateral Agent and the Second Lien Collateral Agent became effective in accordance with its terms.

"**First Lien Credit Agreement Amendment**" means that certain Third Amendment to the Term Loan Agreement, dated as of the date hereof, among the Parent, the Company, the Lenders party thereto, LCPI as Existing Agent (as defined therein) and Bank of New York Mellon as Successor Agent (as defined therein).

"**Non-Cash Consideration**" has the meaning assigned to that term in Section 8.2(b).

"**Non-Payment Blockage Period**" has the meaning assigned to that term in Section 8.3.

"**Non-Payment Default**" has the meaning assigned to that term in Section 8.3.

"**Notes Payments**" has the meaning assigned to that term in Section 8.3.

"**Paying Agent**" has the meaning assigned to that term in Section 8.7.

"**Payment Default**" has the meaning assigned to that term in Section 8.3.

"**Permitted Junior Securities**" means:

(a) Equity Interests in the Notes Issuer, any Guarantor Subsidiary or any direct or indirect parent of the Notes Issuer; or

(b) debt securities that are subordinated to all First Lien Obligations (and any debt securities issued in exchange for First Lien Obligations) to substantially the same extent as, or to a greater extent than, the Second Lien Obligations are subordinated to First Lien Obligations under this Agreement;

provided that the term "Permitted Junior Securities" shall not include any securities distributed pursuant to a plan of reorganization if the First Lien Obligations are treated as part of the same class as the Second Lien Obligations for purposes of such plan of reorganization; provided, further, that to the extent that any

of the First Lien Obligations outstanding on the date of consummation of any such plan of reorganization are not paid in full in cash on such date, the holders of any such First Lien Obligations not so paid in full in cash have consented to the terms of such plan of reorganization.

"**PIK Interest**" means interest that is payable on the Senior Secured Notes by adding the amount of such interest to the principal amount of the Senior Secured Notes or by issuing a note in the same form and subject to the same terms as the Senior Secured Notes, in each case, in accordance with the terms of the Second Lien Loan Documents.

"**Preferred Stock**" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting, but in no event shall such Preferred Stock be redeemable for cash or other consideration (other than additional Preferred Stock or Common Stock) prior to the Discharge of the First Lien Obligations) of such Person's preferred or preference stock, whether now outstanding or issued after the First Amendment Effective Date, including, without limitation, all series and classes of such preferred or preference stock.

"**Responsible Officer**" means, when used with respect to the Second Lien Collateral Agent, any officer within the corporate trust department of the Second Lien Collateral Agent, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Second Lien Collateral Agent who customarily performs functions similar to those performed by the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such Person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of the Senior Secured Note Indenture.

"**Second Lien Note Documents**" means the Second Lien Loan Documents.

(c) The definition of "Second Lien Obligations" is hereby amended by inserting the phrase ", the Second Lien Guarantee" after the phrase "Senior Secured Note Indenture" therein.

(d) Section 2 (*Lien Priorities*). Section 2 of the Intercreditor Agreement is hereby amended by deleting the word "Lien" in the heading thereto.

(e) Section 2.1 (*Relative Priorities*). Section 2.1 of the Intercreditor Agreement is hereby amended by replacing the word "of" at the end of clause (x) of clause (iii) thereof with the word "or".

(f) Section 2.2 (*Prohibition on Contesting Liens*). Section 2.2 of the Intercreditor Agreement is hereby amended by (i) adding the words "or Payment Subordination" to the heading thereto; (ii) adding the phrase "or any provision of this agreement relating to the subordination in priority and right of payment of the Second Lien Obligations to the First Lien Obligations" immediately before the proviso in the first sentence thereof and (iii) adding the phrase "and with respect to payment" after the phrase "with respect to the Collateral" in the second sentence thereof.

(g) Section 2.4 (*Similar Liens and Agreements*). Section 2.4 of the Intercreditor Agreement is hereby amended by deleting the phrase "Section 8.9" set forth in the first sentence thereof and inserting in lieu thereof the phrase "Section 9.9".

(h) Section 3.1(e) is hereby amended by deleting such section in its entirety.

(i) Section 3.1(f) is hereby amended by adding the phrase "or in Section 8," immediately after the phrase "Sections 3.1(a) and (d)" in the first sentence thereof.

(j) Section 4.2 (*Payments Over)*. Section 4.2 of the Intercreditor Agreement is hereby amended and restated in its entirety as follows:

"4.2. Payments Over. So long as the Discharge of First Lien Obligations has not occurred, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against Parent, the Company or any other Grantor, any Collateral or proceeds thereof (including assets or proceeds subject to Liens referred to in the final sentence of Section 2.3) received by the Second Lien Collateral Agent or any Second Lien Claimholders in connection with the exercise of any right or remedy (including, without limitation, set-off, recoupment or counterclaim) relating to the Collateral, and any Notes Payments or distributions received by the Second Lien Collateral Agent or any Second Lien Claimholder from any source (whether from the Notes Issuer, any Grantor or any other Person) that were not then permitted to be made to the Second Lien Collateral Agent or any Second Lien Claimholder pursuant to Section 8 of this Agreement, shall, in each case, be segregated and held in trust and immediately paid over to the First Lien Collateral Agent for the benefit of the First Lien Claimholders in the same form as received, with any necessary endorsements or as a court of competent jurisdiction may otherwise direct. The First Lien Collateral Agent is hereby authorized to make any such endorsements as agent for the Second Lien Collateral Agent or any such Second Lien Claimholders. This authorization is coupled with an interest and is irrevocable until the Discharge of First Lien Obligations."

(k) Section 5.3(a) (*Amendments to First Lien Documents*). Section 5.3(a) of the Intercreditor Agreement is hereby amended and restated in its entirety to read as follows:

"(a) The First Lien Loan Documents may be amended, supplemented or otherwise modified in accordance with their terms and the First Lien Credit Agreement may be Refinanced, in each case, without notice to, or the consent of the Second Lien Collateral Agent or the Second Lien Claimholders, all without affecting the lien subordination, payment subordination or other provisions of this Agreement, except that, without the prior written consent of the Second Lien Collateral Agent, no amendment, waiver or other modification of the terms of the First Lien Loan Documents may (i) increase the then outstanding principal amount of the loans under the First Lien Loan Documents so that such amount is greater than $100,000,000.00 plus, in the case of a refinancing of the First Lien Credit Agreement in which the holders of the Refinancing debt or an agent acting on their behalf agree (in a writing addressed to the Second Lien Collateral Agent) to the terms of this Agreement, capitalized unpaid interest and fees not in excess of $10,000,000, or (ii) prohibit the Notes Issuer from making any, or any portion of any, payment permitted to be made pursuant to Section 8.3 in respect of the Second Lien Obligations and permitted under the First Lien Credit Agreement in effect on the date hereof. Any such amendment, supplement, modification or Refinancing will not, without the consent of the Second Lien Collateral Agent, contravene the provisions of this Agreement. The Notes Issuer shall promptly provide to the Second Lien Collateral Agent a copy of any amendment to the First Lien Documents."

(l) Section 5.3(c) (*Amendments to First Lien Loan Documents and Second Lien Loan Documents*). Section 5.3(c) of the Intercreditor Agreement is hereby amended by deleting such section in its entirety and substituting in lieu thereof the following new Section 5.3(c):

"(c) Each of Parent, the Company and the Notes Issuer agrees that each Second Lien Loan Document shall include the following language (or language to similar effect approved by the First Lien Collateral Agent):

"Notwithstanding anything herein to the contrary and to the extent not prohibited by the Trust Indenture Act of 1939, the right to receive payments under this Agreement by the Second Lien Collateral Agent or the Holders and the lien and security interest granted to the Second Lien Collateral Agent pursuant to this Agreement and the Collateral Agreement and the exercise of any right or remedy

by the Second Lien Collateral Agent or the Holders hereunder or thereunder are subject to the provisions of the Intercreditor Agreement, dated as of February 26, 2007 (as amended, restated, supplemented or otherwise modified from time to time, the "Intercreditor Agreement") and the lien and payment subordination provisions contained therein, among Parent, the Company, Bank of New York Mellon (as successor to Lehman Commercial Paper Inc.), as First Lien Collateral Agent, and U.S. Bank National Association, as Second Lien Collateral Agent, and certain other persons party or that may become party thereto from time to time. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement or the Collateral Agreement, the terms of the Intercreditor Agreement shall govern and control.""

(m) Section 5.5 (*When Discharge of First Lien Obligations Deemed to Not Have Occurred*). Section 5.5 of the Intercreditor Agreement is hereby amended by inserting the following phrase "the priority and right of payment of the Obligations and" immediately prior to the phrase "the Lien priorities and rights against the Collateral set forth herein," towards the end of the first sentence thereof.

(n) Section 6.6 (*Reorganization Securities*). Section 6.6 of the Intercreditor Agreement is hereby amended by deleting such section in its entirety and substituting in lieu thereof the following new Section 6.6:

"6.6 Reorganization Securities. If, in any Insolvency or Liquidation Proceeding, debt obligations of the reorganized debtor are distributed pursuant to a plan of reorganization or similar dispositive restructuring plan, both on account of First Lien Obligations and on account of Second Lien Obligations, then the provisions of this Agreement (including, without limitation, the subordination provisions set forth in Section 8) will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect to the Liens securing such debt obligations; provided that, to the extent the debt obligations distributed on account of the First Lien Obligations are secured by Liens on property that is not also subject to Liens securing debt obligations distributed on account of the Second Lien Obligations, such property shall be considered Non-Second Lien Collateral for purposes of this Agreement."

(o) Section 6.9 (*Separate Grants of Security and Separate Classification*). Section 6.9 of the Intercreditor Agreement is hereby amended by (i) inserting the following immediately prior to the semicolon at the end of clause (a) in the first paragraph thereof " and the priority and rights to receive payment under the First Lien Loan Documents and the Second Lien Loan Documents constitute two separate and distinct rights and priorities of payment"; (ii) inserting the following phrase immediately after the word "Collateral" in clause (b) in the first paragraph thereof "and the differing priorities and rights of payment" and (iii) deleting the second paragraph thereof in its entirety and substituting in lieu there of the following new paragraph:

"To further effectuate the intent of the parties as provided in the immediately preceding sentence, if it is held that the claims of the First Lien Claimholders and the Second Lien Claimholders in respect of the Collateral constitute only one secured claim (rather than separate classes of senior and junior secured claims), then each of the First Lien Collateral Agent and the Second Lien Collateral Agent hereby acknowledges and agrees that, subject to Sections 2.1, 4.1 and 8, all payments and other distributions shall be made as if there were separate classes of senior and junior secured claims against the Grantors (with the effect being that the First Lien Claimholders shall be entitled to receive, in addition to amounts distributed to them in respect of principal, pre-petition interest and other claims, all amounts owing in respect of post-petition interest (including any additional interest payable pursuant to the First Lien Credit Agreement, arising from or related to a default, which is disallowed as a claim in any Insolvency or Liquidation Proceeding) before any payment or other distribution of any kind is made in respect of the claims held by the Second Lien Claimholders, with the Second Lien Collateral Agent, for itself and on

behalf of the Second Lien Claimholders, hereby acknowledging and agreeing to turn over to the First Lien Collateral Agent, for itself and on behalf of the First Lien Claimholders, any such payments or other distributions, even if such turnover has the effect of reducing the claim or recovery of the Second Lien Claimholders otherwise received or receivable by them to the extent necessary to effectuate the intent of this sentence, even if such turnover has the effect of reducing the claim or recovery of the Second Lien Claimholders)."

(p) Section 8 (*Miscellaneous*).

(i) Section 8.2 of the Intercreditor Agreement is hereby amended by inserting the words "and payment subordination" immediately following the words "lien subordination" in the second sentence thereof.

(ii) Section 8.9 of the Intercreditor Agreement is hereby amended by inserting the words "and payment" between the words "Lien" and "priorities" towards the end thereof.

(iii) Section 8.14 of the Intercreditor Agreement is hereby amended by inserting the words ", by e-mail or other electronic means" after the word "telecopy" therein.

(iv) Section 8 of the Intercreditor Agreement is hereby amended by (A) deleting the phrase "SECTION 8.8" in Section 8.7(a)(3) and inserting in lieu thereof the phrase "SECTION 9.8", (B) deleting the phrase "SECTION 8.7(b)" in Section 8.7(b) and inserting in lieu thereof the phrase "SECTION 9.7(b)", and (C) renumbering such Section of the Intercreditor Agreement as Section 9 thereof.

(q) New Section 5.7 (*Subordination*). The Intercreditor Agreement is hereby amended by adding the following new Section 5.7:

5.7 No Subordination of First Lien Obligations. The First Lien Collateral Agent, on behalf of the First Lien Claimholders, shall not voluntarily agree to subordinate any First Lien Obligations to any other obligations owed to a third party except in connection with a DIP Financing pursuant to Section 6.1 if the sum of the First Lien Obligations and the other obligations to which the First Lien Obligations are so subordinated exceeds $100,000,000.

(r) New Section 8 (*Subordination*). The Intercreditor Agreement is hereby amended by adding the following new Section 8:

SECTION 8. Subordination.

8.1. Agreement to Subordinate. Subject to the other provisions of this Agreement, the Second Lien Collateral Agent agrees, on behalf of the Second Lien Claimholders, and each Second Lien Claimholder by continuing to hold or accepting a Senior Secured Note agrees, that the payment of all Second Lien Obligations is subordinated in right of payment, to the extent and in the manner provided in this Section 8, to the prior indefeasible payment in cash in full of all existing and future First Lien Obligations and that the subordination is for the benefit of and enforceable by the First Lien Claimholders. All provisions of this Section 8 shall be subject to Section 9.9. Notwithstanding any other provision of this Agreement, the provisions of this Article VIII will not apply to Second Lien Adequate Protection Payments.

8.2. Insolvency or Liquidation Proceedings. Upon any payment or distribution of the assets of the Note Issuer or any other Grantor to creditors in connection with an Insolvency or Liquidation Proceeding:

(a) the First Lien Claimholders shall be entitled to the prior indefeasible Discharge of First Lien Obligations in cash before the Second Lien Claimholders shall be entitled to receive any payment or distribution from any source (whether or not from the Notes Issuer or any other Grantor) of any kind (whether in cash, Equity Interests or otherwise) in respect of the Second Lien Obligations;

(b) until the prior indefeasible Discharge of First Lien Obligations has occurred, any payment or distribution from any source (whether or not from the Notes Issuer or any other Grantor) of any kind (whether in cash, Equity Interests or otherwise) to which the Second Lien Claimholders would be entitled but for the subordination provisions of this Agreement shall be made to the First Lien Collateral Agent for the benefit of the First Lien Claimholders, except that Second Lien Claimholders may receive Permitted Junior Securities; provided, that, if such payments are in a form other than cash or cash equivalents (the "Non-Cash Consideration"), the First Lien Collateral Agent, for the benefit of the First Lien Claimholders, shall be authorized to monetize such Non-Cash Consideration (other than Permitted Junior Securities) in its sole discretion and any cash proceeds shall be applied to the First Lien Obligations as provided herein. The application of such cash proceeds shall reduce the First Lien Obligations only to the extent of the actual cash payment indefeasibly received by the First Lien Claimholders, net of fees, costs and commissions; and

(c) if any payment or distribution from any source (whether or not from the Notes Issuer or any other Grantor) of any kind is made to the Second Lien Collateral Agent or any Second Lien Claimholders in respect of the Second Lien Obligations that, pursuant to this Agreement, should not have been made to them, such Second Lien Claimholders shall hold such payments or distributions in trust for the First Lien Claimholders and immediately pay and/or deliver such payments or distributions over to the First Lien Collateral Agent for the benefit of the First Lien Claimholders.

8.3. Default of First Lien Obligations.

(a) No payments of principal of, premium, if any, or interest (other than PIK Interest, which, for the avoidance of doubt, shall be permitted to be paid) on the Senior Secured Notes (nor any payments of any of the other Second Lien Obligations, including, without limitation, Second Lien Guarantees, fees, costs, expenses, indemnities and rescission or damage claims), nor shall any deposit be made pursuant to the Senior Secured Note Indenture, nor shall any of the Senior Secured Notes be purchased, redeemed or otherwise retired by the Notes Issuer or any other Grantor (collectively, "Notes Payments") (except in the form of Permitted Junior Securities) if either of the following occurs (a "Payment Default"):

(i) any First Lien Obligation is not paid in full in cash when due (after giving effect to any applicable grace period); or

(ii) any other default under the First Lien Loan Documents occurs and the maturity of the First Lien Obligations is accelerated in accordance with the terms of the First Lien Loan Documents;

unless, in either case, the Payment Default has been cured or waived and any such acceleration has been rescinded or the Discharge of First Lien Obligations has occurred.

(b) During the continuance of any default described in Sections 7(b), 7(c), 7(d), 7(e), 7(f), 7(g), 7(h), 7(i), 7(j), or 7(k) of the First Lien Credit Agreement (as in effect on the First Amendment Effective Date) or comparable provisions of any agreement replacing or refinancing that agreement (a "Non-Payment Default") under the First Lien Loan Documents pursuant to which the maturity of the First Lien Obligations may be accelerated without further notice (except such notice as may be required to effect such acceleration) or the expiration of any applicable grace periods, no Notes Payments shall be made (except in the form of PIK Interest, Permitted Junior Securities or a combination of PIK Interest and Permitted Junior Securities) for a period (a "Non-Payment Blockage Period") commencing upon the receipt by the Second Lien Collateral Agent (with a copy to the Notes Issuer) of written notice (a "Blockage Notice") of such Non-Payment Default from the First Lien Collateral Agent specifying an election to effect a Non-Payment Blockage Period and ending on the earliest of (i) 179 days after the receipt of the Blockage Notice, (ii) the date written notice to that effect is delivered to the Second Lien Collateral Agent and the Notes Issuer by the First Lien Collateral Agent; (iii) the date on which the default giving rise to such Blockage Notice is cured, waived or otherwise no longer continuing; and (iv) the date that the Discharge of First Lien Obligations has occurred.

(c) With respect to the occurrence of any Non-Payment Default only, unless the maturity of the First Lien Obligations shall have been accelerated, Notes Payments may be resumed after the end of the Non-Payment Blockage Period relating to such occurrence of such Non-Payment Default. The Second Lien Obligations shall not be subject to (i) more than two Non-Payment Blockage Periods in any consecutive 360-day period irrespective of the number of defaults with respect to the First Lien Obligations during such period or (ii) more than five Non-Payment Blockage Periods in the aggregate. There must be at least 181 days during any consecutive 360-day period during which no Non-Payment Blockage Period is in effect. Notwithstanding the foregoing, however, no default that existed or was continuing on the date of delivery of any Blockage Notice to the Second Lien Collateral Agent shall be, or be made, the basis for a subsequent Blockage Notice unless such default shall have been waived for a period of not less than 90 consecutive days (it being acknowledged that any subsequent action, or any breach of any financial covenants during the period after the date of delivery of a Blockage Notice, that, in either case, would give rise to a Non-Payment Default pursuant to any provisions under which a Non-Payment Default previously existed or was continuing shall constitute a new Non-Payment Default for this purpose).

(d) Upon the termination of any Non-Payment Blockage Period, the Notes Issuer shall forthwith pay to the Second Lien Collateral Agent for the account of the Second Lien Claimholders all amounts required to be paid to them under the Second Lien Loan Documents but were not paid because of the existence of this Agreement.

8.4. Acceleration of Payment of Second Lien Obligations. Subject in all respects to the terms and conditions of this Agreement, if payment of the Second Lien Obligations is accelerated because of a default under any of the Second Lien Loan Documents, the Second Lien Collateral Agent shall promptly notify the First Lien Collateral Agent of the acceleration; provided that any failure to give such notice shall have no effect whatsoever on the provisions of this Section 8.

8.5. Exercise of Remedies.

(a) Without limiting or modifying the provisions of Section 3 hereof (and in addition to the rights and obligations of the parties hereto set forth in Section 3 hereof) and to the extent not prohibited by the Trust Indenture Act of 1939, without the prior written consent of the First Lien Collateral Agent, the Second Lien Collateral Agent shall not, and no Second Lien Claimholder shall, exercise any of its rights and remedies with respect to the Second Lien Obligations until the earliest to occur of the following and in any event no earlier than 10 days after the First Lien Collateral Agent's

receipt of written notice of the Second Lien Claimholder's intention to exercise such rights and remedies after the occurrence of the earliest of any of the following:

(i) the Discharge of First Lien Obligations;

(ii) acceleration of the First Lien Obligations or the failure to pay the First Lien Obligations (or any part thereof) in full and in cash at maturity;

(iii) the occurrence of an Insolvency or Liquidation Proceeding;

(iv) the passage of 90 days from the later of (A) the date that the Second Lien Collateral Agent has declared an Event of Default under the Second Lien Loan Documents if any such Event of Default has not been cured or waived within such period and (B) the date on which the First Lien Collateral Agent received notice from the Second Lien Collateral Agent of such declaration of an Event of Default; and

(v) the exercise by the First Lien Collateral Agent or any First Lien Claimholder of any remedies under the First Lien Loan Documents.

(b) Notwithstanding anything contained herein to the contrary, if following the acceleration of the First Lien Obligations such acceleration is rescinded (whether or not any existing Event of Default under the First Lien Loan Documents has been cured or waived), then all actions taken by any Second Lien Claimholder in connection with the exercise of its rights and remedies will likewise be rescinded if such action is based solely on clauses (i), (ii) or (iv) of paragraph (a) of this Section 8.5.

8.6. Subordination May Not Be Impaired by Notes Issuer. No right of any First Lien Claimholder to enforce the subordination of the Second Lien Obligations shall be impaired by any act or failure to act by the Parent, the Company, the Notes Issuer or any Grantor or by their failure to comply with this Agreement.

8.7. Rights of Second Lien Collateral Agent and Paying Agent. Notwithstanding Section 8.3 hereof, the Second Lien Collateral Agent and any paying agent in respect of the Senior Secured Notes (the "Paying Agent") may continue to make Notes Payments, and any Second Lien Claimholder may continue to accept Notes Payments, and shall not be charged with knowledge of the existence of facts that would prohibit the making or acceptance of any Notes Payments unless, not less than two Business Days prior to the date of such Notes Payment, the Second Lien Collateral Agent receives notice from the First Lien Collateral Agent that payments may not be made under this Section 8. Upon receipt of any such notice, the Second Lien Collateral Agent, any Paying Agent and any Second Lien Claimholder shall immediately turn over any such Notes Payment pursuant to the terms of this Agreement.

The Second Lien Collateral Agent in its individual or any other capacity shall be entitled to hold First Lien Obligations with the same rights it would have if it were not the Second Lien Collateral Agent. The registrar in respect of the Senior Secured Notes and the Paying Agent shall be entitled to do the same with like rights (provided that any such registrar or Paying Agent is not an Affiliate of the Parent, the Company, the Notes Issuer or any Grantor). The Second Lien Collateral Agent shall be entitled to all the rights set forth in this Agreement with respect to any First Lien Obligations which may at any time be held by it, to the same extent as any other First Lien Claimholder; and nothing in this Agreement shall deprive the Second Lien Collateral Agent of any of its rights as such First Lien Claimholder. Nothing in this Section 8 shall apply to claims of, or payments to, the Second Lien

Collateral Agent (solely in its capacity as an agent or trustee thereunder) under or pursuant to the Senior Secured Note Indenture.

8.8. Section 8 Not To Prevent Events of Default. The failure to make a Notes Payment by reason of any provision in this Section 8 shall not be construed as preventing the occurrence of an event of default under any of the Second Lien Loan Documents.

8.9. Trust Moneys Not Subordinated. Notwithstanding anything contained herein to the contrary, payments from money or the proceeds of U.S. Government Obligations (as defined in the Senior Secured Note Indenture) held in trust by the Second Lien Collateral Agent or the Paying Agent for the payment of principal of and interest on the Senior Secured Notes pursuant to Article IV, Article XI or Article XIV of the Senior Secured Note Indenture shall not be subordinated to the prior payment of any First Lien Obligations or subject to the restrictions set forth in this Section 8, and none of the Second Lien Collateral Agent or the Second Lien Claimholders or the Paying Agent shall be obligated to pay over any such amount to the First Lien Collateral Agent or any First Lien Claimholder, provided that the subordination provisions of this Agreement were not violated at the time the applicable amounts were deposited in trust pursuant to Article IV, Article XI or Article XIV of the Senior Secured Note Indenture, as the case may be.

8.10. Trustee Entitled To Rely. Upon any payment or distribution pursuant to this Section 8, the Second Lien Collateral Agent and the Second Lien Claimholders shall be entitled to rely (a) upon any order or decree of a court of competent jurisdiction in which any Insolvency or Liquidation Proceedings are pending, (b) upon a certificate of the liquidating trustee or agent or other Person making such payment or distribution to the Second Lien Collateral Agent or the Second Lien Claimholders or (c) upon the First Lien Collateral Agent for the purpose of ascertaining the Persons entitled to participate in such payment or distribution, the identity of the First Lien Claimholders, the amount of or payable in respect of the First Lien Obligations, the amount or amounts paid or distributed in respect of the First Lien Obligations and all other facts pertinent thereto or to this Agreement.

8.11. Trustee Not Fiduciary for First Lien Claimholders. The Trustee shall not be deemed to owe any fiduciary duty to the First Lien Claimholders by virtue of this Agreement or otherwise.

8.12. Reliance by First Lien Claimholders on Subordination Provisions. The Second Lien Collateral Agent, on behalf of the Second Lien Claimholders, acknowledges and agrees that the foregoing subordination provisions are, and are intended to be, an inducement and a consideration to each First Lien Claimholder to acquire and continue to hold, or to continue to hold, First Lien Obligations and each First Lien Claimholder shall be deemed conclusively to have relied on such subordination provisions in acquiring and continuing to hold, or in continuing to hold, First Lien Obligations.

(i) Section 9.5 (*Subrogation*). Section 9.5 (formerly Section 8.5) is hereby amended by adding the following new sentence at the end thereof:

"Notwithstanding anything herein to the contrary, to the extent any indemnification obligation or contingent obligation becomes due and payable under the First Lien Loan Documents after the Discharge of the First Lien Obligations, the Second Lien Collateral Agent and Second Lien Claimholders shall promptly turn over any such amounts to the First Lien Collateral Agent for distribution to the First Lien Claimholders."

2. Designation of Address for Notices. As of the First Amendment Effective Date, the First Lien Collateral Agent hereby notifies each of the other parties to the Intercreditor Agreement that its address

for notices shall be as follows:

The Bank of New York Mellon
600 East Las Colinas Blvd.
Suite 1300
Irving, TX 75039
Attention: Melinda Valentine/Vice President
Telephone: (972) 401-8500
Telecopy: (972) 401-8555

With a copy to (which shall not constitute notice):

McGuire, Craddock & Strother, P.C.
500 North Akard
Suite 3550
Dallas, TX 75201
Attention: Jonathan Thalheimer
Telephone: (214) 954-6855
Telecopy: (214) 954-6868

3. Conditions to Effectiveness. This First Amendment shall become effective on and as of the date (the "First Amendment Effective Date"):

(a) The First Lien Credit Agreement Amendment shall have been executed and delivered by the Required Lenders and the other parties thereto and shall have become effective concurrently with this First Amendment;

(b) The Plan shall have been substantially consummated and shall provide for this First Amendment to become effective and this First Amendment shall have been approved by the Bankruptcy Court.

(c) Each of the Company, the Parent, the Notes Issuer, the First Lien Collateral Agent and the Second Lien Collateral Agent shall have executed and delivered this First Amendment.

4. Representations and Warranties. Each of the parties hereto hereby represents and warrants that (i) it has the corporate power and authority, and the legal right, to make, deliver and perform its obligations under this First Amendment and the Intercreditor Agreement; (ii) it has taken all necessary corporate action to authorize the execution, delivery and performance of this First Amendment; (iii) it has duly executed and delivered this First Amendment; and (iv) this First Amendment constitutes a legal, valid and binding obligation of each of the parties hereto, enforceable against each such party in accordance with its terms.

5. Limited Effect. Except as expressly provided hereby, all of the terms and provisions of the Intercreditor Agreement are and shall remain in full force and effect. The amendments contained herein shall not be construed as amendments or waivers of any other provision of the Intercreditor Agreement or for any purpose except as expressly set forth herein or a consent to any further or future action on the part of any of the parties to the Intercreditor Agreement that would require the waiver or consent of any of the other parties to the Intercreditor Agreement.

6. GOVERNING LAW. THIS FIRST AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their officers thereunto duly authorized as of the 1st day of July, 2009.

THE BANK OF NEW YORK MELLON,
as First Lien Collateral Agent

By: /s/ Melinda Valentine
Name: Melinda Valentine
Title: Vice President

U.S. BANK NATIONAL ASSOCIATION,
as Second Lien Collateral Agent

By: /s/ William G. Keenan
Name: William G. Keenan
Title: Vice President

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

PRIMUS TELECOMMUNICATIONS, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

PRIMUS TELECOMMUNICATIONS INTERNATIONAL, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

TRESCOM INTERNATIONAL, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

TRESCOM U.S.A., INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

LEAST COST ROUTING, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

iPRIMUS USA, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

iPRIMUS.COM, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

PRIMUS TELECOMMUNICATIONS IHC, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

Exhibit 10.3

FIRST AMENDMENT, dated as of July 1, 2009 (this "Amendment"), to the COLLATERAL AGREEMENT, dated as of February 26, 2007 (as amended, supplemented or otherwise modified in writing from time to time, the "Collateral Agreement"), made by PRIMUS TELECOMMUNICATIONS IHC INC., a Delaware corporation (the "Company"), and each of the other Grantors party (together with the Company, the "Grantors"), in favor of U.S. BANK NATIONAL ASSOCIATION, as collateral agent (the "Collateral Agent").

W I T N E S S E T H:

WHEREAS, the Company and the other Grantors have heretofore executed and delivered an indenture, dated as of February 27, 2007, by and among the Company, the other Grantors, and U.S. Bank National Association, as trustee (the "Indenture"), pursuant to which the Company has issued $175.3 million aggregate principal amount of the Company's 14.25% Senior Secured Notes due 2011 (the "Notes");

WHEREAS, the Company has implemented a restructuring of the Notes and the related Claims evidenced thereby (as that term is defined in section 101(5) of title 11 of the United States Code) through a confirmed plan of reorganization pursuant to voluntary bankruptcy cases under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 in the United States Bankruptcy Court for the District of Delaware (the "Plan"); and

WHEREAS, the Plan provides that the Collateral Agreement shall be amended as set forth herein;

NOW, THEREFORE, the Company and the other Grantors hereby covenant and agree with the Collateral Agent for the equal and proportionate benefit of the Holders as follows:

1. Defined Terms. Unless otherwise noted herein, terms defined in the Collateral Agreement and used herein shall have the meanings given to them in the Collateral Agreement.

2. Amendments to Section 1.1(b) of the Collateral Agreement.

(a) The definition of "Obligations" in Section 1.1(b) of the Collateral Agreement is hereby replaced in its entirety with the following:

> "Obligations": (i) in the case of the Company, the Company Obligations, (ii) in the case of each Guarantor, its Guarantor Obligations, and (iii) in the case of Primus Telecommunications International, Inc., the PTII Obligations.

(b) The following definition is hereby added to Section 1.1(b) in alphabetical order:

> "PTII Obligations": with respect to PTII, the collective reference to all obligations and liabilities of PTII and the Company which may arise under or in connection with the Indenture or any Collateral Document to which PTII or the Company is a party, in each case whether on account of (a) guarantee obligations, reimbursement obligations, fees, indemnities,

costs, expenses or otherwise (including, without limitation, all fees and disbursements of counsel to the Collateral Agent or to any Secured Party that are required to be paid by PTII or the Company pursuant to the terms of this Agreement, the Indenture or any other Collateral Document) or (b) the unpaid principal of and interest on the Notes and all other obligations and liabilities of the Company to the Collateral Agent or any Secured Party, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, this Agreement, the Notes, the Indenture, the other Collateral Documents, or any other document made, delivered or given in connection with any of the foregoing, and in each case whether on account of principal, interest, reimbursement obligations, fees, indemnities, cost, expense or otherwise (including, without limitation, all fees and disbursements of counsel to the Collateral Agent or to any other Secured Party that are required to be paid by the Company pursuant to the terms of any of the foregoing agreements).

3. Amendment to Section 7.18. The first sentence of Section 7.18 is deleted and replaced in its entirety with the following:

"Notwithstanding anything herein to the contrary and to the extent not prohibited by the Trust Indenture Act of 1939, the right to receive payments under this Agreement by the Second Lien Collateral Agent or the Holders and the lien and security interest granted to the Second Lien Collateral Agent pursuant to this Agreement and the exercise of any right or remedy by the Second Lien Collateral Agent or the Holders hereunder or under the Indenture are subject to the provisions of the Intercreditor Agreement, dated as of February 26, 2007 (as amended, restated, supplemented or otherwise modified from time to time, the "Intercreditor Agreement") and the lien and payment subordination provisions contained therein, among Parent, the Company, The Bank of New York Mellon (as successor to Lehman Commercial Paper Inc.), as First Lien Collateral Agent, and U.S. Bank National Association, as Second Lien Collateral Agent, and certain other persons party or that may become party thereto from time to time. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement, the terms of the Intercreditor Agreement shall govern and control."

4. Conditions to Effectiveness. This Amendment shall become effective upon its execution by the Company, the other Grantors and the Collateral Agent.

5. Limited Effect. Except as expressly provided hereby, all of the terms and provisions of the Collateral Agreement are and shall remain in full force and effect. The amendments contained herein shall not be construed as a waiver or amendment of any other provision of the Collateral Agreement or for any purpose except as expressly set forth herein or a consent to any further or future action on the part of the Company or any other Grantor that would require the waiver or consent of the Collateral Agent.

6. GOVERNING LAW. THE INTERNAL LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS AMENDMENT WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

7. Counterparts. The parties may sign any number of copies of this Amendment. Each signed copy shall be an original, but all of them together represent the same agreement.

8. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

9. Severability. In case any provision in the Collateral Agreement, as amended by this Amendment, shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective proper and duly authorized officers as of the day and year first above written.

PRIMUS TELECOMMUNICATIONS HOLDING, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

PRIMUS TELECOMMUNICATIONS, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

PRIMUS TELECOMMUNICATIONS INTERNATIONAL, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

TRESCOM INTERNATIONAL, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

ROCKWELL COMMUNICATIONS CORPORATION

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

LEAST COST ROUTING, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

TRESCOM U.S.A., INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

IPRIMUS USA, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

IPRIMUS.COM, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

U.S. BANK NATIONAL ASSOCIATION, as Collateral Agent

By: /s/ William G. Keenan
Name: William G. Keenan
Title: Vice President

Exhibit 10.4

ASSUMPTION AGREEMENT, dated as of July 1, 2009, made by Primus Telecommunications Group, Incorporated, a Delaware corporation ("Group"), and Primus Telecommunications Holding, Inc., a Delaware corporation ("Holding" and, together with Group, each an "Additional Grantor" and, collectively, the "Additional Grantors"), in favor of U.S. Bank National Association, as Collateral Agent (in such capacity, the "Collateral Agent") for the holders (the "Holders") of the Notes issued pursuant to the Indenture referred to below. All capitalized terms not defined herein shall have the meaning ascribed to them in the Collateral Agreement referred to below.

W I T N E S S E T H :

WHEREAS, Primus Telecommunications IHC, Inc. (the "Company"), certain of the Company's affiliates and U.S. Bank National Association, as trustee have entered into an Indenture, dated as of February 26, 2007 (as amended, supplemented or otherwise modified from time to time, the "Indenture"), pursuant to which the Company has issued its 14.25% Senior Secured Notes due 2011 (the "Notes") to the Holders;

WHEREAS, in connection with the Indenture, the Company and certain of its Affiliates (other than the Additional Grantors) have entered into the Collateral Agreement, dated as of February 26, 2007 (as amended, supplemented or otherwise modified from time to time, the "Collateral Agreement") in favor of the Collateral Agent for the benefit of the Secured Parties;

WHEREAS, the Indenture requires each Additional Grantor become a party to the Collateral Agreement; and

WHEREAS, each Additional Grantor has agreed to execute and deliver this Assumption Agreement in order to become a party to the Collateral Agreement;

NOW, THEREFORE, IT IS AGREED:

1. Collateral Agreement. By executing and delivering this Assumption Agreement, each Additional Grantor, as provided in Section 7.14 of the Collateral Agreement, hereby becomes a party to the Collateral Agreement as a Grantor thereunder with the same force and effect as if originally named therein as a Grantor and, without limiting the generality of the foregoing, hereby expressly assumes all obligations and liabilities of a Grantor thereunder. The information set forth in Annex 1-A hereto is hereby added to the information set forth in Schedules 1, 2, 3, 4, 5, 6, 7 and 8 to the Collateral Agreement. Each Additional Grantor hereby represents and warrants that each of the representations and warranties contained in Section 4 of the Collateral Agreement (other than representations and warranties which expressly speak as of a particular date or are no longer true and correct as a result of a change which is permitted by the Indenture) is true and correct in all material respects as applied to such Additional Grantor on and as the date hereof (after giving effect to this Assumption Agreement) as if made on and as of such date.

2. **GOVERNING LAW. THIS ASSUMPTION AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has caused this Assumption Agreement to be duly executed and delivered as of the date first above written.

ADDITIONAL GRANTORS:

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

PRIMUS TELECOMMUNICATIONS HOLDING, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

Exhibit 10.5

THIRD AMENDMENT (this "Third Amendment") to the TERM LOAN AGREEMENT, dated as of February 18, 2005 (as amended through the date hereof, the "Term Loan Agreement"), among PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED, a Delaware corporation (the "Parent"), PRIMUS TELECOMMUNICATIONS HOLDING, INC., a Delaware corporation (the "Borrower"), the several banks and other financial institutions or entities from time to time parties thereto (the "Lenders"), LEHMAN COMMERCIAL PAPER INC. ("Lehman"), a debtor and debtor in possession under chapter 11 of the Bankruptcy Code (defined below) acting through one or more of its branches as the Administrative Agent (in such capacity, the "Existing Agent") and THE BANK OF NEW YORK MELLON, as the successor Administrative Agent (in such capacity, the "Successor Agent") is dated as of the Third Amendment Effective Date (as defined below). Unless otherwise noted herein, terms defined in the Term Loan Agreement and used herein shall have the meanings given to them in the Term Loan Agreement.

W I T N E S S E T H:

WHEREAS, Parent, the Borrower and certain Subsidiary Guarantors commenced voluntary bankruptcy proceedings (the "Proceedings") on March 16, 2009, in connection with a prenegotiated plan of reorganization (as such plan may be modified from time to time, the "Plan of Reorganization") under Chapter 11 of title 11 of the United States Code (the "Bankruptcy Code");

WHEREAS, subject to the satisfaction of certain conditions, the Plan of Reorganization provides for the amendment of the Term Loan Agreement in accordance with this Third Amendment in certain circumstances;

WHEREAS, pursuant to the terms of this Third Amendment, each Default and Event of Default under the Term Loan Agreement arising out of the Proceedings (the "Specified Defaults") shall be waived; and

WHEREAS, On October 5, 2008, the Existing Agent commenced a voluntary case under Chapter 11 of the Bankruptcy Code and on such date, pursuant to section 362(a) of the Bankruptcy Code, an automatic stay went into effect that prohibits actions to interfere with, or obtain possession or control of, the Existing Agent's property or to collect or recover from the Existing Agent any debts or claims that arose before such date;

WHEREAS, the Existing Agent desires to resign as Administrative Agent under the Term Loan Agreement and the other Loan Documents;

WHEREAS, Parent, the Borrower and the Required Lenders desire to ratify the appointment of The Bank of New York Mellon as successor Administrative Agent (in such capacity, the "Successor Agent") under the Term Loan Agreement and the other Loan Documents and the Successor Agent wishes to accept such appointment; and

WHEREAS, this Third Amendment will become effective on the date the conditions set forth in Section 5 hereto are satisfied and the Plan of Reorganization is substantially consummated.

NOW, THEREFORE, in consideration of the premises herein contained and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Amendments to Term Loan Agreement.

(a) Each instance of the words “Lehman Commercial Paper Inc.” and “Lehman Entity” in the Term Loan Agreement is hereby replaced with “The Bank of New York Mellon”. The role of the Syndication Agent is hereby deleted.

(b) Section 1.1 (*Defined Terms*).

(i) Section 1.1 of the Term Loan Agreement is hereby amended by deleting the terms “Applicable Margin”, “Unclaimed Excess Proceeds”, “Lehman Commercial Paper Inc.”, “Lehman Entity”, “Parent Indenture”, “Parent Indebtedness to Consolidated Cash Flow Ratio”, “Priority Indebtedness to Consolidated Cash Flow Ratio”, “Senior Note Indenture”, “Senior Notes” and “Syndication Agent” and all references thereto in the Term Loan Agreement are hereby deleted in their entirety except as otherwise set forth in this Third Amendment.

(ii) Section 1.1 of the Term Loan Agreement is hereby further amended by adding thereto the following definitions, which shall be inserted in proper alphabetical order:

“Acquisition Debt Ratio Test”: as defined in Section 6.2(b)(xii).

“Adjusted EBITDA” shall mean “Adjusted EBITDA” as externally reported by Parent in its earnings releases, in a manner consistent with Parent’s past practices plus, to the extent otherwise deducted in calculating net income during such period, professional fees, costs and expenses incurred in connection with the Proceedings, the confirmation and effectiveness of the Plan of Reorganization and the related Fresh Start Accounting implementation. Notwithstanding anything to the contrary herein, in calculating Adjusted EBITDA (i) for the fiscal quarters ending September 30, 2009 and December 31, 2009: foreign currency exchange rates shall be deemed to be as follows: (a) 1.00 Canadian dollar shall equal 0.80 United States dollar; (b) 1.00 Australian dollar shall equal 0.65 United States dollar; (c) 1.00 Euro shall equal 1.275 United States dollars; and (d) 1.00 British Pound shall equal 1.40 United States dollars, (ii) for the fiscal quarters ending March 31, 2010 and June 30, 2010: foreign currency exchange rates shall be deemed to be the actual exchange rates in effect on, and as of, December 31, 2009, as published in the Wall Street Journal, and (iii) for the fiscal quarters ending September 30, 2010 and December 31, 2010: foreign currency exchange rates shall be deemed to be the actual exchange rates in effect on, and as of, June 30, 2010, as published in the Wall Street Journal. Adjusted EBITDA shall be calculated to eliminate the effect of Fresh Start Accounting and to eliminate the effect of any Asset Disposition or Asset Acquisition (including acquisitions of other Persons by merger, consolidation or purchase of Capital Stock), based upon adjustments calculated by the Parent and such adjustments shall be subject to agreed upon procedures performed by the Parent’s nationally recognized independent accountants, and such procedures shall be disclosed to the Administrative Agent in writing at the same time as Financial Statements are required to be delivered pursuant to Section 5.1.

“Base Rate PIK Interest”: as defined in Section 2.10(b).

“Capital Expenditures”: for any period the aggregate amount of all expenditures (whether paid in cash or other consideration or accrued as a liability) that would, in accordance with GAAP, be included as capital expenditures of Parent and its Subsidiaries for such period, as the same are or would be set forth in a consolidated statement of cash flows of Parent and its Subsidiaries for such period (including, solely to the extent required to be so included in accordance with GAAP, the amount of assets leased under any Capitalized Lease); provided that

in determining the amounts of Capital Expenditures of purposes of Section 6.15(c), such amount shall be subject to adjustments for Asset Acquisitions and Asset Dispositions based upon adjustments calculated by the Parent and such adjustments shall be subject to agreed upon procedures performed by the Parent's nationally recognized independent accountants. Such procedures shall be disclosed to the Administrative Agent in writing at the same time as Financial Statements are required to be delivered pursuant to Section 5.1.

"Interest Election Notice": a written notice delivered by the Borrower to the Administrative Agent at least 30 days prior to each Interest Payment Date providing notice that the Borrower has elected to pay PIK Interest on the applicable Interest Payment Date.

"LIBOR PIK Interest": as defined in Section 2.10(a).

"Non-Compliance Period": as defined in Section 6.15(a).

"Non-Participating Lender": with respect to any proposed Permitted Parent Assignment or Permitted Parent Loan Purchase, any Lender that has elected not to participate, or has been deemed to have elected not to participate, in such Permitted Parent Assignment or Permitted Parent Repurchase, as the case may be.

"Parent Purchaser": as defined in Section 9.6(i).

"Permitted Parent Assignment": as defined in Section 9.6(h).

"Permitted Parent Loan Purchase": as defined in Section 9.6(i).

"PIK Interest": either Base Rate PIK Interest or LIBOR PIK Interest, as applicable.

"Plan of Reorganization": the Joint Plan of Reorganization of Primus Telecommunications Group, Incorporated and its Affiliated Debtors Under Chapter 11 of the Bankruptcy Code, as approved by the United States Bankruptcy Court for the District Delaware by entry of a Confirmation Order on June 12, 2009 in Case No. 09-10867.

"Proceedings": the voluntary bankruptcy proceedings of Parent, the Borrower, Primus Telecommunications IHC, Inc., and Primus Telecommunications International, Inc.

"Qualified Capital Stock": with respect to any Person, all Capital Stock of such Person other than Redeemable Stock.

"Second Lien Indebtedness": Indebtedness incurred under the New Notes Indentures.

"Third Amendment": the Third Amendment, dated as of the Third Amendment Effective Date, to this Agreement.

"Third Amendment Effective Date": the date of effectiveness of the Third Amendment.

"Third Amendment Term Sheet Date": April 14, 2009.

(iii) The definition of "Base Rate" in Section 1.1 of the Term Loan Agreement is hereby amended by deleting such definition in its entirety and substituting the following in lieu thereof:

"Base Rate": for any day, the greater of (i) a rate per annum equal to 4.00% and (ii) a rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to the greater of (a) the Prime Rate in effect on such day and (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1%; provided, that the Base Rate, in the sole determination of the Administrative Agent, must at all times be a rate per annum that is at least 1% per annum greater than the Eurodollar Rate. For purposes hereof: "Prime Rate" shall mean the prime lending rate as set forth on the British Banking Association Telerate Page 5 (or such other comparable publicly available page as may, in the reasonable opinion of the Administrative Agent after notice to the Borrower, replace such page for the purpose of displaying such rate if such rate no longer appears on the British Bankers Association Telerate page 5), as in effect from time to time. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate actually available. Any change in the Base Rate due to a change in the Prime Rate or the Federal Funds Effective Rate shall be effective as of the opening of business on the effective day of such change in the Prime Rate or the Federal Funds Effective Rate, respectively.

(iv) The definition of "Consolidated Net Income" in Section 1.1 of the Term Loan Agreement is hereby amended by (A) deleting clause (i) of the proviso thereto and substituting in lieu thereof "[reserved]" and (B) deleting the phrase "except for purposes of calculating the amount of Restricted Payments that may be made pursuant to clause (C) of the first paragraph of Section 6.3," from clause (iii) of the proviso thereto.

(v) The definition of "Eurodollar Rate" in Section 1.1 of the Term Loan Agreement is hereby amended by inserting immediately following the phrase "with respect to each day during each Interest Period," the following phrase: "the greater of (a) a rate per annum equal to 3.00% and (b)".

(vi) The definition of "Net Cash Proceeds" in Section 1.1 of the Term Loan Agreement is hereby amended by (i) deleting the word "and" at the end of clause (a) thereto; (ii) inserting immediately after the phrase "the proceeds of such issuance or sale in the form of cash or cash equivalents" in clause (b) thereto the following phrase: "(which shall include, without duplication, any cash or cash equivalents of any Person acquired pursuant to an Asset Acquisition in exchange for the issuance of Capital Stock, solely to the extent there are no encumbrances or restrictions existing on the date of such Asset Acquisition on the ability of such Person to pay dividends or make other distributions to the Borrower with such cash or cash equivalents; provided that any such encumbrances or restrictions were previously existing prior to any such Asset Acquisition, and not imposed in contemplation of any such Asset Acquisition)"; and (iii) immediately prior to the period at the end of clause (b) thereto inserting the following "; and (c) with respect to the incurrence by the Borrower or any of its Restricted Subsidiaries of any Indebtedness (other than Indebtedness permitted under Section 6.2), the proceeds of such incurrence of Indebtedness in the form of cash or cash equivalents, net of reasonable and customary attorney's fees, accountants fees, underwriters', arrangers' or placement agents' fees, discounts or commissions and brokerage, consultant or other fees incurred in connection with such incurrence of"

(vii) The definition of "New Notes" in Section 1.1 of the Term Loan Agreement is hereby amended by (a) deleting the phrase "in conformity with Section 6.2(b)(xi)" and substituting the phrase "pursuant to the New Notes Indentures" therefor, and (b) after the phrase "to the extent secured," inserting the phrase "in conformity with".

(viii) The definition of "New Notes Collateral Agreement" is hereby amended by

deleting the phrase “as the same may be amended, supplemented or otherwise modified from time to time” at the end thereof and substituting “as in effect on the Third Amendment Effective Date and as subsequently supplemented or modified as required thereunder, under the New Notes Indentures or under the Intercreditor Agreement, in each case pursuant to the terms of the Intercreditor Agreement” therefor.

(ix) The definition of “New Notes Indentures” is hereby amended by adding at the end thereof immediately prior to the period the following new proviso: “; provided, however, that (w) the terms of the New Notes Indentures and any New Notes or other Indebtedness issued thereunder shall not, at any time, have any scheduled amortization, do not mature and do not have any mandatory prepayments (other than customary asset sale and change of control offer requirements), in each case, prior to the date that is at least 91 days following the final maturity of the Loans and do not have terms and conditions which are materially more restrictive, taken as a whole, than the terms and conditions of this Agreement, (x) any New Notes or other Indebtedness issued thereunder shall at all times be subject to the terms and provisions of the Intercreditor Agreement or the New Intercreditor Agreement, (y) the New Notes Issuer shall remain at all times Primus Telecommunications IHC, Inc. or its permitted successors, and (z) the proceeds of any New Notes issued under the New Notes Indentures after the Third Amendment Effective Date shall be solely used for the purposes of, and in compliance with, the requirements of Section 6.2(b)(xii).”

(x) The definition of “Permitted Investment” in Section 1.1 of the Term Loan Agreement is hereby amended by deleting phrase “provided that the amount of such excess shall be included in calculating whether the conditions of clause (c) of the first paragraph of Section 6.3 have been met with respect to any subsequent Restricted Payments;”.

(xi) The definition of “Redeemable Stock” in Section 1.1 of the Term Loan Agreement is hereby amended by deleting such definition in its entirety and substituting the following in lieu thereof:

> “Redeemable Stock”: any class or series of Capital Stock of any Person that by its terms or otherwise is (i) required to be redeemed prior to a date which is 91 days following the final scheduled maturity date of the Loans, (ii) redeemable at the option of the holder of such class or series of Capital Stock at any time prior to a date which is 91 days following the final scheduled maturity date of the Loans or (iii) convertible into or exchangeable for Capital Stock referred to in clause (i) or (ii) above or Indebtedness having a scheduled maturity prior to a date which is 91 days following the final scheduled maturity date of the Loans; provided that any Capital Stock that would not constitute Redeemable Stock but for provisions thereof giving holders thereof the right to require such Person to repurchase or redeem such Capital Stock upon the occurrence of an “Asset Sale” or “Change of Control” occurring prior to the date which is 91 days following the final scheduled maturity date of the Loans will not constitute Redeemable Stock if the “Asset Sale” or “Change of Control” provisions applicable to such Capital Stock are no more favorable to the holders of such Capital Stock than the provisions contained in herein and such Capital Stock specifically provides that such Person will not repurchase or redeem any such stock pursuant to such provision prior to the earlier of (x) a date which is 91 days following the final scheduled maturity date of the Loans or (y) the date the Loans are indefeasibly paid in full.

(xii) The definition of "Unrestricted Subsidiary" Section 1.1 of the Term Loan Agreement is hereby amended by inserting the following immediately prior to the period at then end of the second sentence thereof:

"; provided further that, from and after the Third Amendment Effective Date, except in connection with a refinancing of the Loans in whole, but not in part, no Subsidiary of Parent shall be designated an Unrestricted Subsidiary".

(c) Section 2.3 (*Repayment of Loans*). Section 2.3(a) of the Term Loan is hereby amended by deleting the table contained therein in its entirety and substituting the following therefore:

Installment	Principal Amount
June 30, 2005	$ 250,000
September 30, 2005	$ 250,000
December 31, 2005	$ 250,000
March 31, 2006	$ 250,000
June 30, 2006	$ 250,000
September 30, 2006	$ 250,000
December 31, 2006	$ 250,000
March 31, 2007	$ 250,000
June 30, 2007	$ 250,000
September 30, 2007	$ 250,000
December 31, 2007	$ 250,000
March 31, 2008	$ 250,000
June 30, 2008	$ 250,000
September 30, 2008	$ 250,000
December 31, 2008	$ 250,000
March 31, 2009	$ 250,000
June 30, 2009	$ 250,000
September 30, 2009	$ 925,000
December 31, 2009	$ 925,000
March 31, 2010	$ 1,400,000
June 30, 2010	$ 1,400,000
September 30, 2010	$ 1,400,000
December 31, 2010	$ 1,400,000
February 18, 2011	Remaining outstanding principal amount (including PIK Interest, if any)

(d) Section 2.7 (*Mandatory Prepayments*).

(i) Section 2.7(a) of the Term Loan Agreement is hereby amended by deleting such section in its entirety and substituting the following in lieu thereof:

"Except for dispositions of Capital Stock of the Lingo Subsidiary in the Lingo Offering (which shall be governed by Section 2.7(b)) not less than 10 days after the date of receipt

by the Parent or any of its Restricted Subsidiaries of Net Cash Proceeds from any Asset Sale or receipt by the Parent or any of its Restricted Subsidiaries of any insurance (other than business interruption insurance) or condemnation proceeds the Borrower shall prepay the Loans in an amount equal to (A) 80% of the Net Cash Proceeds of (x) any such Asset Sale (other than any disposition or issuance of all or any of the Capital Stock of Parent or any Restricted Subsidiary of Parent) and (y) any such insurance or condemnation proceeds; provided that such Net Cash Proceeds shall not be required to be applied toward the prepayment of the Loans should the Borrower, at its option, deliver written notice to the Administrative Agent of the Borrower's intention to invest such monies within 180 days of receipt in long-term assets, properties or equipment used in a business similar or related to the nature or type of the equipment, property or assets of, or the business of, the Borrower and its Restricted Subsidiaries existing on the date of such reinvestment or to finance the costs of repair or replacement of the equipment, properties or assets that are the subject of such sale, disposition, event giving rise to such insurance proceeds or condemnation or the cost of purchase or construction of other long-term assets useful in the business of the Borrower or its Restricted Subsidiaries, as such business is being conducted on, and as of, the date of such reinvestment; provided, further, that within 10 days after the expiration of such 180-day period (x) the Borrower shall deliver to the Administrative Agent an Officer's Certificate executed by a senior officer of the Borrower certifying the amount of such reinvestment that has occurred and the amount of binding commitments with regard to any such reinvestment and (y) any portion of such Net Cash Proceeds not reinvested or subject to binding commitments which commit Borrower and/or any of its Restricted Subsidiaries to make such reinvestment within a 90-day period after the date of such Officer's Certificate delivered in accordance with the immediately preceding clause (x) shall be applied toward the prepayment of the Loans (and any amounts subject to such binding commitments and not actually reinvested within such 90-day period shall be required to be applied to the prepayment of the Loans) and (B) 25% of the Net Cash Proceeds from any disposition or issuance of all or any Capital Stock of Parent or any Restricted Subsidiary of Parent (excluding Net Cash Proceeds received upon exercise of stock options by employees, or directors of Parent, the Borrower, or any Restricted Subsidiary; provided that such Net Cash Proceeds do not exceed $1,000,000 in the aggregate in any calendar year)."

(ii) Section 2.7 of the Term Loan Agreement is hereby further amended by inserting the following new clause (e) at the end thereto:

"(e) Upon the incurrence by the Parent or any of its Restricted Subsidiaries of any Indebtedness (other than Indebtedness permitted under Section 6.2), the Borrower shall immediately prepay the Loans in an amount equal to 100% of the Net Cash Proceeds received in connection with such incurrence of Indebtedness."

(e) Section 2.10 (*Interest Rates and Payment Dates*). Section 2.10 of the Term Loan Agreement is hereby amended by deleting clauses (a) and (b) thereto in their entirety and substituting in lieu thereof the following new clauses (a) and (b):

"(a) Each Eurodollar Loan shall bear interest during each Interest Period with respect thereto at a rate per annum equal to the Eurodollar Rate determined for such Interest Period plus (i) if an Interest Election Notice has not been delivered with respect to such Eurodollar Loan for such Interest Period, 9.00%, which amount shall be paid in cash on each Interest Payment Date with respect to such Interest Period that relates to such Eurodollar Loan, or (ii) if the Borrower has delivered an Interest Election Notice with respect to such Eurodollar Loan for such Interest

Period, 11.00%; provided that in connection with this clause (ii), an amount equal to 4.00% per annum shall be paid on the Interest Payment Date with respect to such Interest Period that relates to such Eurodollar Loan by increasing the principal of the outstanding Loans ("LIBOR PIK Interest"), with the remainder paid in cash on the applicable Interest Payment Date.

(b) Each Base Rate Loan shall bear interest for each day such Base Rate Loan is outstanding at a rate per annum equal to the Base Rate in effect for such day plus (i) if an Interest Election Notice has not been delivered with respect to such Base Rate Loan and the interest owing in connection therewith on the next succeeding Interest Payment Date, 8.00%, which amount shall be paid in cash on such Interest Payment Date, or (ii) if the Borrower has delivered an Interest Election Notice with respect to such Base Rate Loan and the interest owing in connection therewith on the next succeeding Interest Payment Date, 10.00%; provided that in connection with this clause (ii), an amount equal to 4.00% per annum shall be paid on such Interest Payment Date by increasing the principal of the outstanding Loans ("Base Rate PIK Interest"), with the remainder paid in cash on the applicable Interest Payment Date."

(f) Section 2.13 (*Pro Rata Treatment and Payment*). Section 2.13(b) of the Term Loan Agreement is hereby amended by inserting the following sentence at the end thereof:

"The parties hereby agree, for avoidance of doubt, that any Permitted Parent Assignment and Permitted Parent Loan Purchases (and the purchase price paid to any Lender in consideration of purchase of such Lender's Loans in connection therewith) will not constitute a payment under this Section 2.13(b)."

(g) Section 2.16 (Indemnity). Section 2.16 of the Term Loan Agreement is hereby amended by deleting the phrase "the Applicable Margin included therein, if any" at the end of the parenthetical in clause (i) thereof and substituting "the interest rate margin included therein as provided under Section 2.10(a), if any, and the effect of clause (a) of the definition of "Eurodollar Rate"" therefor.

(h) Section 5.1 (*Financial Statements*). Section 5.1 of the Term Loan Agreement is hereby amended by (i) replacing the number "90" with "105" in clause (a), (ii) replacing the number "45" with "50" in clause (b) and (iii) deleting the word "and" at the end of clause (b) and inserting the following immediately prior to the period at the end of clause (c) thereof:

"and

(d) upon request of any Lender, furnish to such Lender within 10 Business Days of such request, the unaudited monthly consolidated balance sheet of Parent as at the end of the most recently completed calendar month for which financial statements are available, and the related unaudited consolidated monthly statements of income and of cash flows for such calendar month".

(i) Section 5.2: (*Certificates; Other Information*). Section 5.2 of the Term Loan Agreement is hereby amended by (i) deleting the phrase "Section 5.1" in clause (b) thereto and substituting in lieu thereof the phrase "Sections 5.1(a) and 5.1(b)," (ii) inserting the following parenthetical phrase in clause (b) thereof immediately after the comma at the end of clause (x) of clause (ii) thereof "(including without limitation, and for the avoidance of doubt, such Compliance Certificate will show in reasonably satisfactory detail compliance with Section 6.2(b)(xii) but, with respect to any such Compliance Certificate delivered in connection with Section 5.1(b) only in the event Indebtedness has been incurred pursuant to Section 6.2(b)(xii) during the last quarter of the four quarter period covered by such Compliance Certificate)", and (iii) deleting the phrase "Senior Note Indenture" in clause (d) thereto and substituting in lieu thereof the phrase "Second Lien Indebtedness, the New Notes or the New Notes Indentures".

(j) *Section 5.12 (Post Closing Items).* Section 5.12(b) of the Term Loan Agreement is hereby amended by inserting the phrase "and any deposit account or securities account used solely as a payroll or benefits account; provided that in no event shall the aggregate amount in all such deposit accounts and securities accounts used as (i) payroll accounts exceed $1,500,000 at any time and (ii) benefits accounts exceed $500,000 at any time" immediately following the phrase "letters of credit" in the final parenthetical therein. A new Section 5.12 (f) is hereby added as follows: "(f) Within thirty (30) days following the Third Amendment Effective Date, Lingo Holdings, Inc., Lingo, Inc. and Lingo Network Services, Inc. shall comply with the provisions and requirements of Section 5.9 applicable to such Persons."

(k) *Section 6.1 (Obligors May Consolidate, Etc).* Section 6.1 of the Term Loan Agreement is hereby amended by deleting clause (3) thereto in its entirety and substituting the following new clause (3) in lieu thereof:

"(3) (a) in the case of Parent, or any Person becoming the successor obligor to Parent, immediately after giving effect to such transaction on a pro forma basis the ratio of (i) the aggregate principal amount (or accreted value, as the case may be) of Indebtedness of Parent and its Restricted Subsidiaries on a consolidated basis outstanding as of the Transaction Date, to (ii) the Pro Forma Consolidated Cash Flow of Parent for the preceding two full fiscal quarters multiplied by two, determined on a pro forma basis as if any such Indebtedness that had been Incurred and the proceeds thereof had been applied at the beginning of such two fiscal quarters, would be greater than zero and less than 5.0 to 1.0; and (b) in the case of the Borrower, or any Person becoming the successor obligor to the Borrower, immediately after giving effect to such transaction on a pro forma basis the ratio of (i) the aggregate principal amount (or accreted value, as the case may be) of Indebtedness of the Borrower and its Restricted Subsidiaries on a consolidated basis outstanding as of the Transaction Date, to (ii) the Pro Forma Consolidated Cash Flow of the Borrower for the preceding two full fiscal quarters multiplied by two, determined on a pro forma basis as if any such Indebtedness that had been Incurred and the proceeds thereof had been applied at the beginning of such two fiscal quarters, would be greater than zero and less than 3.5 to 1.0; and"

(l) Section 6.2 (*Limitation on Indebtedness*).

(i) Section 6.2(a) of the Term Loan Agreement is hereby amended by deleting the proviso thereto in its entirety.

(ii) Section 6.2(b) of the Term Loan Agreement is hereby amended by:

(A) deleting clause (i) thereto in its entirety and substituting in lieu thereof the following new clause (i):

"(i) Indebtedness of the Borrower under this Agreement, and any Indebtedness incurred pursuant to any refinancing of the Loans in whole but not in part (which Indebtedness may include all of the then outstanding principal balance of the Loans and any premiums, accrued interest (including PIK Interest) payable thereon and customary and reasonable fees and expenses with respect to any such refinancing);"

(B) deleting clause (iii) thereto in its entirety and substituting in lieu thereof the following new clause (iii):

"(iii) Indebtedness of any Restricted Subsidiary of Parent to Parent or Indebtedness of Parent or any of its Restricted Subsidiaries to any other of its Restricted Subsidiaries; provided that any subsequent issuance or transfer of any Capital Stock which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary of Parent or any subsequent transfer of such Indebtedness permitted by this clause (iii) (other than to Parent or another Restricted Subsidiary of Parent or a collateral assignment thereof) shall be deemed, in each case, to constitute the Incurrence of such Indebtedness, which Incurrence shall otherwise be permitted under this Section 6.2; and provided further that (x) intercompany Indebtedness among the Parent, the Borrower or a Subsidiary Guarantor, must be unsecured and subordinated in right of payment to the Loans or any Guarantee thereof, as the case may be and (y) intercompany Indebtedness owed by the Parent, the Borrower or a Subsidiary Guarantor to a Foreign Subsidiary, must be unsecured and subordinated in right of payment to the Loans or any Guarantee thereof, as the case may be;"

(C) deleting the "and" at the end of clause (iv)(C) thereof and adding the following new clauses (E), (F), (G) and (H) to clause (iv) thereof:

"(E) if the Indebtedness to be refinanced consists of New Notes or any Second Lien Indebtedness, such new Indebtedness will be subject to (1) the Intercreditor Agreement, or (2) an intercreditor agreement (a "New Intercreditor Agreement") with terms substantially consistent with the Intercreditor Agreement, the terms of which New Intercreditor Agreement are reasonably satisfactory to the Administrative Agent;

(F) if the Indebtedness to be refinanced consists of Indebtedness incurred under Section 6.2(b)(xii)(B), such new Indebtedness shall not be recourse to Parent and its Restricted Subsidiaries other than the purchaser of such acquired assets or any acquired Persons;

(G) if the Indebtedness to be refinanced consists of New Notes, such new Indebtedness shall not have a cash interest rate in excess of 14.25%; and

(H) if the Indebtedness to be refinanced consists of Second Lien Indebtedness (other than New Notes), the implied all-in per annum rate of interest applicable to such new Indebtedness (taking into account any original issue discount and fees (excluding any such customary discount or market-rate fees payable to the underwriters or arrangers of such Indebtedness) associated with such new Indebtedness being calculated within such rate by amortizing such original issue discount and fees equally over a four year period (e.g., such that 1.00% of original issue discount equals 0.25% of interest)) shall not exceed 18%."

(D) deleting the provisions of clause (vi) thereto and substituting in lieu thereof "[reserved];"

(E) deleting the provisions of clause (vii) thereto and substituting in lieu thereof "[reserved];"

(F) deleting the provisions of clause (ix) thereto and substituting in lieu thereof "[reserved];"

(G) deleting the "and" at the end of clause (x) thereto;

(H) deleting the provisions of clause (xi) thereto and substituting in lieu thereof "[reserved]; and"

(I) inserting the following new clause (xii):

"(xii) Acquired Indebtedness and other Indebtedness incurred in connection with an Asset Acquisition, so long as the ratio of the aggregate principal amount of such Indebtedness incurred with respect to any such Asset Acquisition to the Adjusted EBITDA (for the most recent 12 calendar month period for which financial statements are available) attributable to the assets or Persons so acquired pursuant to such Asset Acquisition (as determined by the Borrower, subject to agreed upon procedures performed by its nationally recognized independent accountants) 2.5 to 1.0 or less (the "Acquisition Debt Ratio Test"), and:

(A) such Indebtedness is subordinated in right of payment and lien priority to the Loans and any Second Lien Indebtedness in a manner substantially similar to the payment and lien subordination provisions applicable to the Second Lien Indebtedness pursuant to the Intercreditor Agreement, and does not mature prior to a date which is 91 days following the final scheduled maturity date of the Loans; or

(B) such Indebtedness is non-recourse to Parent and its Restricted Subsidiaries (other than the purchaser of such acquired assets or any acquired Persons) and does not exceed $52,500,000 in the aggregate at any one time outstanding; or

(C) such Indebtedness (1) is Second Lien Indebtedness and (2) has an implied all-in per annum rate of interest (taking into account any original issue discount and fees (excluding any such customary discount or market-rate fees payable to the underwriters or arrangers of such Indebtedness) associated with such Indebtedness being calculated within such rate by amortizing such original issue discount and fees equally over a four year period (e.g., such that 1.00% of original issue discount equals 0.25% of interest)) that does not exceed 18%; or

(D) any combination of the preceding clauses (A), (B) or (C) so long as the incurrence of any Indebtedness under the preceding clauses (A), (B) or (C) or any combination thereof complies with the Acquisition Debt Ratio Test at the time of incurrence;

provided that any assets (other than assets of Excluded Foreign Subsidiaries) acquired with such Indebtedness shall be pledged as additional Collateral in accordance with and to the extent required by Section 5.9; provided, further, in each such case, the purchase price of any acquisition of assets by a Foreign Subsidiary may be funded with Indebtedness permitted hereunder and from one or more of (x) Qualified Capital Stock of Parent issued to the seller, (y) proceeds from the issuance or sale of Qualified Capital Stock of Parent, or (z) cash and cash equivalents acquired in such acquisition, in each case, so long as the portion of any Net Cash Proceeds from any disposition or issuance of Capital Stock of Parent or any Restricted Subsidiary have been applied, or substantially concurrently are applied, to prepay the Loans to the extent required under Section 2.7;"

(J) inserting the following new clause (xiii):

"(xiii) Indebtedness of Parent or any of its Restricted Subsidiaries outstanding as of the Third Amendment Term Sheet Effective Date (other than Indebtedness described in clause (ii) of this Section 6.2(b)) set forth on Schedule 6.2(b)(xiii) hereto;"

(K) inserting the following new clause (xiv):

"(xiv) unsecured Indebtedness of Parent or any Restricted Subsidiary of Parent not otherwise permitted hereunder in an aggregate principal amount incurred pursuant to this clause (xiv) not to exceed $7,500,000 at any time outstanding; and

(L) inserting the following new clause (xv):

"(xv) any Indebtedness incurred from interest which has been paid-in-kind, including with respect to the Second Lien Indebtedness."

(iii) Section 6.2(d) of the Term Loan Agreement is hereby amended by deleting the first sentence thereto and substituting in lieu thereof the following two sentences:

"For purposes of determining the amount of any particular item of Indebtedness under this Section 6.2 (other than non-recourse indebtedness incurred pursuant to clause (xii)(B) of Section 6.2(b)), (x) any Guarantees of Indebtedness of Parent, the Borrower or any Subsidiary Guarantor by Parent, the Borrower or any Subsidiary Guarantor and (y) any Guarantees of Indebtedness of Restricted Subsidiaries that are not Loan Parties by Parent, the Borrower or any Subsidiary Guarantor shall not be included in determining such amounts to the extent the Incurrence of such Indebtedness that is so guaranteed is permitted pursuant to cause (b) above. For purposes of determining the amount of any non-recourse Indebtedness incurred pursuant to clause (xii)(B) of Section 6.2(b), any Guarantees of such Indebtedness by the purchaser of such acquired assets or any acquired Persons shall not be included in determining such amount."

(m) Section 6.3 (*Limitation on Restricted Payments*).

(i) The first paragraph of Section 6.3 of the Term Loan Agreement is hereby amended by:

(A) deleting clause (iii) thereto in its entirety and substituting in lieu thereof the following new clause (iii):

"(iii) make any voluntary or optional principal payment, or voluntary or optional purchase, redemption, repurchase, defeasance, prepayment or other acquisition or retirement for value of Indebtedness other than Indebtedness permitted under Sections 6.2(b)(i) and 6.2(b)(ii); or"

(B) Inserting a period at the end of clause (iv) thereto and deleting all of the text following such period in the first paragraph of Section 6.3 of the Term Loan Agreement.

(ii) The second paragraph of Section 6.3 of the Term Loan Agreement is hereby amended by:

(A) deleting clauses (a), (g), (i), (l) and (m) thereto in their entirety and substituting in lieu of each of such clauses: "[reserved];"

(B) deleting clause (b) thereto in its entirety and substituting in lieu thereof the following:

"(b) the purchase, redemption, repurchase, prepayment or other acquisition or retirement for value of Indebtedness in connection with any refinancing permitted under Section 6.2(b)(iv);"

(C) deleting clause (d) thereto in its entirety and substituting in lieu thereof the following:

"(d) the purchase, redemption, repurchase, prepayment or other acquisition or retirement for value of Indebtedness, including, without limitation, Second Lien Indebtedness, (i) with the Net Cash Proceeds of any Asset Sale (other than an issuance or sale of Capital Stock) to the extent not required to prepay the Loans pursuant to Section 2.7(a), (ii) with the Net Cash Proceeds from the issuance or sale of any Qualified Capital Stock to the extent not required to prepay the Loans pursuant to Section 2.7(a) and (iii) in exchange for, or with the Net Cash Proceeds from the sale or issuance of, Qualified Capital Stock of Parent to the extent not required to prepay the Loans pursuant to Section 2.7(a);"

(D) deleting clause (k) thereto in its entirety and substituting in lieu thereof the following:

"(k) Restricted Payments not to exceed $1,000,000 in the aggregate from and after the Third Amendment Effective Date;"

(E) deleting the proviso immediately after clause (m) thereto and substituting in lieu thereof the following:

"provided, however, in connection with any Restricted Payment or any purchase, redemption, repurchase, prepayment or other acquisition or retirement for value of Indebtedness, including, without limitation, Second Lien Indebtedness, in any case pursuant to this Section 6.3, no Default or Event of Default shall have occurred and be continuing or would result therefrom and all scheduled amortization payments and other payments on the Loans due on or prior to the date of such Restricted Payment shall have been made."

(iii) The third paragraph of Section 6.3 is hereby deleted in its entirety.

(n) Section 6.7 (*Limitation on Liens*). Section 6.7 of the Term Loan Agreement is hereby amended by deleting such section in its entirety and substituting in lieu thereof the following:

"Limitation on Liens. Parent will not, and will not permit any Restricted Subsidiary to, create, incur, assume or suffer to exist any Lien (other than Permitted Liens) on any of its assets or properties of any character (including, without limitation, licenses, trademarks and Capital Stock owned by Parent or any of its Restricted Subsidiaries and any Indebtedness owed to Parent or any of its Restricted Subsidiaries)."

(o) Section 6.8 (*Limitation on Asset Sales*). Section 6.8 of the Term Loan Agreement is hereby amended by deleting the phrase "in accordance with the Senior Note Indenture as in effect on the date hereof (subject to Section 2.7)" and substituting in lieu thereof the phrase "in accordance with Section 2.7."

(p) Section 6.12 (*Restriction on Certain Purchases of Indebtedness*). Section 6.12 of the Term Loan Agreement is hereby amended by deleting such section in its entirety and substituting in lieu thereof "[reserved]".

(q) Section 6.14 (*Restriction on Deposit Accounts and Securities Accounts*). Section 6.14 of the Term Loan Agreement is hereby amended by (i) changing the relevant account number from "24900074" to "899660", (ii) re-lettering clause (c) therein as clause (d) and inserting immediately after the figure "$500,000" the phrase ", (c) any deposit account or securities account used solely as a payroll or benefits account; provided that in no event shall the aggregate amount in all such deposit accounts and securities accounts used as (i) payroll accounts exceed $1,500,000 at any time and (ii) benefits accounts exceed $500,000 at any time" and (iii) deleting the figure "$10,000,000" therein and substituting in lieu thereof the figure "$5,000,000."

(r) Section 6.15 (*Financial Covenants*). The following new Section 6.15 shall be added to the Term Loan Agreement:

"Financial Covenants.

(a) Minimum Adjusted EBITDA. Commencing on September 30, 2009, and as measured at the end of each fiscal quarter thereafter, Parent and its Restricted Subsidiaries shall maintain on a consolidated basis Adjusted EBITDA for the four previous fiscal quarters of not less than $42,000,000. The Borrower shall include on each Compliance Certificate delivered pursuant to Section 5.2(b) reasonable detail showing compliance at the end of the applicable accounting period with the restriction set forth in the preceding sentence. Should Adjusted EBITDA of Parent and its Restricted Subsidiaries as reflected on the Compliance Certificate be greater than or equal to $42,000,000 but less than $50,000,000, from the date of delivery of such Compliance Certificate though the date of delivery of a Compliance Certificate reflecting Adjusted EBITDA of Parent and its Restricted Subsidiaries of at least $50,000,000 for the applicable four-fiscal quarter period (such time period, a "Non-Compliance Period"), (x) the Borrower shall prepay the Loans in an incremental principal amount equal to $250,000 on each scheduled payment date identified on the amortization schedule set forth in Section 2.3 occurring during such Non-Compliance Period (which, for the avoidance of doubt, shall be in addition to any amounts required to be paid pursuant to Section 2.3) and (y) during any such Non-Compliance Period, all outstanding Loans shall bear interest at a rate per annum that is equal to the rate that would otherwise be applicable thereto pursuant to Sections 2.10(a) and 2.10(b) plus 0.50% (such additional amount to be paid in cash on the applicable Interest Payment Date).

(b) Maximum Indebtedness. Commencing on the Third Amendment Effective Date, and at all times thereafter, aggregate Indebtedness of Parent and its Restricted Subsidiaries shall not exceed $270,000,000; provided that (x) any interest which has been paid-in-kind, including with respect to the Second Lien Indebtedness and (y) Indebtedness incurred or assumed under Section 6.2(b)(xii) shall not be included when calculating the aggregate amount of Indebtedness; provided, further, Indebtedness incurred in connection with a refinancing pursuant to Sections 6.2(b)(i) or 6.2(b)(iv) shall not be included when calculating the aggregate amount of Indebtedness outstanding until such refinancing has been effectuated (provided such refinancing is effectuated within 45 days, or such longer period of time as may be determined by the Required Lenders in their sole discretion).

(c) Maximum Capital Expenditures. Parent and its Restricted Subsidiaries shall not make aggregate Capital Expenditures in excess of (x) $18,000,000 during the fiscal year ending December 31, 2009 and (y) $23,000,000 during the fiscal year ending December 31, 2010; provided that any amounts not used in the prior fiscal year shall be carried forward to the next succeeding fiscal year."

(s) Section 7 (*Events of Default*). Section 7 of the Term Loan Agreement is hereby amended by (i) deleting the word "or" at the end of clause (j) thereto, (ii) inserting the word "or" immediately after the semicolon in clause (k) thereto, and (iii) inserting a new clause (l) after clause (k) thereto as follows:

"(l) any provision of the Intercreditor Agreement (or the New Intercreditor Agreement, as applicable), at any time for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party contests in any manner the validity or enforceability of any provision of the Intercreditor Agreement (or the New Intercreditor Agreement, as applicable); or any Loan Party denies that it has any or further liability or obligation under the Intercreditor Agreement (or the New Intercreditor Agreement, as applicable), or purports to revoke, terminate or rescind any provision of the Intercreditor Agreement (or the New Intercreditor Agreement, as applicable);"

(t) Section 8.3 (*Exculpatory Provisions*).

(i) Section 8.3 of the Term Loan Agreement is hereby amended by inserting immediately prior to the period at the end of the first sentence thereof the following:

"or, (iii) to the maximum extent not prohibited by law, liable for any special, exemplary, punitive or consequential damages arising out of, in connection with, or as a result of, this Agreement, any of the other Loan Documents or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby."

(ii) Section 8.3 of the Term Loan Agreement is hereby further amended by inserting the following at the end thereof:

"No provision of this Agreement or any other Loan Document shall require the Agents to expend or risk their own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or the exercise of any of its rights or powers.

The Agents shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement or any other Loan Document arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; terrorism; wars and other military disturbances; sabotage; epidemics; riots; business interruptions; loss or malfunctions of utilities, computer (hardware or software) or communication services; accidents; labor disputes; acts of civil or military authority and governmental action.

The Agents shall not be required to qualify in any jurisdiction in which they are not presently qualified.

The Agents shall not be responsible for providing, maintaining, monitoring or preserving insurance on or the payment of taxes with respect to any of the Collateral. The actions described in the immediately preceding sentence shall be the responsibility of the Loan Parties.

The Agents shall not be responsible for (i) perfecting, maintaining, monitoring,

preserving or protecting the security interest or lien granted under this Agreement or other Loan Documents or (ii) the filing, re-filing, recording, re-recording or continuing of any document, financing statement, mortgage, assignment, notice, instrument of further assurance or other instrument in any public office at any time or times.

The Agents' duties hereunder and under this Agreement or any other Loan Document are administrative only and it may, but shall not be required under any circumstances to exercise discretion in the performance of its duties hereunder or under the Loan Documents."

(u) Section 8.10 (*Authorization to Release Liens and Guarantees*). Section 8.10 of the Term Loan Agreement is hereby amended by deleting such section in its entirety and substituting in lieu thereof the following:

"The Administrative Agent is hereby irrevocably authorized by each of the Lenders to effect any release of Liens or guarantee obligations contemplated by Section 9.15 and shall not be responsible or liable for relying exclusively on an Officer's Certificate, unless the Administrative Agent has received an objection to any such release pursuant to Section 9.15 from the Required Lenders."

(v) Section 9.2 (*Notices*). Section 9.2 of the Term Loan Agreement is hereby amended by deleting the notice address given therein for the Administrative Agent in its entirety and inserting the following in lieu thereof:

The Administrative Agent:	The Bank of New York Mellon 600 East Las Colinas Blvd. Suite 1300 Irving, TX 75039 Attention: Melinda Valentine/Vice President Telephone: (972) 401-8500 Telecopy: (972) 401-8555
With a copy to (which shall not constitute notice):	McGuire, Craddock & Strother, P.C. 500 North Akard Suite 3550 Dallas, TX 75201 Attention: Jonathan Thalheimer Telephone: (214) 954-6855 Telecopy: (214) 954-6868

(w) Section 9.5 (*Payment of Expenses*). Section 9.5(d) of the Term Loan Agreement is hereby amended by deleting clause (iv) thereto in its entirety and substituting in lieu thereof the following new clause (iv) prior to the comma:

"(iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, including, with respect to any Non-Participating Lender, in connection with or arising out of any Permitted Parent Assignment or Permitted Parent Loan Purchase, in each case, whether based on contract, tort or any other theory, whether brought by any third party or by the Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto (all of the foregoing in this clause (d), collectively, the "Indemnified Liabilities")".

(x) Section 9.6 (*Successors and Assigns; Participations and Assignments*). Section 9.6 of the Term Loan Agreement is hereby amended by inserting the following new clauses (h) and (i) at the end thereof:

"(h) Any Assignor may at any time and from time to time assign to Parent or any of its Affiliates (a "Permitted Parent Assignment"), all or any part of its rights and obligations under this Agreement pursuant to an Assignment and Acceptance, substantially in the form of Exhibit D with such changes as may be necessary or advisable to give effect to this clause (h), executed by such Assignee and Parent or any of its Affiliates and delivered to the Administrative Agent for its acceptance and recording in the Register; provided that the aggregate principal amount of all such assignments to Parent or any of its Affiliates pursuant to this Section 9.6(h) shall not exceed $5,000,000 in the aggregate in any calendar year. Any Loans acquired by a Parent or any of its Affiliates pursuant to this Section 9.6(h) shall be cancelled and retired immediately upon closing of such assignment (for avoidance of doubt, upon such cancellation or retirement, the Loans so cancelled or retired shall be deemed not to be outstanding and to have no principal amount for any purposes under this Agreement). Upon such execution, delivery, acceptance and recording, from and after the effective date determined pursuant to such Assignment and Acceptance, the Assignor thereunder shall, to the extent provided in such Assignment and Acceptance, be released from its obligations under this Agreement. The Administrative Agent shall not be required to recognize a Permitted Parent Assignment unless it has received a certificate from Parent stating that such assignment is a Permitted Parent Assignment pursuant to this Section 9.6(h). The Administrative Agent shall be entitled to rely, and shall not incur any liability for relying on, such certificate.

(i) Parent and its Affiliates (collectively, the "Parent Purchaser") shall be permitted to purchase Loans under this clause (i) (a "Permitted Parent Loan Purchase") from Lenders at any time and from time to time, in one or more transactions; provided that in connection with any Permitted Parent Loan Purchase the Parent Purchaser must extend such offer to all Lenders to participate in the Permitted Parent Loan Purchase in the manner proscribed in Exhibit J. Any Loans purchased in connection with a Permitted Parent Loan Purchase shall be cancelled and retired immediately upon closing of such Permitted Parent Loan Purchase (for avoidance of doubt, upon such cancellation or retirement, the Loans so cancelled or retired shall be deemed not to be outstanding and to have no principal amount for any purposes under this Agreement). Upon such execution, delivery, acceptance and recording, from and after the effective date determined pursuant to the relevant Assignment and Acceptance, the applicable Lender shall, to the extent provided in such Assignment and Acceptance, be released from its obligations under this Agreement."

(y) Section 9.7 (*Adjustments; Set-Off*). Section 9.7 of the Term Loan Agreement is hereby amended by inserting the following parenthetical "(including in connection with any Permitted Parent Assignment or Permitted Parent Loan Purchase)" immediately after the phrase "Except to the extent that this Agreement provides for payments to be allocated to a particular Lender," in clause (a) thereto.

(z) Section 9.15 (*Release of Collateral and Guarantee Obligations*).

(i) Section 9.15 of the Term Loan Agreement is hereby amended by deleting clause (a) thereto in its entirety and inserting the following new clause (a) in lieu thereof:

"(a) Notwithstanding anything to the contrary contained herein or in any other Loan Document, upon request of the Borrower pursuant to an Officer's Certificate (i) setting

forth the Collateral being Disposed of in such Disposition or the Person being Disposed of in such Disposition and (ii) stating that the Collateral being Disposed of in such Disposition or the Person being Disposed of in such Disposition is being disposed of in compliance with the terms hereof, the Administrative Agent shall ((i) without being required to give notice to, or obtain the vote or consent of, any Lender, or any affiliate of any Lender that is a party to any Specified Hedge Agreement in the case of any Disposition of Collateral whose value, as determined by the Borrower in good faith, is less than $2,500,000, or (ii) after delivery of such Officer's Certificate to the Lenders and without reasonable objection thereto by the Required Lenders identifying, in reasonable detail, why such Disposition does not comply with the terms of the Term Loan Agreement within 5 Business Days of receipt of such Officer's Certificate by the Administrative Agent, in the case of any Disposition of Collateral whose value, as determined by the Borrower in good faith, is $2,500,000 or greater) take such actions as shall be requested to release its security interest in any Collateral being Disposed of in such Disposition, and to release any guarantee obligations and any other obligations under any Loan Document of any Person being Disposed of in such Disposition, without representation, warranty, indemnity or recourse, and at the Borrower's sole cost and expense, to the extent necessary to permit consummation of such Disposition in accordance with the Loan Documents. In addition, upon the request of the Borrower pursuant to an Officer's Certificate delivered in connection with any Lingo Offering (i) setting forth the Lingo Subsidiary being released and (ii) stating that such release is in compliance with the terms hereof, the Administrative Agent shall (without notice to, or vote or consent of, any Lender, or any affiliate of any Lender that is a party to any Specified Hedge Agreement) take such actions as shall be required or reasonably requested by the Borrower to evidence the release of the Lingo Subsidiary from its guaranty obligations and any other obligations under the Loan Documents without representation, warranty, indemnity or recourse and at the Borrower's sole cost and expense. The Administrative Agent shall be entitled to rely, and shall not incur any liability for relying on, any such Officer's Certificates."

(ii) Section 9.15 of the Term Loan Agreement is hereby further amended by deleting the first sentence in clause (b) thereto and inserting the following in lieu thereof:

"Notwithstanding anything to the contrary contained herein or any other Loan Document, upon request of the Borrower pursuant to an Officer's Certificate when all Obligations (other than obligations in respect of any Specified Hedge Agreement) have been paid in full and all Commitments have terminated or expired, upon request of the Borrower, the Administrative Agent shall (without being required to give notice to, or obtain the vote or consent of, any Lender, or any affiliate of any Lender that is a party to any Specified Hedge Agreement, provided that Administrative Agent may prior to any such release obtain confirmation that all such Obligations have been paid in full) take such actions as shall be reasonably required to release its security interest in all Collateral, without representation, warranty, indemnity or recourse, and at the Borrower's sole cost and expense, and to release all guarantee obligations, without representation, warranty, indemnity or recourse, and at the Borrower's sole cost and expense under any Loan Document, whether or not on the date of such release there may be outstanding Obligations in respect of Specified Hedge Agreements. The Administrative Agent shall be entitled to rely, and shall not incur any liability for relying on, any such Officer's Certificates."

(aa) Schedule 6.2(b)(xiii) to this Third Amendment is hereby added to the Term Loan Agreement as new Schedule 6.2(b)(xiii) thereto.

(bb) Exhibit J (*Permitted Loan Purchase Procedures*). The Term Loan Agreement is hereby further amended by inserting the document attached as Exhibit B hereto as a new Exhibit J thereto.

2. Waiver. The Lenders hereby waive any Default or Event of Default resulting from or arising in connection with (a) the Proceedings, (b) the Borrower's or any Loan Parties' participation in, or being subject to, the Proceedings, (c) Parent, the Borrower or any of Borrower's Significant Subsidiaries being generally not able to, or being unable to, or admitting in writing its inability to, pay its debts as they become due, in each case, on or prior to the Third Amendment Effective Date, (d) the Borrower's failure to deliver the documents required by Section 5.1(a) of the Term Loan Agreement prior to the Third Amendment Effective Date, (e) the Borrower's failure to deliver the documents required by Section 5.2(b) of the Term Loan Agreement as in effect prior to the Third Amendment Effective Date, (f) the Borrower's failure to deliver the documents required by Section 5.2(c) of the Term Loan Agreement as in effect prior to the Third Amendment Effective Date, (g) the failure to pay any annual administrative fees owing to the Existing Agent due in 2009, (h) any failure of any of Lingo Holdings, Inc., Lingo, Inc. and Lingo Network Services, Inc. to comply with the provisions and requirements of Section 5.9 of the Term Loan Agreement or of Parent or any Subsidiary of Parent to comply with any provisions of any Loan Document requiring a pledge of the stock or delivery of the stock certificates of Lingo Holdings, Inc., Lingo, Inc. and Lingo Network Services, Inc. (provided that the waiver in this clause (h) shall cease to be effective after the date which is thirty (30) days following the Third Amendment Effective Date) and (i) any failure to deliver a notice of Default or Event of Default relating to any of the foregoing clauses (a) through (h) or this clause (i).

3. Agency Resignation, Waiver, Consent and Appointment.

(a) As of the Third Amendment Effective Date, (i) the Existing Agent hereby resigns as the Administrative Agent as provided under Section 8.9 *(Successor Administrative Agent)* of the Term Loan Agreement and shall have no further obligations under the Loan Documents in such capacity; (ii) the Required Lenders hereby appoint The Bank of New York Mellon as successor Administrative Agent under the Term Loan Agreement and the other Loan Documents and waive any notice requirements with respect thereto under the Loan Documents; (iii) Parent, the Borrower and Required Lenders hereby waive any notice requirement provided for under the Loan Documents in respect of such resignation or appointment; (iv) Parent, the Borrower and Required Lenders hereby consent to the appointment of the Successor Agent; (v) The Bank of New York Mellon hereby accepts its appointment as Successor Agent; (vi) the Successor Agent shall bear no responsibility for any actions taken or omitted to be taken by the Existing Agent or that otherwise occurred prior to the Third Amendment Effective Date and (vii) each of the Existing Agent and the Borrower authorizes the Successor Agent to file any Uniform Commercial Code assignments or amendments with respect to the Uniform Commercial Code Financing Statements, mortgages, and other filings in respect of the Collateral as the Successor Agent deems necessary or desirable to evidence the Successor Agent's succession as Administrative Agent under the Term Loan Agreement and the other Loan Documents and each party hereto agrees to execute any documentation reasonably necessary to evidence such succession; provided that the Existing Agent shall bear no responsibility for any actions taken or omitted to be taken by the Successor Agent under this clause (vii).

(b) The parties hereto hereby confirm that the Successor Agent succeeds to the Term Loan Agreement and becomes vested with all of the rights, powers and duties of the Administrative Agent under each of the Loan Documents, and the Existing Agent is discharged from all of its duties, obligations and responsibilities as the Administrative Agent under the Term Loan Agreement or the other Loan Documents, in each case, as of the Third Amendment Effective Date.

(c) The parties hereto hereby confirm that, as of the Third Amendment Effective Date, all of the provisions of the Term Loan Agreement, including, without limitation, Article 8 *(The Agents)*, Section 9.5 *(Payment of Expenses)* and Section 8.7 *(Indemnification)* to the extent they pertain to the Existing Agent, continue in effect for the benefit of the Existing Agent, its sub-agents and their respective affiliates in respect of any actions taken or omitted to be taken by any of them while the Existing Agent was acting as Administrative Agent and inure to the benefit of the Existing Agent.

(d) The Existing Agent hereby assigns to the Successor Agent each of the Liens and security interests assigned to the Existing Agent under the Loan Documents and the Successor Agent hereby assumes all such Liens, for its benefit and for the benefit of the Secured Parties.

(e) On and after the Third Amendment Effective Date, all possessory collateral held by the Existing Agent for the benefit of the Lenders shall be deemed to be held by the Existing Agent as agent and bailee for the Successor Agent for the benefit of the Lenders until such time as such possessory collateral has been delivered to the Successor Agent. Notwithstanding anything herein to the contrary, each Loan Party agrees that all of such Liens granted by any Loan Party, shall in all respects be continuing and in effect and are hereby ratified and reaffirmed by each Loan Party. Without limiting the generality of the foregoing, any reference to the Existing Agent on any publicly filed document, to the extent such filing relates to the liens and security interests in the Collateral assigned hereby and until such filing is modified to reflect the interests of the Successor Agent, shall, with respect to such liens and security interests, constitute a reference to the Existing Agent as collateral representative of the Successor Agent (provided, that the parties hereto agree that the Existing Agent's role as such collateral representative shall impose no duties, obligations, or liabilities on the Existing Agent, including, without limitation, any duty to take any type of direction regarding any action to be taken against such Collateral, whether such direction comes from the Successor Agent, the Required Lenders, or otherwise and the Existing Agent shall have the full benefit of the protective provisions of Article 8 *(The Agents)* while serving in such capacity). The Successor Agent agrees to take possession of any possessory collateral delivered to the Successor Agent following the Third Amendment Effective Date upon tender thereof by the Existing Agent.

4. Release of Lehman Commercial Paper Inc. Each of the Borrower and the other Loan Parties hereby unconditionally and irrevocably waive all claims, suits, debts, liens, losses, causes of action, demands, rights, damages or costs, or expenses of any kind, character or nature whatsoever, known or unknown, fixed or contingent, which any of them may have or claim to have against Lehman Commercial Paper Inc. ("LCPI") (in its capacity as Administrative Agent, Collateral Agent, Syndication Agent or Arranger under the Loan Documents) or its agents, employees, officers, affiliates, directors, representatives, attorneys, successors and assigns (collectively, the "Released Parties") to the extent arising at any time on or before the Third Amendment Effective Date out of or in connection with LCPI's or Lehman Brothers Inc.'s capacity as Administrative Agent, Collateral Agent or Arranger under the Loan Documents (collectively, the "Claims"). Each of the Borrower and the other Loan Parties further agree forever to refrain from commencing, instituting or prosecuting any lawsuit, action or other proceeding against any Released Parties with respect to any and all of the foregoing described waived, released, acquitted and discharged Claims and from exercising any right of recoupment or setoff that it may have under a master netting agreement or otherwise against any Released Party with respect to Obligations under the Loan Documents. Each of the Released Parties shall be a third party beneficiary of this Agreement. Notwithstanding anything herein to the contrary, in no event shall this Section 4 release or be deemed to release LCPI or any other Released Party from any claims, suits, debts, liens, losses, causes of actions, damages, costs or expenses of any kind, character or nature (i) arising under (a) this Third Amendment to the extent arising after the Third Amendment Effective Date or (b) the ISDA Master Agreement (Multicurrency-Cross Border), dated as of October 17, 2007, between Primus Telecommunications Canada Inc. and Lehman Brothers Special Financing Inc., the Schedule thereto and

the Credit Support Annex of even date therewith between such parties or the guarantee obligations of Parent with respect thereto or (ii) which any of the Lenders may have or claim to have against LCPI or any of the Released Parties.

5. Conditions to Effectiveness. This Third Amendment shall become effective on and as of the earlier of the effective date of the Plan of Reorganization or the first date following June 30, 2009 (the "Third Amendment Effective Date") that the following conditions precedent are satisfied:

(a) The Loan Parties shall have entered into control agreements in connection with each deposit account and securities account (as each such term is defined in the Uniform Commercial Code in the State of New York (the "UCC")) with any bank or securities intermediary in the United States held by such Loan Party (other than those deposit accounts and securities accounts holding cash and investment property in an aggregate amount not exceeding $500,000, accounts used as a payroll or benefits account and Account No. 899660 maintained at Bank of America, N.A.) giving control (as defined in Article 9 of the UCC) of such accounts to the Successor Agent ("Control Agreements");

(b) The Required Lenders shall have received an Officer's Certificate from the chief executive officer of the Borrower certifying (i) the accuracy of the of the information provided in the schedules to the Loan Agreement (except as supplemented by the Schedules attached to this Third Amendment) and the information provided in the Schedules to this Third Amendment, (ii) all the consents, authorizations, licenses and approvals required in the consummation of the Plan of Reorganization and the execution, delivery and performance by the Borrower and the validity against the Borrower of this Third Amendment and the other Loan Documents have been obtained and remain in full force and effect (or no such consents, authorizations, licenses and approvals are required) and (iii) attaching execution copies of each of the Control Agreements required to be entered into and certifying compliance with the requirements of Section 5(a) of this Third Amendment;

(c) The Plan of Reorganization shall have been substantially consummated and shall provide for this Third Amendment to become effective and this Third Amendment shall have been approved by the Bankruptcy Court;

(d) Each of the Loan Parties and the Existing Agent and Successor Agent shall have executed and delivered this Third Amendment;

(e) The Second Lien Indebtedness and the Intercreditor Agreement shall have been amended such that the Second Lien Indebtedness is subordinated in right of payment to the Loans, in substantially the form attached hereto as Exhibit A;

(f) Existing Agent and Successor Agent shall have confirmed in writing that each of the tasks listed on Schedule I attached hereto (other than clause (e) thereto) have been completed; provided that Successor Agent's confirmation shall not be a representation by Successor Agent as to the accuracy or completeness of the items provided;

(g) The Successor Agent shall have received (i) all promissory notes evidencing Indebtedness, in an amount greater than $100,000 per promissory note, owing by any Subsidiary of the Borrower to Parent, the Borrower or any Subsidiary Guarantor, together with appropriate indorsements with respect thereto, to the extent such promissory notes and indorsements were not delivered to the Administrative Agent on the Closing Date and (ii) all stock certificates representing Capital Stock of its Subsidiaries (to the extent such Capital Stock is certificated) required to be pledged pursuant to the Guarantee and Collateral Agreement;

(h) The Guarantors shall have delivered to the Agent an executed original of Guarantors' Consent and Agreement attached as Annex A to this Third Amendment; and

(i) The Existing Agent shall have received from the Borrower payment, free and clear of any recoupment or set-off, in immediately available funds of all reasonable costs, expenses, accrued and unpaid fees and other amounts payable to it as the Existing Agent pursuant to the Loan Documents (including reasonable fees and expenses of counsel), set forth on Schedule II hereto, which shall include an estimate of fees and expenses through the Third Amendment Effective Date, in each case to the account specified on Schedule II hereto;

(j) The Successor Agent shall have confirmed in writing that it has received the items set forth on Schedule III hereto; and

(k) The Successor Agent shall have received from the Borrower payment, free and clear of any recoupment or set-off, in immediately available funds all fees and expenses set forth in that Fee Schedule dated December 5, 2008 (including reasonable, documented fees and expenses of counsel).

(l) Prior to the Third Amendment Effective Date, the Borrower shall deliver Schedule 6.2(b)(xiii), which shall be added to the Term Loan Agreement as new Schedule 6.2(b)(xiii) thereto.

6. Representations and Warranties of Agents.

(a) Exiting Agent hereby represents and warrants that it is legally authorized to enter into and has duly executed and delivered this Agreement.

(b) Successor Agent hereby represents and warrants that it is legally authorized to enter into and has duly executed and delivered this Agreement.

7. Representations and Warranties. Parent and the Borrower hereby represent and warrant to the Administrative Agent and each Lender that after giving effect to this Third Amendment:

(a) no Default or Event of Default has occurred and is continuing;

(b) each of the representations and warranties made by the Loan Parties in the Loan Documents (other than those contained in Sections 3.7 (*No Default*), 3.8 (*Ownership of Property; Liens*) and 3.20 (*Solvency*)) are true and correct in all material respects on and as of the Third Amendment Effective Date as though made on the Third Amendment Effective Date (except to the extent that such representations and warranties relate to a specific date);

(c) as of the Third Amendment Effective Date, (x) no Subsidiaries of Parent have been designated, or are currently designated, as Unrestricted Subsidiaries under the Term Loan Agreement and (y) except for Subsidiaries which account for, in the aggregate, 5% or less of the consolidated assets of Parent and its Subsidiaries and 5% or less of the consolidated revenue of Parent and its Subsidiaries, each Domestic Subsidiary of the Borrower is a Subsidiary Guarantor;

(d) except as set forth on Schedule IV attached hereto, which shall be provided by the Borrower prior to the Third Amendment Effective Date, each of Parent, the Borrower and its Subsidiaries has title in fee simple to, or a valid leasehold interest in, all its real property, and good title to, or a valid leasehold interest in, all its other Property, and none of such Property is subject to any Lien other than a Permitted Lien;

(e) subject to Permitted Liens and excluding deposit accounts not required to be subject to control agreements, the Administrative Agent, for the benefit of the Lenders, has a fully perfected first priority Lien on, and security interest in, all right, title or interest of the Loan Parties in the Collateral required to be pledged to the Lenders pursuant to the Loan Documents to the extent a Lien on such Collateral may be perfected through Domestic Perfection Actions;

(f) Schedule V, which shall be provided by the Borrower prior to the Third Amendment Effective Date, shall list all deposit accounts or securities accounts held by the Loan Parties with any bank or securities intermediary in the United States and each such deposit account and securities account (other than those deposit accounts and securities accounts holding cash and investment property in an aggregate amount not exceeding $500,000, accounts used as a payroll or benefits account and Account No. 899660 maintained at Bank of America, N.A.) is subject to Control Agreements;

(g) Schedule VI, which shall be provided by the Borrower prior to the Third Amendment Effective Date, lists as of the last day of the most recently ended month at least 30 days prior to the date hereof, all intercompany accounts receivable, accounts payable and loan balances of the Loan Parties;

(h) all security interests created in favor of the Existing Agent for the benefit of the secured parties as required under the Loan Documents are valid security interests in the Collateral, as security for the Obligations. The Borrower authorizes Successor Agent to file or affect all amendments and assignments reasonably necessary or appropriate to transfer all such security interests to Successor Agent, and the Borrower shall, within 60 days from the date hereof, transfer all insurance policies that are in the name of the Existing Agent to the Successor Agent; and

(i) (x) Schedule III contains a complete list of all possessory Collateral and security filings related to the Collateral required to have been delivered to the Existing Agent pursuant to the Guarantee and Collateral Agreement and (y) the actions described in Schedule VII hereto have been performed prior to the date hereof.

8. Further Assurances.

(a) Without limiting their obligations in any way under any of the Loan Documents, the Borrower reaffirms and acknowledges its obligations to the Successor Agent and the Lenders with respect to the Term Loan Agreement and the other Loan Documents, and that following the Third Amendment Effective Date the delivery of any agreements, instruments or any other document required pursuant to the Loan Documents and any other actions taken or to be taken in accordance with the Loan Documents, shall be to the reasonable satisfaction of Successor Agent notwithstanding whether any of the foregoing was or were previously satisfactory to the Existing Agent.

(b) Each of the Borrower and the Existing Agent agrees that, following the Third Amendment Effective Date, it shall promptly furnish, at the Borrower's expense, additional releases, amendment or termination statements and such other documents, instruments and agreements as are customary and may be reasonably requested by the Successor Agent in order to effect and evidence more fully the matters covered hereby.

(c) The Borrower shall reimburse the Existing Agent for all reasonable out-of-pocket costs and expenses incurred by the Existing Agent in connection with any actions taken pursuant to this Agreement.

9. Effect of Agreement.

(a) The parties hereto acknowledge that Lehman shall have no obligation to provide any further financial accommodations to or for the benefit of the Borrower or its Affiliates pursuant to the Loan Documents.

(b) As of the Third Amendment Effective Date, the Borrower hereby agrees that any payment to be made pursuant to the Term Loan Agreement, including, without limitation, Section 2.13 (Pro Rata Treatment and Payments) of the Term Loan Agreement, but excluding any payments in connection with any Permitted Parent Assignment or Permitted Parent Loan Purchase, shall be made by wire transfer to the following account for distribution to the Lenders in accordance with the terms of the Loan Documents or to such other account specified in writing by Successor Agent to the Borrower from time to time, with a copy to the Lenders:

Bank Name:	The Bank of New York
ABA Number:	021-000-018
Account Name:	BNYAS Agent Services Clearing Account
Account Number:	8900415460
Reference:	Primus
Contact:	Tequlla English (972) 401-8569

10. Payment of Fees and Expenses. The Borrower agrees to pay or reimburse the Lenders for all reasonable and documented expenses, including fees and expenses of counsel, incurred in connection with the preparation, execution and delivery of this Third Amendment, any other documents prepared in connection herewith and the transactions contemplated hereby.

11. Reaffirmation; Limited Effect.

(a) All references to the Term Loan Agreement shall refer to the Term Loan Agreement as amended by this Third Amendment. Except as expressly provided hereby, all of the terms and provisions of the Term Loan Agreement and the other Loan Documents are and shall remain in full force and effect. However, in the event of any inconsistency between the terms of the Term Loan Agreement (as amended by this Third Amendment) and the Guarantee and Collateral Agreement, the terms of the Term Loan Agreement (as amended by this Third Amendment) shall control and the Guarantee and Collateral Agreement shall be deemed to be amended to conform to the terms of the Term Loan Agreement (as amended by this Third Amendment). The amendments, waivers and releases contained herein shall not be construed as a waiver or amendment of any other provision of the Term Loan Agreement or the other Loan Documents or for any purpose except as expressly and specifically set forth herein or a consent to any further or future action on the part of the Borrower that would require the waiver or consent of the Administrative Agent or the Lenders. Borrower hereby reaffirms its obligations under the Loan Documents to which it is a party and agrees that all Loan Documents to which it is a party remain in full force and effect and continue to be legal, valid, and binding obligations enforceable in accordance with their terms (as the same are amended by this Third Amendment) except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

(b) Each party hereto hereby agrees that (i) this Third Amendment does not impose on the Existing Agent affirmative obligations or indemnities not already existing, as of the date of its petition commencing its proceeding under Chapter 11 of the Bankruptcy Code, and that could give rise to administrative expense claims, and (ii) this Third Amendment is not inconsistent with the terms of the Term Loan Agreement.

12. GOVERNING LAW; Miscellaneous. THIS THIRD AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective proper and duly authorized officers as of the First Amendment Effective Date.

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

PRIMUS TELECOMMUNICATIONS HOLDING, INC.

By: /s/ Thomas R. Kloster
Name: Thomas R. Kloster
Title: Chief Financial Officer

Solely with respect to Sections 3, 4, 5, 6, 8, 9 and 10 of this Third Amendment, the undersigned acknowledge and agree as of the date first written above.

LEHMAN COMMERCIAL PAPER INC. ,
as Existing Agent

By: /s/ Randall Braunfeld
Name: Randall Braunfeld
Title: Authorized Signatory

THE BANK OF NEW YORK MELLON,
as Successor Agent

By: /s/ Melinda Valentine
Name: Melinda Valentine
Title: Vice President

[Form of Intercreditor Agreement Amendment]

Permitted Parent Loan Purchase Procedures

This Exhibit is intended to summarize certain basic terms of the Permitted Parent Loan Purchase procedures pursuant to and in accordance with the terms and conditions of Section 9.6(i) of the Term Loan Agreement, of which this Exhibit is a part. It is not intended to be a definitive list of all of the terms and conditions of a Permitted Parent Loan Purchase, and all such terms and conditions shall be set forth in the applicable offer procedures set for each Permitted Parent Loan Purchase (the "Offer Documents"). The Administrative Agent, or any of its affiliates may tender Return Bids and be a participating Lender on the same terms and conditions set forth in this Exhibit and the applicable Offer Document, and such participation may not be deemed a recommendation to any Lender to submit a Return Bid or to take part in this or any other offer.

Reference is made to the Term Loan Agreement dated as of February 18, 2005 (as amended from time to time, the "Term Loan Agreement"), among Primus Telecommunications Group, Incorporated, a Delaware corporation (the "Parent"), Primus Telecommunications Holding, Inc., a Delaware corporation (the "Borrower"), the several banks and other financial institutions or entities from time to time parties thereto (the "Lenders") and Bank of New York Mellon (as successor to Lehman Commercial Paper Inc.), as Administrative Agent (the "Administrative Agent"). Capitalized terms used herein but not defined herein have the meanings given to such terms in the Loan Agreement.

Summary. Parent and its Affiliates ("Parent Purchaser") may make one or more offers to purchase Loans from Lenders (each such offer, an "Auction") (each such purchase, a "Discounted Purchase") pursuant to the procedures described herein. No Auction may be commenced if any other Auction has been previously commenced and not yet completed, terminated or expired. Separate Auctions may not be commenced on the same day.

Notice Procedures. Parent Purchaser will provide written notice in the form attached hereto as Annex A to the Administrative Agent that the Parent Purchaser desires to purchase Loans (each an "Auction Notice"). Each Auction Notice shall specify:

(i) the maximum principal amount of outstanding Loans the Parent Purchaser is willing to purchase in the Auction (which shall be no less than $250,000 and may be in integral multiples of $250,000 in excess thereof (the "Auction Amount");

(ii) the range of discounts (the "Discount Range"), expressed as a range of prices per $1,000 of the Loans at issue, equal to a percentage of par of the principal amount of the applicable Loans at which the Parent Purchaser would be willing to purchase Loans in the Auction (i.e. a discount range of 20% to 40% means a discount of 20% to 40% of par and, commensurately, a payment range of 60% (in the case of a 40% discount) to 80% (in the case of a 20% discount) of par);

(iii) whether the Auction with be a Modified Dutch Auction, Dutch Auction or a Variable Price Auction; and

(iv) the date on which the Auction will conclude, on which date Return Bids (defined below) will be due by 1:00 p.m. New York time, as such date and time may be extended (such time, the "Expiration Time") for a period not exceeding three Business Days upon notice by the Parent Purchaser to the Administrative Agent not less than 24 hours before the original Expiration Time; provided, however, that only one extension per Auction shall be permitted. An Auction shall be regarded as a "Failed Auction" in the event that either (x) the Parent Purchaser

withdraws such Auction in accordance with the terms hereof or (y) the Expiration Time occurs with no Return Bids having been received. In the event of a Failed Auction, the Parent Purchaser shall not be permitted to deliver a new Auction Notice prior to the date occurring three Business Days after such withdrawal or Expiration Time, as the case may be.

Reply Procedures. Each Lender holding Loans wishing to participate in such Auction must by the date and time specified in the Auction Notice provide the Administrative Agent with a written notice of participation in the form attached hereto as Annex B (a "Return Bid") which shall specify:

(i) a discount to par that must be expressed as a price per $1,000 of Loans (the "Reply Discount") within the Discount Range (in multiples of $5 per $1,000 principal amount); and

(ii) the principal amount of Loans, in an amount not less than $250,000 and may be in integral multiples of $250,000 in excess thereof (but subject to rounding requirements specified by the Administrative Agent), that such Lender would be willing to offer for purchase at that Reply Discount (the "Reply Amount").

A Lender may submit a Reply Amount that is less than the minimum amount and incremental amount requirements described above only if the Reply Amount comprises the entire amount of such Loans held by such Lender. Lenders may only submit one Return Bid per Auction but each Return Bid may contain up to three component bids, each of which may result in a separate Qualifying Bid (as defined below) and each of which will not be contingent on any other component bid submitted by such Lender resulting in a Qualifying Bid, but the sum of any Lender's bid(s) may not exceed the principal face amount of Loans held by it. In addition to the Return Bid, the participating Lender must execute and deliver, to be held by the Administrative Agent, the Assignment and Acceptance in the form included in the Offer Document. The Parent and its Affiliates will have no obligation to (and may not) purchase any Loans at a Reply Discount that is outside the applicable Discount Range, nor will any Return Bids (including any component bids specified therein) submitted at a Reply Discount that is outside such applicable Discount Range be considered in any calculation of the Applicable Discount, if applicable. A Lender failing to submit a Return Bid shall be conclusively deemed to have irrevocably elected not to participate in the Auction.

Modified Dutch Auction Procedures: Identification of Clearing Bid and Determination of the Applicable Discount. Based on the Reply Discounts and Reply Amounts received by the Administrative Agent, the Administrative Agent, in consultation with the Parent Purchaser, will determine the applicable discount (the "Modified Dutch Auction Applicable Discount") for the Auction, which will be the Reply Discount at which the Parent Purchaser can complete the Auction by accepting and purchasing the full Auction Amount (or such lesser amount of Loans for which the Parent Purchaser has received Return Bids within the Discount Range). The Modified Dutch Auction Applicable Discount will be determined and computed by adding the Reply Amounts at each Reply Discount within the Discount Range, commencing with the Reply Amounts which are offered at the highest of such Reply Discounts (i.e. a Reply Discount of 20% is higher than a Reply Discount of 19%) and followed by Reply Amounts which are offered at each lesser Reply Discount within the Discount Range in descending order towards par until the aggregate principal amount of Loans covered by Return Bids within the Discount Range reaches the Auction Amount or, if less, the aggregate amount of Loans for which the Parent Purchaser has received Return Bids within the Discount Range. No Return Bids will be accepted which specify a Reply Discount less than the Modified Dutch Auction Applicable Discount. The Modified Dutch Auction Applicable Discount so derived shall be applicable for all Lenders who have offered to participate in the Auction and whose Return Bids (including any component bid thereof) specified a

Reply Discount equal to or greater than the Modified Dutch Auction Applicable Discount (each a "Qualifying Bid"). If no such Modified Dutch Auction Applicable Discount for the full Auction Amount can be so derived, then the Modified Dutch Auction Applicable Discount for all Reply Amounts shall be the least of the Reply Discounts that is within the Discount Range (i.e. a Reply Discount of 18% is the least of Reply Discounts of 20%, 19% and 18%).

Dutch Auction Procedures: Identification of Clearing Bid and Determination of the Applicable Discount. Based on the Reply Discounts and Reply Amounts received by the Administrative Agent, the Administrative Agent, in consultation with the Parent Purchaser, will determine the applicable discount (the "Dutch Auction Applicable Discount") for the Auction, which will be the Reply Discount at which the Parent Purchaser can complete the Auction by accepting and purchasing the full Auction Amount (or such lesser amount of Loans for which the Parent Purchaser has received Return Bids within the Discount Range). The Dutch Auction Applicable Discount will be determined and computed by adding the Reply Amounts at each Reply Discount within the Discount Range, commencing with the Reply Amounts which are offered at the lowest of such Reply Discounts (i.e. a Reply Discount of 19% is lower than a Reply Discount of 20%) and followed by Reply Amounts which are offered at each greater Reply Discount within the Discount Range in ascending order towards par until the aggregate principal amount of Loans covered by Return Bids within the Discount Range reaches the Auction Amount or, if less, the aggregate amount of Loans for which the Parent Purchaser has received Return Bids within the Discount Range. No Return Bids will be accepted which specify a Reply Discount greater than the Dutch Auction Applicable Discount. The Dutch Auction Applicable Discount so derived shall be applicable for all Lenders who have offered to participate in the Auction and whose Return Bids (including any component bid thereof) specified a Reply Discount equal to or less than the Dutch Auction Applicable Discount (each a "Qualifying Bid"). If no such Dutch Auction Applicable Discount for the full Auction Amount can be so derived, then the Dutch Auction Applicable Discount for all Reply Amounts shall be the highest of the Reply Discounts that is within the Discount Range (i.e. a Reply Discount of 20% is the highest of Reply Discounts of 20%, 19% and 18%).

Variable Price Auction Procedures: Determination of the Applicable Discount. Based on the Reply Discounts and Reply Amounts received by the Administrative Agent, the Administrative Agent, in consultation with the Parent Purchaser, will determine the applicable discount (the "Variable Price Auction Applicable Discount" and, together with the Modified Dutch Auction Applicable Discount and the Dutch Auction Applicable Discount, each an "Applicable Discount") for the Auction, which shall be, for each Lender submitting a Return Bid, the Reply Discount identified by such Lender. Parent Purchaser shall accept Return Bids (each a "Qualifying Bid"), giving priority to Return Bids with the lowest Reply Discounts, until the full Auction Amount (or such lesser amount of Loans for which the Parent Purchaser has received Return Bids within the Discount Range) has been reached. Return Bids (including any component bid thereof) specifying the lowest Reply Discounts within the Discount Range will be given absolute priority, commencing with the Reply Amounts which are offered at the lowest of such Reply Discounts (i.e. a Reply Discount of 19% is lower than a Reply Discount of 20%) and followed by Reply Amounts which are offered at each higher Reply Discount within the Discount Range in ascending order towards par until the aggregate principal amount of Loans covered by Return Bids within the Discount Range reaches the Auction Amount or, if less, the aggregate amount of Loans for which the Parent Purchaser has received Return Bids within the Discount Range.

Identification of Accepted Amounts and Acceptance of Bids; Proration. Once the Applicable Discount for each Auction is determined, the Parent Purchaser shall accept Return Bids (including any component bid thereof) (and commensurately identify for purchase those Loans (or the respective portions thereof) ("Qualifying Loans")) offered by the Lenders whose Return Bids (or component bids thereof) constitute Qualifying Bids, all at the Applicable Discount; provided that if the aggregate principal amount of Qualifying Loans (disregarding any interest and premium, if any, payable

thereon) would exceed the Auction Amount, the Parent Purchaser shall accept Return Bids for purchase of Qualifying Loans all at the Applicable Discount based on the respective principal amounts so offered by applying such respective principal amounts (up to the Auction Amount (such amount being referred to as the "Cap Amount")) sequentially and pro-rata to the aggregate Reply Amounts included in each Qualifying Bid at the level of each Reply Discount within the Discount Range, until the aggregate principal amount of Qualifying Loans reaches the Auction Amount or, if less, the aggregate amount of Loans for which the Parent Purchaser has received Qualifying Bids. Such application shall be made at each level of Reply Discounts without proration unless and until the aggregate amount of Qualifying Loans exceed the Cap Amount, in which case the aggregate Reply Amounts covered by Return Bids (or component bids thereof) specifying Reply Discounts equal to the Applicable Discount shall be pro-rated to the extent necessary so that the aggregate accepted bids do not exceed the Cap Amount.

Notification Procedures. The Administrative Agent will calculate and post the Applicable Discount and proration factor onto an internet site (including IntraLinks or such other electronic workspace reasonably acceptable to the Parent Purchaser) in accordance with the Administrative Agent's standard dissemination practices by 4:00 p.m. New York time on the same Business Day as the date the Return Bids were due (as extended, if applicable). The Administrative Agent will insert the amount of Loans to be assigned and the applicable settlement date onto each applicable Assignment and Acceptance received in connection with a Qualifying Bid. Upon request of the submitting Lender, the Administrative Agent will promptly return any Assignment and Acceptance received in connection with a Return Bid that is not a Qualifying Bid.

Each Discounted Purchase shall be made within five Business Days of the date of determination of the Applicable Discount, without premium or penalty, upon irrevocable notice (each a "Discounted Purchase Notice"), delivered to the Administrative Agent no later than 1:00 P.M. New York City time, three Business Days prior to the date of such Discounted Purchase which notice shall specify the date and amount of the Discounted Purchase and the Applicable Discount; provided that if any Eurodollar Rate Loan is purchased on a date other than the scheduled last day of the Interest Period applicable thereto, the Parent Purchaser shall also pay any amounts owing pursuant to Section 2.16(c) of the Term Loan Agreement. Upon receipt of any Discounted Purchase Notice the Administrative Agent shall promptly notify each relevant Lender thereof. If any Discounted Purchase Notice is given, the amount specified in such notice shall be due and payable to the applicable Lenders on the date specified therein together with accrued interest (on the par principal amount) to but not including such date on the amount purchased.

Additional Procedures. Once initiated by an Auction Notice, the Parent Purchaser may withdraw an Auction only in the event that, as of such time, no Return Bid has been received by the Administrative Agent. Furthermore, in connection with any Auction, upon submission by a Lender of a Return Bid, such Lender will not have any withdrawal rights. Any Return Bid (including any component bid thereof) delivered to the Administrative Agent may not be modified, revoked, terminated or cancelled by a Lender.

All questions as to the form of documents and validity and eligibility of Loans that are the subject of an Auction may be determined by the Administrative Agent, in consultation with the Parent Purchaser, and their determination will be final and binding. The Administrative Agent's interpretation of the terms and conditions of the Offer Document, in consultation with the Parent Purchaser, will be final and binding.

This Exhibit J shall not require the Parent Purchaser to initiate any Auction.

Form of Auction Notice

Bank of New York Mellon, as Administrative Agent
[Address Line 1]
[Mail Code Information]
[Address Line 2]
Attention:
Telecopier:
Telephone:

Ladies and Gentlemen:

Reference is made to the Term Loan Agreement dated as of February 18, 2005 (as amended from time to time, the "Term Loan Agreement"), among Primus Telecommunications Group, Incorporated, a Delaware corporation (the "Parent"), Primus Telecommunications Holding, Inc., a Delaware corporation (the "Borrower"), the several banks and other financial institutions or entities from time to time parties thereto (the "Lenders") and Bank of New York Mellon (as successor to Lehman Commercial Paper Inc.), as Administrative Agent. Capitalized terms used herein but not defined herein have the meanings given to such terms in the Term Loan Agreement.

The Parent and/or its Affiliates (the "Parent Purchaser") hereby gives notice to the Lenders that it desires to conduct the following Auction:

Loans to be Purchased:

Auction Amount: $_____

Discount Range: Not less than $ nor greater than $ per $1,000 principal amount of Loans.

The Parent Purchaser acknowledges that this Auction Notice may not be withdrawn other than in accordance with the terms of the Auction. The Auction shall be consummated in accordance with the Auction Procedures with each Return Bid due by 1:00 PM (new York City time) on , 20 .

Very truly yours,

[PARENT PURCHASER NAME]

By: _____
Name:
Title:

Form of Return Bid

Bank of New York Mellon, as Administrative Agent
[Address Line 1]
[Mail Code Information]
[Address Line 2]
Attention:
Telecopier:
Telephone:

Ladies and Gentlemen:

Reference is made to the Term Loan Agreement dated as of February 18, 2005 (as amended from time to time, the "Term Loan Agreement"), among Primus Telecommunications Group, Incorporated, a Delaware corporation (the "Parent"), Primus Telecommunications Holding, Inc., a Delaware corporation (the "Borrower"), the several banks and other financial institutions or entities from time to time parties thereto (the "Lenders") and Bank of New York Mellon (as successor to Lehman Commercial Paper Inc.), as Administrative Agent. Capitalized terms used herein but not defined herein have the meanings given to such terms in the Term Loan Agreement.

The undersigned Lender hereby gives notice of its participation in the Auction by submitting the following Return Bid:[1]

Reply Discount (price per $1,000)	Reply Amount
US $	US $
US $	US $
US $	US $

The undersigned Lender acknowledges and agrees that (i) Parent and its Affiliates currently may have, and later may come into possession of, information regarding Parent and its Subsidiaries, or the Obligations that is not known to such Lender and that may be material to a decision to enter into a sale transaction (any such information, "Excluded Information"), (ii) such Lender has determined to enter into such transaction notwithstanding its lack of knowledge of the Excluded Information, and (iii) none of Parent, the Borrower nor any of their Affiliates shall have any liability to such selling Lender or its successors or assigns, and such selling Lender to the maximum extent permitted by law waives and releases any claims it may have against Parent, the Borrower and their Affiliates, with respect to the nondisclosure of the Excluded Information, now or in the future.

The undersigned Lender further acknowledges that the submission of this Return Bid obligates the Lender to tender the entirety or its pro-rata portion of the Reply Amount in accordance with the Auction Procedures, as applicable.

[1] The Lender may submit up to three component bids but need not submit more than one. The sum of the Lender's bid(s) may not exceed the aggregate principal face amount of Term Loans held by it.

Very truly yours,

[LENDER NAME]]

By: _____
Name:
Title:

[Lender Notice Address]

Annex A

GUARANTORS' CONSENT AND AGREEMENT

As an inducement to the Administrative Agent to execute, and in consideration of the Administrative Agent's execution of, the Third Amendment to the Term Loan Agreement dated as of the Third Amendment Effective Date (the "Third Amendment"), the undersigned hereby consent to the Third Amendment and agree that the Third Amendment shall in no way release, diminish, impair, reduce or otherwise adversely affect the obligations and liabilities of the undersigned under the Guarantee and Collateral Agreement executed by the undersigned in connection with the Term Loan Agreement, or under any Loan Documents, agreements, documents or instruments executed by the undersigned to create liens, security interests or charges to secure any of the Obligations (as defined in the Term Loan Agreement), all of which are and remain in full force and effect. The undersigned further represent and warrant to the Administrative Agent that after giving effect to this Third Amendment (a) no Default or Event of Default has occurred and is continuing; (b) each of the representations and warranties made by the undersigned in the Loan Documents (other than those contained in Sections 3.7 (No Default), 3.8 (Ownership of Property; Liens) and 3.20 (Solvency)) are true and correct in all material respects on and as of the Third Amendment Effective Date as though made on the Third Amendment Effective Date (except to the extent that such representations and warranties relate to a specific date); (c) except as set forth on Schedule IV to the Third Amendment, the undersigned has title in fee simple to, or a valid leasehold interest in, all its real property, and good title to, or a valid leasehold interest in, all its other Property, and none of such Property is subject to any Lien other than a Permitted Lien; (d) subject to Permitted Liens and excluding deposit accounts not required to be subject to control agreements, the Administrative Agent, for the benefit of the Lenders, has a fully perfected first priority Lien on, and security interest in, all right, title or interest of the undersigned in the Collateral required to be pledged by the undersigned to the Lenders pursuant to the Loan Documents to the extent a Lien on such Collateral may be perfected through Domestic Perfection Actions; and (e) all security interests created by the undersigned in favor of the Existing Agent for the benefit of the secured parties as required under the Loan Documents are valid security interests in the Collateral, as security for the Obligations. Guarantors hereby irrevocably release the Administrative Agent and the Lenders from any liability for actions or omissions in connection with the Loan Documents prior to the date of the Third Amendment. This Guarantors' Consent and Agreement shall be binding upon the undersigned and their respective successors and assigns, and shall inure to the benefit of Administrative Agent and its successors and assigns. This Guarantors' Consent and Agreement may be executed by facsimile and in multiple counterparts, each of which shall constitute a fully executed original.

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

By: _____

Name: _____

Title: _____

PRIMUS TELECOMMUNICATIONS, INC.

By: _____
Name: _____
Title: _____

PRIMUS TELECOMMUNICATIONS INTERNATIONAL, INC.

By: _____
Name: _____
Title: _____

TRESCOM INTERNATIONAL, INC.

By: _____
Name: _____
Title: _____

TRESCOM U.S.A., INC.

By: _____
Name: _____
Title: _____

LEAST COST ROUTING, INC.

By: _____
Name: _____
Title: _____

iPRIMUS USA, INC.

By: _____
Name: _____
Title: _____

iPRIMUS.COM, INC.

By: _____
Name: _____
Title: _____

PRIMUS TELECOMMUNICATIONS IHC, INC.

By: _____
Name: _____
Title: _____

Exhibit 10.6

SEPARATION AGREEMENT

This Separation Agreement ("Agreement") is entered into by John F. DePodesta ("Executive") and Primus Telecommunications Group, Incorporated, including its subsidiary Primus Telecommunications, Inc., both Delaware corporations (together, the "Company"), in order to resolve all matters between Executive and the Company relating to Executive's employment.

WHEREAS, Executive is a co-founder of the Company and is currently employed by the Company as Executive Vice President, Chief Legal Officer, and Chief Development Officer, and also serves as a member of the Board of Directors of the Company and as Secretary;

WHEREAS, Executive is not party to an employment agreement with the Company but is party to a Release and Separation Agreement with the Company dated as of March 10, 2009 (the "Prior Agreement");

WHEREAS, the Prior Agreement shall terminate upon the execution of this Agreement; and

WHEREAS, Executive and the Company desire to memorialize an understanding with respect to certain matters between them, including without limitation any issues that would arise out of termination of Executive's employment with the Company.

NOW, THEREFORE, in consideration of the mutual agreements and understandings set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, intending to be legally bound, the parties hereto hereby agree as follows:

1. Definition of Terms. The following terms referred to in this Agreement shall have the following meanings:

   (a) "Cause" shall mean engaging by Executive in intentional fraud or intentional breach of the Company's ethics guidelines, as may be established by the Company from time to time.

   (b) "Change of Control" means (i) a sale of more than 50% of the outstanding capital stock of the Company in a single or related series of transactions, (ii) the merger or consolidation of the Company with or into any other corporation or entity, other than a wholly-owned subsidiary of the Company, where the Company is not the surviving entity, or (iii) a sale of all or substantially all of the assets of the Company to an unrelated entity.

(c) "Constructive Termination" shall mean termination of employment following: (i) without Executive's express written consent, a material reduction of Executive's status, position, duties or responsibilities relative to Executive's duties or responsibilities in effect immediately prior to such reduction; (ii) without Executive's express written consent, a reduction by the Company of Executive's base salary or material welfare benefits (other than a reduction in welfare benefits that similarly applies to all employees or other individuals that are covered under the applicable welfare benefit plan) or potential to achieve total compensation (including, without limitation, a decrease in Executive's total eligible bonus opportunity as a percentage of salary; provided, however, that the targets, thresholds, achievements or other criteria that must be satisfied or met as a condition to earning and/or receiving any such bonus may be changed or altered from time to time, or otherwise set, by the Board of Directors of the Company in its sole discretion) as in effect immediately prior to such reduction; (iii) without Executive's express written consent, the Relocation of Executive to a facility or a location which increases Executive's one-way commute from Executive's residence at the time of, and following, Relocation by more than fifty (50) miles; or (iv) the failure of the Company to obtain the assumption of this Agreement by any successor in interest to the Company through sale of capital stock, merger, or otherwise, or if a sale of all or substantially all of the assets of the Company is made to an unrelated entity. Notwithstanding the foregoing, a Constructive Termination shall not be deemed to have occurred for purposes of this Agreement unless (x) within a period not to exceed ninety (90) days following the initial existence of any condition or event set forth in clauses (i) through (iv) of this section 1(c), Executive provides written notice to the Company of the existence of such condition or event, which written notice shall set forth in reasonable detail why Executive believes such condition or event has occurred, and (y) upon receipt by the Company of such notice by Executive, the Company is given thirty (30) days to remedy such condition or event and fails to so remedy such condition or event within such thirty-day period.

(d) "Termination Date" shall mean:

(i) if Executive's employment is terminated by the Company for Cause, the date of Executive's receipt from the Company of written notice of termination for Cause, or any later date specified therein, as the case may be;

(ii) if Executive's employment is terminated as a result of (A) Executive's voluntary resignation, the fourteenth (14 th) day following the Company's receipt from Executive of written notice of an event of a voluntary termination, or (B) a Constructive

Termination, the expiration of the thirty-day period set forth in clause (y) of the last sentence of section 1(c) above if the applicable condition or event is not remedied within such thirty-day period;

(iii) if Executive's employment is terminated by the Company other than for Cause or Disability, the date on which the Company notifies Executive of such termination or any other later date so specified;

(iv) if Executive's employment is terminated by reason of death or Disability, the date of death of Executive or the thirtieth (30th) day after Executive receives written notice from the Company of its intention to terminate Executive's employment due to a Disability; provided, however, within the thirty (30) day period after such receipt, Executive shall not have performed his essential duties.

(e) "Disability" shall mean Executive's inability to perform the essential duties, responsibilities and functions incident to his employment with the Company as a result of any mental or physical disability or incapacity for a period of five (5) consecutive months. Executive shall cooperate in all respects with the Company if a question arises as to whether he has become disabled (including, without limitation, submitting to an examination by a medical doctor or other health care specialists selected by the Company and reasonably acceptable to Executive and authorizing such medical doctor or such other health care specialist to discuss Executive's condition with the Company).

(f) "Relocation" shall mean Executive's relocation of his principal place of business from McLean, Virginia or the immediately surrounding area.

2. Separation Arrangements.

(a) Executive shall be entitled to payment through the Termination Date of his base salary in effect prior to the Termination Date. Any accrued vacation amount shall also be paid on the Termination Date. Executive agrees to submit to the Company any and all expenses, which are business-related and reimbursable to Executive by the Company, within thirty (30) days after the Termination Date.

(b) Upon any Constructive Termination or termination by the Company without Cause (other than upon death or Disability) in addition to the payments in section 2(a) above, the Executive shall, subject to the provisions of section 2(f) and compliance with section 3(a), be entitled to the following:

(i) The Company shall, on the Release Effective Date (as defined below), make a lump sum payment to Executive, of an amount equal to (A) the sum of (x) the greater of Executive's base salary in effect as of December 31, 2008, or his base salary as of the Termination Date, plus (y) the greater of the target annual bonus (calculated as though such targets had been achieved) in effect for 2008 or for the year preceding the year of the Termination Date, multiplied by (B) the sum of (x) one (1) plus (y) a fraction, the numerator of which is the product of two (2) times Executive's years of service with the Company as of the Termination Date, and the denominator of which is fifty-two (52), provided that the sum set forth in this clause (B) shall in no event exceed two (2). For purposes of such computation, it is agreed that Executive commenced service with the Company in February 1994 and has continued in service with the Company since that time. Executive shall not have the right to make contributions to the Company's 401(k) savings plan from the base salary payments made under this section 2(b)(i).

(ii) To the extent permitted by law and the terms of the applicable welfare benefit plan, and subject to the occurrence of the Release Effective Date, Executive shall continue to participate in the Company's welfare benefit plans, including but not limited to medical benefits, dental benefits, life insurance, and short-term and long-term disability plans, in which he is enrolled or eligible for twenty-four (24) months following the Termination Date, as if he were still employed by the Company; provided, however, that if the terms of the applicable welfare benefit plan or plans do not permit such continued participation by Executive, the Company shall, at its option, (A) provide Executive with welfare benefits that are substantially equivalent (on an after-tax basis) to those provided to Executive under the Company's welfare benefit plans as of the Termination Date, which benefits shall be provided at the Company's expense (less the amount of any applicable premiums that would have been paid by Executive under the Company's applicable welfare benefit plan had Executive continued participation thereunder), or (B) reimburse Executive (on an after-tax basis) for the cost of welfare benefits that are substantially equivalent to those provided to Executive under the Company's welfare benefit plans as of the Termination Date (provided that Executive shall not be reimbursed for the amount of any applicable premiums that would have been paid by Executive under the Company's applicable welfare benefit plans had Executive continued participation thereunder). At the expiration of such twenty-four (24) month period, Executive shall be entitled to COBRA coverage.

(c) If, within twenty-four (24) months after a Change of Control, Executive's employment is terminated due to a Constructive Termination or is terminated by the Company without Cause (other than upon death or Disability), all outstanding stock options, and other equity grants (including, without limitation, restricted stock, restricted stock units, and warrants) granted to Executive shall become 100% vested as of the Termination Date and shall be exercisable and otherwise payable in accordance with their terms. Notwithstanding anything herein or in an applicable restricted stock unit award agreement to the contrary, with respect to any restricted stock units held by Executive, a Constructive Termination shall only be deemed to have occurred if such termination constitutes an "involuntary separation from service" for purposes of Section 409A of the Code.

(d) All payments to Executive shall be less all amounts required or authorized to be withheld by applicable federal, state, or local law.

(e) Notwithstanding anything herein to the contrary, in the event that Executive is determined to be a specified employee in accordance with Section 409A of the Code for purposes of any severance payment under this Agreement, such severance payments shall be made or begin, as applicable, on the first payroll date which is more than six (6) months following the date of separation from service, to the extent required to avoid the adverse tax consequences to Executive under Section 409A of the Code. Notwithstanding anything contained herein to the contrary, to the extent required to avoid the adverse tax consequences under Section 409A of the Code, Executive shall not be considered to have terminated employment with the Company for purposes of this Agreement and no payments shall be due to him under this Agreement which are payable upon his termination of employment until he would be considered to have incurred a "separation from service" from the Company within the meaning of Section 409A of the Code. To the extent required to avoid an accelerated or additional tax under Section 409A of the Code, amounts reimbursable to Executive under this Agreement shall be paid to Executive on or before the last day of the year following the year in which the expense was incurred and the amount of expenses eligible for reimbursement (and in-kind benefits provided to Executive) during any one year may not affect amounts reimbursable or provided in any subsequent year. In addition, any right to reimbursement or in-kind benefit granted hereunder shall not be subject to liquidation or exchange for another benefit.

(f) Executive agrees that the Executive shall be entitled to the severance pay and benefits as set forth in this Agreement only if Executive does not materially breach the provisions of this Agreement at any time during the period for which such payments or benefits are to be made or provided. The Company's obligation to make such payments and provide such benefits will terminate upon the occurrence of any such material breach during the severance period.

3. Release of Claims.

(a) Executive's right to receive the severance payment and benefits described in sections 2(b)(i) and 2(b)(ii) hereof, and the obligation of the Company to pay and provide such severance payment and benefits, is subject to (x) the execution and delivery by Executive of a written release ("Release") containing the language set forth below in this section 3(a) within a period of sixty (60) days following the Termination Date, and (y) the expiration of seven (7) days after Executive's executing such Release and such Release becoming effective (such date, the "Release Effective Date"):

"Executive, for himself and his heirs, executors and administrators, voluntarily, knowingly and willingly agrees to release the Company, together with its direct and indirect parents, subsidiaries, affiliates, predecessors and successors and assigns, past and present directors, managers, officers, employees, agents, clients, accountants, attorneys, and servants (collectively, the "Company Releasees") from any and all claims, charges, complaints, promises, agreements, controversies, liens, demands, causes of action, obligations, damages, expenses (including attorneys' fees and costs) and liabilities of any nature whatsoever ("Claims"), known or unknown, suspected or unsuspected, which Executive, or his heirs, executors or administrators ever had, now have, or may hereafter claim to have against any of the Company Releasees arising out of or relating to: (i) any matter, cause or thing whatsoever arising from the beginning of time to the date of this Release, (ii) Executive's employment relationship with the Company or any of the Company Releasees or the separations thereof including, but not limited to, any such rights or claims arising under any statute or regulation including the Age Discrimination in Employment Act of 1967, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Americans with Disabilities Act of 1990, the Family and Medical Leave Act of 1993, the Employee Retirement Income Security Act of 1974, or the Delaware Equal Accommodations Law, each as amended, or any other federal, state or local law, regulation, ordinance or common law, or (iii) any policy, agreement, understanding or promise, written or oral, formal or informal, between Executive on the one hand and the Company or any of the Company Releasees on the other hand. Executive acknowledges that the amounts referred to in section 2 of the Agreement are in lieu of and in full satisfaction of any amounts that might otherwise be payable under any contract, agreement (oral or written), plan, policy or practice, past or present, of the Company or any of the Company Releasees; provided, however, that notwithstanding the foregoing, nothing contained in this Release shall in any way diminish or impair any rights Executive may have, from and after the date the Release is executed, under the Agreement (collectively, the "Excluded Claims").

(b) The Release shall contain the following representations and acknowledgments from Executive:

(i) Executive understands and agrees that, except for the Excluded Claims, he has knowingly relinquished, waived and forever released any and all rights to any personal recovery in any action or proceeding that may be commenced on Executive's behalf arising out of the Claims that are released under the Release, including, without limitation, Claims for backpay, front pay, liquidated damages, compensatory damages, general damages, special damages, punitive damages, exemplary damages, costs, expenses and attorneys' fees.

(ii) Executive represents that he has no claims, complaints, charges or lawsuits pending against the Company or any of the Company Releasees.

(iii) Executive acknowledges and agrees that he has had a sufficient period of time of up to 21 days within which to review the Release, including, without limitation, with Executive's attorney, and that Executive has done so to the extent desired.

(iv) Executive understands and agrees that the severance and welfare benefits continuation set forth in section 2 of the Agreement are the only consideration for the Executive's signing the Release and no promise or inducement has been offered or made to induce the Executive to sign the Release, except as expressly set forth therein.

(v) Executive understands and agrees that the Release shall not become effective until the 8th day after the Executive signs it and the Executive may at any time before the effective date revoke the Release by hand delivering or sending via overnight mail a written notice of revocation to the Company: Primus Telecommunications Group, Incorporated, 7901 Jones Branch Drive, Suite 900, McLean, VA 22102, Attention: Chief Executive Officer and General Counsel.

4. Confidentiality. Executive agrees that Executive shall not, directly or indirectly, use, make available, sell, disclose or otherwise communicate to any person, other than in the course of Executive's assigned duties and for the benefit of the Company, either during the period of Executive's employment or at any time thereafter, any nonpublic, proprietary or confidential information, knowledge or data, including without limitation, designs, drawings, market share or financial data, or information relating to supplier agreements; inventions, trade secrets, or processes, relating or belonging to the Company, any of its predecessors, parents, subsidiaries, affiliated companies or businesses, which shall have been obtained by Executive during Executive's employment by the Company and/or its predecessors, parents, subsidiaries or affiliates. If Executive is required to disclose any such information by applicable law, regulation or legal process, the Executive may make such disclosure without breaching his obligations under this section 4; provided that Executive provides the Company with prior notice of the contemplated disclosure and reasonably cooperates with the Company at its expense in seeking a protective order or other appropriate protection of such information. The restrictions set forth in this section 4 shall not apply to information that (i) was known to the public prior to its disclosure to Executive; or (ii) becomes known to the public subsequent to disclosure to Executive through no wrongful act of Executive or any representative of Executive. Notwithstanding clauses (i) and (ii) of the preceding sentence, Executive's obligation to maintain such disclosed information in confidence shall not terminate where only portions of the information are in the public domain.

5. Non-solicitation. During Executive's employment with the Company and for the two (2) year period following the Termination Date, Executive agrees that Executive will not, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, knowingly solicit, aid or induce: (i) any employee of the Company or any of its parents, subsidiaries or affiliates (as defined by the Company) to leave such

employment in order to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company or knowingly take any action to materially assist or aid any other person, firm, corporation or other entity in identifying or hiring any such employee; or (ii) any customer of the Company or any of its predecessors, parents, subsidiaries or affiliates with whom Executive had contact during Executive's employment, to purchase goods or services then sold by the Company or any of its parents, subsidiaries or affiliates from another person, firm, corporation or other entity or assist or aid any other persons or entity in identifying or soliciting any such customer.

6. Non-competition. Executive acknowledges that during the course of Executive's employment with the Company and/or its predecessors, parents, subsidiaries or affiliates, Executive has had access to and knowledge of confidential and proprietary information belonging to the Company and/or its predecessors, parents, subsidiaries or affiliates, and that Executive's services are of a unique nature and are irreplaceable, and that Executive's performance of such services to a competing business will result in irreparable harm to the Company and/or its parents, subsidiaries or affiliates. Accordingly, during Executive's employment and for the one (1) year period following the Termination Date, Executive agrees that Executive will not, directly or indirectly, own, manage, operate, control, be employed by (whether as an employee, consultant, independent contractor or otherwise, and whether or not for compensation) or render services to any person, firm, corporation or other entity, in whatever form, engaged in any business of the telecommunications industry as any business in which the Company or any of its parents, subsidiaries or affiliates is engaged on the Termination Date or in which they have proposed, on or prior to such date, to be engaged in on or after such date, and in which Executive has been involved to any extent (other than de minimis) at any time during the one (1) year period ending with the Termination Date, in any locale of any country in which the Company or any of its parents, subsidiaries or affiliates conducts business. This section 6 shall not prevent Executive from owning not more than one percent of the total shares of all classes of stock outstanding of any publicly held entity engaged in such business, nor will it restrict Executive from rendering services to charitable organizations, as such term is defined in section 501(c) of the Internal Revenue Code.

7. Continued Cooperation. Executive acknowledges that the Company may need to consult with Executive from time to time on a reasonable basis after the Termination Date on matters relating to the business of the Company or that Executive had worked on prior to the Termination Date. Executive agrees to continue to cooperate with the Company and to provide any such information or consultation as is reasonably requested and compensated by the Company.

8. Reasonableness. Executive acknowledges that the restrictions contained in sections 4, 5, 6, and 7 are reasonable and necessary to protect the legitimate interests of the Company, its parent, subsidiaries and its affiliates, that the Company would not have executed this Agreement in the absence of such restrictions, and that any violation of any provision of

this paragraph will result in irreparable injury to the Company. By executing this Agreement, Executive represents that Executive's experience and capabilities are such that the restrictions contained in sections 4, 5, 6, and 7 will not prevent Executive from obtaining employment or otherwise earning a living at the same general level of economic benefit as is currently the case. Executive further represents and acknowledges that (i) Executive has been advised by the Company to consult with legal counsel of Executive's choosing in respect of this Agreement, and (ii) that Executive has had full opportunity, prior to executing this Agreement, to review thoroughly this Agreement with counsel. In the event the provisions of sections 4, 5, 6 and/or 7 shall ever be deemed to exceed the time, scope or geographic limitations permitted by applicable laws, then such provisions shall be reformed to the maximum time, scope or geographic limitations, as the case may be, permitted by applicable laws.

9. Term. This Agreement shall commence on July 1, 2009 (the "Effective Date") and shall end on the third (3rd) anniversary of the Effective Date (the "Agreement Term"); provided, however, that on the second (2nd) anniversary of the Effective Date and each anniversary thereafter (the "Extension Date"), the Agreement Term shall be automatically extended for successive one-year periods (the "Extended Agreement Term"), unless no later than ninety (90) days prior to the applicable Extension Date, the Company or Executive provides written notice of intent not to so extend the Agreement Term. To the extent Executive continues employment with the Company following the expiration of the Agreement Term (or the Extended Agreement Term), the Company's severance policy then in effect for executives shall apply to Executive.

10. No Admission of Wrongdoing. This Agreement is not an admission that the Company has any liability to Executive, or of any wrongdoing by the Company. The Company denies any liability of any kind to Executive.

11. Entire Agreement. This Agreement constitutes the entire agreement, and supersedes any and all prior agreements, and understandings, both written and oral, between the parties hereto with respect to the subject matter hereof except as otherwise provided herein.

12. Choice of Law. The parties agree that Delaware law shall govern in the interpretation of this Agreement, and that in the event of any suit or any other action arising out of or relating to this Agreement, the court shall apply the internal laws of the State of Delaware, without giving effect to the principles of conflicts of law.

13. Modification Only By Written Agreement. This Agreement may not be changed in any way except in a written agreement signed by both Executive and an authorized representative of the Company.

14. Knowing and Voluntary. Executive has carefully read and fully understands all of the provisions of this Agreement; knows and understands the rights Executive is giving up by signing this Agreement; and has entered into this Agreement knowingly and voluntarily. Executive further represents and warrants that, except as set forth herein, no promises or inducements for this Agreement have been made, and Executive is entering into this Agreement without reliance upon any statement or representation by any of the Company Releasees or any other person, concerning any fact material hereto.

15. Severability. It is the desire and intent of Executive and the Company that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. In the event that any one or more of the provisions of this Agreement, except for the provisions of section 2, shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remainder of this Agreement shall not in any way be affected or impaired thereby.

16. Binding Agreement. Executive and the Company represent that this Agreement shall be a binding and valid obligation of each party. This Agreement shall be binding on and inure to the benefit of the Company and its successors and assigns and to Executive and his heirs.

17. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. In addition, a scanned or faxed signature page shall be deemed equivalent to an original signature page.

18. Prior Agreement. On the Effective Date, the Prior Agreement is, and shall be deemed to be, terminated and of no further force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement on the day and year set forth below.

/s/ John F. DePodesta	July 1, 2009
John F. DePodesta	Date
/s/ K. Paul Singh	July 1, 2009
K. Paul Singh, For Primus Telecommunications, Inc.	Date
/s/ K. Paul Singh	July 1, 2009
K. Paul Singh, For Primus Telecommunications Group, Incorporated	Date

Exhibit 10.7

SEPARATION AGREEMENT

This Separation Agreement ("Agreement") is entered into by Thomas R. Kloster ("Executive") and Primus Telecommunications, Inc., a Delaware corporation (the "Company"), in order to resolve all matters between Executive and the Company relating to Executive's employment.

WHEREAS, Executive is employed by the Company;

WHEREAS, Executive is not party to an employment agreement with the Company but is party to a Release and Separation Agreement with the Company dated as of March 10, 2009 (the "Prior Agreement");

WHEREAS, the Prior Agreement shall terminate upon the execution of this Agreement; and

WHEREAS, Executive and the Company desire to memorialize an understanding with respect to certain matters between them, including without limitation any issues that would arise out of termination of Executive's employment with the Company.

NOW, THEREFORE, in consideration of the mutual agreements and understandings set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, intending to be legally bound, the parties hereto hereby agree as follows:

1. Definition of Terms. The following terms referred to in this Agreement shall have the following meanings:

   (a) "Cause" shall mean engaging by Executive in intentional fraud or intentional breach of the Company's ethics guidelines, as may be established by the Company from time to time.

   (b) "Change of Control" means (i) a sale of more than 50% of the outstanding capital stock of the Company in a single or related series of transactions, (ii) the merger or consolidation of the Company with or into any other corporation or entity, other than a wholly-owned subsidiary of the Company, where the Company is not the surviving entity, or (iii) a sale of all or substantially all of the assets of the Company to an unrelated entity.

   (c) "Constructive Termination" shall mean termination of employment following: (i) without Executive's express written consent, a material reduction of Executive's

status, position, duties or responsibilities relative to Executive's duties or responsibilities in effect immediately prior to such reduction; (ii) without Executive's express written consent, a reduction by the Company of Executive's base salary or material welfare benefits (other than a reduction in welfare benefits that similarly applies to all employees or other individuals that are covered under the applicable welfare benefit plan) or potential to achieve total compensation (including, without limitation, a decrease in Executive's total eligible bonus opportunity as a percentage of salary; provided, however, that the targets, thresholds, achievements or other criteria that must be satisfied or met as a condition to earning and/or receiving any such bonus may be changed or altered from time to time, or otherwise set, by the Board of Directors of the Company in its sole discretion) as in effect immediately prior to such reduction; (iii) without Executive's express written consent, the Relocation of Executive to a facility or a location which increases Executive's one-way commute from Executive's residence at the time of, and following, Relocation by more than fifty (50) miles; or (iv) the failure of the Company to obtain the assumption of this Agreement by any successor in interest to the Company through sale of capital stock, merger, or otherwise, or if a sale of all or substantially all of the assets of the Company is made to an unrelated entity. Notwithstanding the foregoing, a Constructive Termination shall not be deemed to have occurred for purposes of this Agreement unless (x) within a period not to exceed ninety (90) days following the initial existence of any condition or event set forth in clauses (i) through (iv) of this section 1(c), Executive provides written notice to the Company of the existence of such condition or event, which written notice shall set forth in reasonable detail why Executive believes such condition or event has occurred, and (y) upon receipt by the Company of such notice by Executive, the Company is given thirty (30) days to remedy such condition or event and fails to so remedy such condition or event within such thirty-day period.

(d) "Termination Date" shall mean:

(i) if Executive's employment is terminated by the Company for Cause, the date of Executive's receipt from the Company of written notice of termination for Cause, or any later date specified therein, as the case may be;

(ii) if Executive's employment is terminated as a result of (A) Executive's voluntary resignation, the fourteenth (14th) day following the Company's receipt from Executive of written notice of a voluntary termination, or (B) a Constructive Termination, the expiration of the thirty-day period set forth in clause (y) of the last sentence of section 1(c) above if the applicable condition or event is not remedied within such thirty-day period;

(iii) if Executive's employment is terminated by the Company other than for Cause or Disability, the date on which the Company notifies Executive of such termination or any other later date so specified;

(iv) if Executive's employment is terminated by reason of death or Disability, the date of death of Executive or the thirtieth (30th) day after Executive receives written notice from the Company of its intention to terminate Executive's employment due to a Disability; provided, however, within the thirty (30) day period after such receipt, Executive shall not have returned to full-time performance of Executive's duties.

(e) "Disability" shall mean Executive's inability to perform the essential duties, responsibilities and functions incident to his employment with the Company as a result of any mental or physical disability or incapacity for a period of five (5) consecutive months. Executive shall cooperate in all respects with the Company if a question arises as to whether he has become disabled (including, without limitation, submitting to an examination by a medical doctor or other health care specialists selected by the Company and reasonably acceptable to Executive and authorizing such medical doctor or such other health care specialist to discuss Executive's condition with the Company).

(f) "Relocation" shall mean Executive's relocation of his principal place of business from McLean, Virginia or the immediately surrounding area.

2. Separation Arrangements.

(a) Executive shall be entitled to payment through the Termination Date of his base salary in effect prior to the Termination Date. Any accrued vacation amount shall also be paid on the Termination Date. Executive agrees to submit to the Company any and all expenses, which are business-related and reimbursable to Executive by the Company, on or before thirty (30) days after the Termination Date.

(b) Upon any Constructive Termination or termination by the Company without Cause (other than upon death or Disability), in addition to the payments in section 2(a) above, the Executive shall, subject to the provisions of section 2(f) and compliance with section 3(a), be entitled to the following:

(i) The Company shall pay to Executive an amount equal to the greater of (A) Executive's annual base salary in effect as of December 31, 2008, and (B) his annual base salary as of the Termination Date (the "Severance Salary"), which Severance Salary shall be made in periodic payments to Executive in accordance with the Company's regular

payroll practices with respect to the twelve-month period beginning on the Termination Date; provided, however, that the first such payment shall be made on the first regular payroll payment date following the Release Effective Date (as defined below) and shall include all amounts that otherwise would have been paid to Executive in accordance with the Company's regular payroll practices during the period beginning on the Termination Date and ending on such date. Executive shall not have the right to make contributions to the Company's 401(k) savings plan from the Severance Salary payments made under this section 2(b)(i).

(ii) The Company shall pay to Executive an amount equal to the greater of (A) the annual bonus target in effect on December 31, 2008, and (B) the annual bonus target in effect as of the Termination Date (the "Bonus Payment"). Such Bonus Payment shall be made in installments, with each such installment being equal to a fraction, the numerator of which is the Bonus Payment and the denominator of which is twelve (12) (each, an "Installment Amount"), and each such Installment Amount shall be paid on the last business day of each calendar month (each, a "Payment Date") with respect to the period beginning on the Termination Date and ending on the last day of the twelfth (12th) month following the Termination Date; provided, however, that the first installment shall (x) be paid to Executive on the first Payment Date following the Release Effective Date and (y) shall include any Installment Amounts that otherwise would have been paid to Executive on any Payment Date which occurred during the period beginning on the Termination Date and ending on the Release Effective Date. Notwithstanding the foregoing, the combined total of Severance Salary and Bonus Payment paid to Executive after the Termination Date shall not exceed Six Hundred Fifty Thousand Dollars ($650,000.00) and all payments under sections 2(b)(i) and 2(b)(ii) shall terminate once such limit is reached.

(iii) To the extent permitted by law and the terms of the applicable welfare benefit plan, and subject to the occurrence of the Release Effective Date, Executive shall continue to participate in such medical benefits, dental benefits, life insurance, and long-term disability plans in which he is enrolled for twelve (12) months following the Termination Date, as if he were still employed by the Company; provided, however, that if the terms of the applicable welfare benefit plan or plans do not permit such continued participation by Executive, the Company shall, at its option, (A) provide Executive with welfare benefits that are substantially equivalent (on an after-tax basis) to those provided to Executive under the Company's welfare benefit plans as of the Termination Date, which benefits shall be provided at the Company's expense (less the amount of any applicable premiums that would have been paid by Executive under the Company's applicable welfare benefit plan had Executive continued participation thereunder), or (B) reimburse Executive (on an after-tax basis) for the cost of welfare benefits that are substantially equivalent to those provided to Executive under the Company's welfare benefit plans as of the Termination Date (provided that Executive shall not be reimbursed for the amount of any applicable premiums that would have been paid by Executive under the Company's applicable welfare benefit plans had Executive continued participation thereunder). At the expiration of such twelve (12) month period, Executive shall be entitled to COBRA coverage.

(c) If, within twenty-four (24) months after a Change of Control, Executive's employment is terminated due to a Constructive Termination or is terminated by the Company without Cause (other than upon death or Disability), all outstanding stock options, and other equity grants (including, without limitation, restricted stock, restricted stock units, and warrants) granted to Executive shall become 100% vested as of the Termination Date and shall be exercisable and otherwise payable in accordance with their terms. Notwithstanding anything herein or in an applicable restricted stock unit award agreement to the contrary, with respect to any restricted stock units held by Executive, a Constructive Termination shall only be deemed to have occurred if such termination constitutes an "involuntary separation from service" for purposes of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and other guidance issued thereunder (the "Code").

(d) All payments to Executive shall be less all amounts required or authorized to be withheld by applicable federal, state, or local law.

(e) Notwithstanding anything herein to the contrary, in the event that Executive is determined to be a specified employee in accordance with Section 409A of the Code for purposes of any severance payment under this Agreement, such severance payments shall be made or begin, as applicable, on the first payroll date which is more than six (6) months following the date of separation from service, to the extent required to avoid the adverse tax consequences to Executive under Section 409A of the Code. Each amount to be paid or benefit to be provided under this Agreement shall be construed as a separate identified payment for purposes of Section 409A of the Code. Notwithstanding anything contained herein to the contrary, to the extent required to avoid the adverse tax consequences under Section 409A of the Code, Executive shall not be considered to have terminated employment with the Company for purposes of this Agreement and no payments shall be due to him under this Agreement which are payable upon his termination of employment until he would be considered to have incurred a "separation from service" from the Company within the meaning of Section 409A of the Code. To the extent required to avoid an accelerated or additional tax under Section 409A of the Code, amounts reimbursable to Executive under this Agreement shall be paid to Executive on or before the last day of the year following the year in which the expense was incurred and the amount of expenses eligible for reimbursement (and in-kind benefits provided to Executive) during any one year may not affect amounts reimbursable or provided in any subsequent year. In addition, any right to reimbursement or in-kind benefit granted hereunder shall not be subject to liquidation or exchange for another benefit.

(f) Executive agrees that Executive shall be entitled to the severance pay and benefits as set forth in this Agreement only if Executive does not materially breach the

provisions of this Agreement at any time during the period for which such payments or benefits are to be made or provided. The Company's obligation to make such payments and provide such benefits will terminate upon the occurrence of any such material breach during the severance period.

3. Release of Claims.

(a) Executive's right to receive the severance payments and benefits described in sections 2(b)(i), 2(b)(ii) and 2(b)(iii) hereof, and the obligation of the Company to pay and provide such severance payments and benefits, is subject to (x) the execution and delivery by Executive of a written release ("Release") containing the language set forth below in this section 3(a) within a period of sixty (60) days following the Termination Date, and (y) the expiration of seven (7) days after Executive's executing such Release and such Release becoming effective (such date, the "Release Effective Date"):

Executive, for himself and his heirs, executors and administrators, voluntarily, knowingly and willingly agrees to release the Company, together with its direct and indirect parents, subsidiaries, affiliates, predecessors and successors and assigns, past and present directors, managers, officers, employees, agents, clients, accountants, attorneys, and servants (collectively, the "Company Releasees") from any and all claims, charges, complaints, promises, agreements, controversies, liens, demands, causes of action, obligations, damages, expenses (including attorneys' fees and costs) and liabilities of any nature whatsoever ("Claims"), known or unknown, suspected or unsuspected, which Executive, or his heirs, executors or administrators ever had, now have, or may hereafter claim to have against any of the Company Releasees arising out of or relating to: (i) any matter, cause or thing whatsoever arising from the beginning of time to the date of this Release, (ii) Executive's employment relationship with the Company or any of the Company Releasees or the separations thereof including, but not limited to, any such rights or claims arising under any statute or regulation including the Age Discrimination in Employment Act of 1967, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Americans with Disabilities Act of 1990, the Family and Medical Leave Act of 1993, the Employee Retirement Income Security Act of 1974, or the Delaware Equal Accommodations Law, each as amended, or any other federal, state or local law, regulation, ordinance or common law, or (iii) any policy, agreement, understanding or promise, written or oral, formal or informal, between Executive on the one hand and the Company or any of the Company Releasees on the other hand. Executive acknowledges that the amounts referred to in section 2 of the Agreement are in lieu of and in full satisfaction of any amounts that might otherwise be payable under any contract, agreement (oral or written), plan, policy or practice, past or present, of the Company or any of the Company Releasees; provided, however, that notwithstanding the foregoing, nothing contained in this Release shall in any way diminish or impair any rights Executive may have, from and after the date the Release is executed, under the Agreement (collectively, the "Excluded Claims").

(b) The Release shall contain the following representations and acknowledgements from Executive:

(i) Executive understands and agrees that, except for the Excluded Claims, he has knowingly relinquished, waived and forever released any and all rights to any personal recovery in any action or proceeding that may be commenced on Executive's behalf arising out of Claims that are released under the Release, including, without limitation, Claims for backpay, front pay, liquidated damages, compensatory damages, general damages, special damages, punitive damages, exemplary damages, costs, expenses and attorneys' fees.

(ii) Executive represents that he has no claims, complaints, charges or lawsuits pending against the Company or any of the Company Releasees.

(iii) Executive acknowledges and agrees that he has had a sufficient period of time of up to 21 days within which to review the Release, including, without limitation, with Executive's attorney, and that Executive has done so to the extent desired.

(iv) Executive understands and agrees that the severance and welfare benefits continuation set forth in section 2 of the Agreement are the only consideration for the Executive's signing the Release and no promise or inducement has been offered or made to induce the Executive to sign the Release, except as expressly set forth therein.

(v) Executive understands and agrees that the Release shall not become effective until the 8th day after the Executive signs it and the Executive may at any time before the effective date revoke the Release by hand delivering or sending via overnight mail a written notice of revocation to the Company: Primus Telecommunications Group, Incorporated, 7901 Jones Branch Drive, Suite 900, McLean, VA 22102, Attention: Chief Executive Officer and General Counsel.

4. Confidentiality. Executive agrees that Executive shall not, directly or indirectly, use, make available, sell, disclose or otherwise communicate to any person, other than in the course of Executive's assigned duties and for the benefit of the Company, either during the period of Executive's employment or at any time thereafter, any nonpublic, proprietary or confidential information, knowledge or data, including without limitation, designs, drawings, market share or financial data, or information relating to supplier agreements; inventions, trade secrets, or processes, relating or belonging to the Company, any of its predecessors, parents, subsidiaries, affiliated companies or businesses, which shall have been obtained by Executive during Executive's employment by the Company

and/or its predecessors, parents, subsidiaries or affiliates. If Executive is required to disclose any such information by applicable law, regulation or legal process, the Executive may make such disclosure without breaching his obligations under this section 4; provided that Executive provides the Company with prior notice of the contemplated disclosure and reasonably cooperates with the Company at its expense in seeking a protective order or other appropriate protection of such information. The restrictions set forth in this section 4 shall not apply to information that (i) was known to the public prior to its disclosure to Executive; or (ii) becomes known to the public subsequent to disclosure to Executive through no wrongful act of Executive or any representative of Executive. Notwithstanding clauses (i) and (ii) of the preceding sentence, Executive's obligation to maintain such disclosed information in confidence shall not terminate where only portions of the information are in the public domain.

5. Non-solicitation. During Executive's employment with the Company and for the two (2) year period following the Termination Date, Executive agrees that Executive will not, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, knowingly solicit, aid or induce: (i) any employee of the Company or any of its parents, subsidiaries or affiliates (as defined by the Company) to leave such employment in order to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company or knowingly take any action to materially assist or aid any other person, firm, corporation or other entity in identifying or hiring any such employee; or (ii) any customer of the Company or any of its predecessors, parents, subsidiaries or affiliates with whom Executive had contact during Executive's employment, to purchase goods or services then sold by the Company or any of its parents, subsidiaries or affiliates from another person, firm, corporation or other entity or assist or aid any other persons or entity in identifying or soliciting any such customer.

6. Non-competition. Executive acknowledges that during the course of Executive's employment with the Company and/or its predecessors, parents, subsidiaries or affiliates, Executive has had access to and knowledge of confidential and proprietary information belonging to the Company and/or its predecessors, parents, subsidiaries or affiliates, and that Executive's services are of a unique nature and are irreplaceable, and that Executive's performance of such services to a competing business will result in irreparable harm to the Company and/or its parents, subsidiaries or affiliates. Accordingly, during Executive's employment and for the one (1) year period following the Termination Date, Executive agrees that Executive will not, directly or indirectly, own, manage, operate, control, be employed by (whether as an employee, consultant, independent contractor or otherwise, and whether or not for compensation) or render services to any person, firm, corporation or other entity, in whatever form, engaged in any business of the telecommunications service industry as any business in which the Company or any of its parents, subsidiaries or affiliates is engaged on the Termination Date or in which they have proposed, on or prior to such date, to be engaged in on or after such date, and in which Executive has been involved to any extent (other than de minimis) at any time during the one (1) year period ending with the Termination Date, in any locale of any

country in which the Company or any of its parents, subsidiaries or affiliates conducts business. This section 6 shall not prevent Executive from owning not more than one percent of the total shares of all classes of stock outstanding of any publicly held entity engaged in such business, nor will it restrict Executive from rendering services to charitable organizations, as such term is defined in section 501(c) of the Internal Revenue Code.

7. Continued Cooperation. Executive acknowledges that the Company may need to consult with Executive from time to time on a reasonable basis after the Termination Date on matters relating to the business of the Company or that Executive had worked on prior to the Termination Date. Executive agrees to continue to cooperate with the Company and to provide any such information or consultation as is reasonably requested and compensated by the Company.

8. Reasonableness. Executive acknowledges that the restrictions contained in sections 4, 5, 6, and 7 are reasonable and necessary to protect the legitimate interests of the Company, its parent, subsidiaries and its affiliates, that the Company would not have executed this Agreement in the absence of such restrictions, and that any violation of any provision of this paragraph will result in irreparable injury to the Company. By executing this Agreement, Executive represents that Executive's experience and capabilities are such that the restrictions contained in sections 4, 5, 6, and 7 will not prevent Executive from obtaining employment or otherwise earning a living at the same general level of economic benefit as is currently the case. Executive further represents and acknowledges that (i) Executive has been advised by the Company to consult with legal counsel of Executive's choosing in respect of this Agreement, and (ii) that Executive has had full opportunity, prior to executing this Agreement, to review thoroughly this Agreement with counsel. In the event the provisions of sections 4, 5, 6 and/or 7 shall ever be deemed to exceed the time, scope or geographic limitations permitted by applicable laws, then such provisions shall be reformed to the maximum time, scope or geographic limitations, as the case may be, permitted by applicable laws.

9. Term. This Agreement shall commence on July 1, 2009 (the "Effective Date") and shall end on the third (3rd) anniversary of the Effective Date (the "Agreement Term"); provided, however, that on the second (2nd) anniversary of the Effective Date and each anniversary thereafter (the "Extension Date"), the Agreement Term shall be automatically extended for successive one-year periods (the "Extended Agreement Term"), unless no later than ninety (90) days prior to the applicable Extension Date, the Company or Executive provides written notice of intent not to so extend the Agreement Term. To the extent Executive continues employment with the Company following the expiration of the Agreement Term (or the Extended Agreement Term), the Company's severance policy then in effect for executives shall apply to Executive.

10. No Admission of Wrongdoing. This Agreement is not an admission that the Company has any liability to Executive, or of any wrongdoing by the Company. The Company denies any liability of any kind to Executive.

11. Entire Agreement. This Agreement constitutes the entire agreement, and supersedes any and all prior agreements, and understandings, both written and oral, between the parties hereto with respect to the subject matter hereof except as otherwise provided herein.

12. Choice of Law. The parties agree that Delaware law shall govern in the interpretation of this Agreement, and that in the event of any suit or any other action arising out of or relating to this Agreement, the court shall apply the internal laws of the State of Delaware, without giving effect to the principles of conflicts of law.

13. Modification Only By Written Agreement. This Agreement may not be changed in any way except in a written agreement signed by both Executive and an authorized representative of the Company.

14. Knowing and Voluntary. Executive has carefully read and fully understands all of the provisions of this Agreement; knows and understands the rights Executive is giving up by signing this Agreement; and has entered into this Agreement knowingly and voluntarily. Executive further represents and warrants that, except as set forth herein, no promises or inducements for this Agreement have been made, and Executive is entering into this Agreement without reliance upon any statement or representation by any of the Company Releasees or any other person, concerning any fact material hereto.

15. Severability. It is the desire and intent of Executive and the Company that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. In the event that any one or more of the provisions of this Agreement, except for the provisions of section 2, shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remainder of this Agreement shall not in any way be affected or impaired thereby.

16. Binding Agreement. Executive and the Company represent that this Agreement shall be a binding and valid obligation of each party. This Agreement shall be binding on and inure to the benefit of the Company and its successors and assigns and to Executive and his heirs.

17. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. In addition, a scanned or faxed signature page shall be deemed equivalent to an original signature page.

18. Prior Agreement. On the Effective Date, the Prior Agreement is, and shall be deemed to be, terminated and of no further force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement on the day and year set forth below.

/s/ Thomas R. Kloster
Thomas R. Kloster

June 30, 2009
Date

/s/ K. Paul Singh
K. Paul Singh,
For Primus Telecommunications, Inc.

June 30, 2009
Date

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED
MANAGEMENT COMPENSATION PLAN

1. PURPOSE; TYPES OF AWARDS; CONSTRUCTION.

The purposes of the Management Compensation Plan (the "Plan") of Primus Telecommunications Group, Incorporated (the "Company") are to attract, motivate and retain (a) employees of the Company, any Subsidiary or any Affiliate, (b) independent contractors who provide significant services to the Company, any Subsidiary or Affiliate and (c) non-employee directors of the Company, any Subsidiary or any Affiliate. The Plan is also designed to encourage stock ownership by such persons, thereby aligning their interest with those of the Company's shareholders and to permit the payment of compensation that qualifies as performance-based compensation under Section 162(m) of the Code. Pursuant to the Plan described herein, there may be granted stock options (including "incentive stock options" and "non-qualified stock options"), and other stock based awards, including but not limited to restricted stock, restricted stock units, dividend equivalents, performance units, stock appreciation rights and other long-term stock-based or cash-based Awards; excluding, however, reload or other automatic Awards made upon exercise of Options, which Awards shall not be granted under the Plan. Notwithstanding any provision of the Plan, to the extent that any Award would be subject to Section 409A of the Code, no such Award may be granted if it would fail to comply with the requirements set forth in Section 409A of the Code and any regulations or guidance promulgated thereunder.

2. DEFINITIONS. For purposes of the Plan, the following terms shall be defined as set forth below:

(a) "Affiliate" means an affiliate of the Company, as defined in Rule 12b-2 promulgated under Section 12 of the Exchange Act.

(b) "Award" means, individually or collectively, a grant under the Plan of Options, Restricted Stock or Other Stock-Based Awards or Other Cash-Based Awards.

(c) "Award Agreement" means any written agreement, contract, or other instrument or document evidencing an Award.

(d) "Beneficial Owner" shall have the meaning set forth in Rule 13d-3 under the Exchange Act.

(e) "Board" means the Board of Directors of the Company.

(f) "Cause" shall have the meaning set forth in the Grantee's employment or other agreement with the Company, any Subsidiary or any Affiliate, provided that if the Grantee is not a party to any such employment or other agreement or such employment or other agreement does not contain a definition of Cause, then Cause shall mean (i) the willful and continued failure of the Grantee to perform

substantially the Grantee's duties with the Company or any Subsidiary or Affiliate (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the Grantee by the employing Company, Subsidiary or Affiliate that specifically identifies the alleged manner in which the Grantee has not substantially performed the Grantee's duties, (ii) the Grantee shall have been convicted by a court of competent jurisdiction of, or pleaded guilty or nolo contendere to, any felony, or (iii) the Grantee shall have committed an act of fraud, embezzlement, misappropriation or breach of fiduciary duty against the Company or any Subsidiary or Affiliate. For purposes of this provision, no act or failure to act, on the part of the Grantee, shall be considered "willful" unless it is done, or omitted to be done, by the Grantee in bad faith or without reasonable belief that the Grantee's action or omission was in the best interests of the Company, any Subsidiary or any Affiliate.

(g) "Change of Control" shall have the meaning set forth in Section 7(b) hereof.

(h) "Code" means the Internal Revenue Code of 1986, as amended from time to time.

(i) "Committee" means the committee established by the Board to administer the Plan. The Committee shall consist of not less than two directors who shall be appointed from time to time by, and shall serve at the pleasure of, the Board. The Committee shall be comprised solely of directors who are (a) "non-employee directors" under Rule 16b-3 of the Exchange Act and (b) "outside directors" under Section 162(m) of the Code.

(j) "Company" means Primus Telecommunications Group, Incorporated, a corporation organized under the laws of the State of Delaware, or any successor corporation.

(k) "Covered Employee" shall have the meaning set forth in Section 162(m)(3) of the Code.

(l) "Disability" means that a Grantee (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving

income replacement benefits for a period of not less than 3 months under an accident and health plan covering employees of the Company or an Affiliate of the Company.

(m) "Effective Date" means the date on which the Joint Plan of Reorganization of the Company and its Affiliate Debtors becomes effective.

(n) "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, and as now or hereafter construed, interpreted and applied by regulations, rulings and cases.

(o) "Fair Market Value" means, with respect to Stock or other property, the fair market value of such Stock or other property determined by such methods or procedures as shall be established from time to time by the Committee. Unless otherwise set forth in an applicable Award Agreement or otherwise determined by the Committee in good faith, the per share Fair Market Value of Stock as of a particular date shall mean, (i) the closing sales price per share of Stock on the national securities exchange on which the Stock is principally traded, for the last preceding date on which there was a sale of such Stock on such exchange, or (ii) if the shares of Stock are then traded in an over-the-counter market, the average of the closing bid and asked prices for the shares of Stock in such over-the-counter market for the last preceding date on which there was a sale of such Stock in such market, or (iii) if the shares of Stock are not then listed on a national securities exchange or traded in an over-the-counter market, such value as the Committee, in its sole discretion, shall determine in good faith using a reasonable method in accordance with Section 409A of the Code.

(p) "Good Reason" shall have the meaning set forth in the Grantee's employment or other agreement with the Company, any Subsidiary or any Affiliate, provided that if the Grantee is not a party to any such employment or other agreement or such employment or other agreement does not contain a definition of Good Reason, then Good Reason shall mean, the occurrence, on or after the date of a Change of Control and without the affected Grantee's written consent, of (i) a material diminution in the Grantee's base compensation, (ii) the assignment to the Grantee of duties in the aggregate that are materially inconsistent with the Grantee's level of responsibility immediately prior to the date of the Change of Control or any material diminution in the Grantee's authority, duties, or responsibilities, or (iii) the relocation of the Grantee's principal place of employment to a location more than fifty (50) miles from the Grantee's principal place of employment

immediately prior to the date of the Change of Control, provided, however, that such relocation also requires a material adverse change in the Grantee's commute. Notwithstanding the foregoing, the Grantee shall not have Good Reason unless (x) within a period not to exceed 90 days following the initial existence of the condition or event giving rise to Good Reason, the Grantee provides notice to the Company of such condition or event, and (y) upon receipt of such notice by the Grantee, the Company is given at least 30 days to remedy the condition.

(q) "Grantee" means a person who, as an employee of or independent contractor or non-employee director with respect to the Company, a Subsidiary or an Affiliate, has been granted an Award under the Plan.

(r) "ISO" means any Option intended to be and designated as an incentive stock option within the meaning of Section 422 of the Code.

(s) "NQSO" means any Option that is designated as a nonqualified stock option.

(t) "Option" means a right, granted to a Grantee under Section 6(b)(i), to purchase shares of Stock. An Option may be either an ISO or an NQSO.

(u) "Other Cash-Based Award" means an Award granted to a Grantee under Section 6(b)(iii) hereof, including cash awarded as a bonus or upon the attainment of Performance Goals or otherwise as permitted under the Plan.

(v) "Other Stock-Based Award" means an Award granted to a Grantee pursuant to Section 6(b)(iii) hereof, that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Stock including but not limited to performance units, stock appreciation rights (payable in shares), restricted stock units or dividend equivalents, each of which may be subject to the attainment of Performance Goals or a period of continued employment or other terms and conditions as permitted under the Plan.

(w) "Performance Goals" means performance goals based on one or more of the following criteria: (i) earnings including operating income, earnings before or after taxes, earnings before or after interest, depreciation, amortization, or extraordinary or special items or book value per share (which may exclude nonrecurring items); (ii) pre-tax income or after-tax income; (iii) earnings per

common share (basic or diluted); (iv) operating profit; (v) revenue, revenue growth or rate of revenue growth; (vi) return on assets (gross or net), return on investment, return on capital, or return on equity; (vii) returns on sales or revenues; (viii) operating expenses; (ix) stock price appreciation; (x) cash flow, free cash flow, cash flow return on investment (discounted or otherwise), net cash provided by operations, or cash flow in excess of cost of capital; (xi) implementation or completion of critical projects or processes; (xii) economic value created; (xiii) cumulative earnings per share growth; (xiv) operating margin or profit margin; (xv) common stock price or total stockholder return; (xvi) cost targets, reductions and savings, productivity and efficiencies; (xvii) strategic business criteria, consisting of one or more objectives based on meeting specified market penetration, geographic business expansion, customer satisfaction, employee satisfaction, human resources management, supervision of litigation, information technology, and goals relating to acquisitions, divestitures, joint ventures and similar transactions, and budget comparisons; (xviii) personal professional objectives, including any of the foregoing performance goals, the implementation of policies and plans, the negotiation of transactions, the development of long term business goals, formation of joint ventures, research or development collaborations, and the completion of other corporate transactions; (xix) any combination of, or a specified increase in, any of the foregoing; and (xx) solely with respect to Awards that are granted to individuals other than Covered Employees, such other criteria as may be determined by the Committee in its sole discretion. Where applicable, the Performance Goals may be expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the particular criteria, and may be applied to one or more of the Company, a Subsidiary or Affiliate, or a division or strategic business unit of the Company, or may be applied to the performance of the Company relative to a market index, a group of other companies or a combination thereof, all as determined by the Committee. The Performance Goals may include a threshold level of performance below which no payment will be made (or no vesting will occur), levels of performance at which specified payments will be made (or specified vesting will occur), and a maximum level of performance above which no additional payment will be made (or at which full vesting will occur). Each of the foregoing Performance Goals shall be determined in accordance with generally accepted accounting principles and shall be subject to certification by the Committee; provided that the Committee shall make equitable adjustments to the Performance Goals in recognition of unusual or non-recurring events affecting the Company or any Subsidiary or

Affiliate or the financial statements of the Company or any Subsidiary or Affiliate, in response to changes in applicable laws or regulations, or to account for items of gain, loss or expense determined to be extraordinary or unusual in nature or infrequent in occurrence or related to the disposal of a segment of a business or related to a change in accounting principles.

(x) "Person" shall have the meaning set forth in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (1) the Company or any Subsidiary corporation, (2) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary corporation, (3) an underwriter temporarily holding securities pursuant to an offering of such securities, or (4) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

(y) "Plan" means this Primus Telecommunications Group, Incorporated Management Compensation Plan, as amended from time to time.

(z) "Plan Year" means a calendar year.

(aa) "Restricted Stock" means a share of Stock that is subject to restrictions set forth in the Plan or any Award Agreement.

(bb) "Rule 16b-3" means Rule 16b-3, as from time to time in effect promulgated by the Securities and Exchange Commission under Section 16 of the Exchange Act, including any successor to such Rule.

(cc) "Stock" means shares of common stock, par value $0.001 per share, of the Company.

(dd) "Subsidiary" means any corporation in an unbroken chain of corporations beginning with the Company if, at the time of granting of an Award, each of the corporations (other than the last corporation in the unbroken chain) owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in the chain.

3. ADMINISTRATION.

(a) At the discretion of the Board, the Plan shall be administered either (i) by the Board or (ii) by the Committee. In the event the Board is the administrator of the Plan, references herein to the Committee shall be deemed to include the Board. The Board may from time to time appoint a member or members of the Committee in substitution for or in addition to the member or members then in office and may fill vacancies on the Committee however caused. The Committee shall choose one of its members as chairman and shall hold meetings at such times and places as it shall deem advisable. A majority of the members of the Committee shall constitute a quorum and any action may be taken by a majority of those present and voting at any meeting. The Board or the Committee may appoint and delegate to another committee ("Management Committee") any or all of the authority of the Board or the Committee, as applicable, with respect to Awards to Grantees other than Grantees who are subject to potential liability under Section 16(b) of the Exchange Act with respect to transactions involving equity securities of the Company at the time any such delegated authority is exercised. With respect to Awards that are intended to meet the performance-based compensation exception of Section 162(m) of the Code and that are made to a Grantee who is or is reasonably expected to be a Covered Employee, such delegation shall not include any authority, which if exercised by the Management Committee rather than by the Committee, would cause the Grantee's Award to fail to meet such exception.

(b) Any action may also be taken without the necessity of a meeting by a written instrument signed by a majority of the Committee. The decision of the Committee as to all questions of interpretation and application of the Plan shall be final, binding and conclusive on all persons. The Committee shall have the authority in its discretion, subject to and not inconsistent with the express provisions of the Plan, to administer the Plan and to exercise all the power and authority either specifically granted to it under the Plan or necessary or advisable in the administration of the Plan, including without limitation, the authority to grant Awards, to determine the persons to whom and the time or times at which Awards shall be granted, to determine the type and number of Awards to be granted, the number of shares of Stock to which an Award may relate and the terms, conditions, restrictions and Performance Goals relating to any Award; to determine Performance Goals no later than such time as is required to ensure that an underlying Award which is intended to comply with the requirements of Section 162(m) of the Code so complies; to determine whether, to what extent, and under what circumstances an Award may be settled, cancelled, forfeited, accelerated, exchanged, or surrendered; to make adjustments in the terms and conditions (including Performance Goals) applicable to Awards; to construe and interpret the Plan and any Award; to prescribe, amend and rescind rules and regulations relating to the Plan; to determine the terms and provisions of the Award Agreements (which need not be identical for each Grantee); and to make all other determinations deemed necessary or advisable for the administration of the Plan. Notwithstanding the foregoing, the Committee shall not take any action with respect to an Award that would be treated, for accounting purposes, as a "repricing" of such Award unless such action is approved by the Company's shareholders. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any Award Agreement granted hereunder in the manner

and to the extent it shall deem expedient to carry the Plan into effect and shall be the sole and final judge of such expediency. No Committee member shall be liable for any action or determination made with respect to the Plan or any Award.

4. ELIGIBILITY.

(a) Awards may be granted to officers, independent contractors, employees and non-employee directors of the Company or of any of its Subsidiaries and Affiliates; provided, however, that Options shall be granted only to officers, independent contractors, employees and non-employee directors of the Company or any of its Subsidiaries; and provided, further, that ISOs shall be granted only to employees (including officers and directors who are also employees) of the Company or any of its Subsidiaries.

(b) No ISO shall be granted to any employee of the Company or any of its Subsidiaries if such employee owns, immediately prior to the grant of the ISO, stock representing more than 10% of the voting power or more than 10% of the value of all classes of stock of the Company or a Subsidiary, unless the purchase price for the stock under such ISO shall be at least 110% of its Fair Market Value at the time such ISO is granted and the ISO, by its terms, shall not be exercisable more than five years from the date it is granted. In determining the stock ownership under this paragraph, the provisions of Section 424(d) of the Code shall be controlling.

5. STOCK SUBJECT TO THE PLAN.

(a) The maximum number of shares of Stock reserved for the grant or settlement of Awards under the Plan (the "Share Limit") shall be 1,000,000 and shall be subject to adjustment as provided herein. The aggregate Awards granted during any fiscal year to any single individual who is likely to be a Covered Employee shall not exceed (i) 600,000 shares subject to Options or stock appreciation rights and (ii) 400,000 shares subject to Restricted Stock or Other Stock-Based Awards (other than stock appreciation rights). Determinations made in respect of the limitation set forth in the preceding sentence shall be made in a manner consistent with Section 162(m) of the Code. Such shares may, in whole or in part, be authorized but unissued shares or shares that shall have been or may be reacquired by the Company in the open market, in private transactions or otherwise. If any shares subject to an Award are forfeited, cancelled, exchanged or surrendered or if an Award otherwise terminates or expires without a distribution of shares to the Grantee, the shares of Stock with respect to such Award shall, to the extent of any such forfeiture, cancellation, exchange, surrender, termination or expiration, again be available for Awards under the Plan. Notwithstanding the foregoing, shares of Stock that are exchanged by a Grantee or withheld by the Company as full or partial payment in connection with any Award under the Plan, as well as any shares of Stock exchanged by a Grantee or withheld by the Company or any Subsidiary to satisfy the tax withholding obligations related to any Award under the Plan, shall not be available for subsequent Awards under the Plan. Upon the exercise of any Award granted in tandem with any other Awards, such related Awards shall be cancelled to the extent of the number of shares of Stock as to which the Award is exercised and, notwithstanding the foregoing, such number of shares shall no longer be available for Awards under the Plan.

(b) Except as provided in an Award Agreement or as otherwise provided in the Plan, in the event that the Committee shall determine that any dividend or other distribution (whether in the form of cash, Stock, or other property), recapitalization, Stock split, reverse split, reorganization, merger, consolidation, spin-off, combination, repurchase, or share exchange, or other similar corporate transaction or event, affects the Stock such that an adjustment is appropriate in order to prevent dilution or enlargement of the rights of Grantees under the Plan, then the Committee shall make such equitable changes or adjustments as it deems necessary or appropriate to any or all of (i) the number and kind of shares of Stock or other property (including cash) that may thereafter be issued in connection with Awards or the total number of Awards issuable under the Plan, (ii) the number and kind of shares of Stock or other property issued or issuable in respect of outstanding Awards, (iii) the exercise price, grant price or purchase price relating to any Award, (iv) the Performance Goals and (v) the individual limitations applicable to Awards; provided that, with respect to ISOs, any adjustment shall be made in accordance with the provisions of Section 424(h) of the Code and any regulations or guidance promulgated thereunder, and provided further that no such adjustment shall cause any Award hereunder which is or becomes subject to Section 409A of the Code to fail to comply with the requirements of such section.

6. SPECIFIC TERMS OF AWARDS.

(a) General. The term of each Award shall be for such period as may be determined by the Committee. Subject to the terms of the Plan and any applicable Award Agreement, payments to be made by the Company or a Subsidiary or Affiliate upon the grant, maturation, or exercise of an Award may be made in such forms as the Committee shall determine at the date of grant or thereafter, including, without limitation, cash, Stock, or other property, and may be made in a single payment or transfer, in installments, or on a deferred basis.

(b) Awards. The Committee is authorized to grant to Grantees the following Awards, as deemed by the Committee to be consistent with the purposes of the Plan. The Committee shall determine the terms and conditions of such Awards at the date of grant or thereafter.

(i) Options. The Committee is authorized to grant Options to Grantees on the following terms and conditions:

(A) Type of Award. The Award Agreement evidencing the grant of an Option under the Plan shall designate the Option as an ISO or an NQSO.

(B) Exercise Price. The exercise price per share of Stock purchasable under an Option shall be determined by the Committee, but in no event shall the exercise price of an

Option per share of Stock be less than the Fair Market Value of a share of Stock as of the date of grant of such Option. The purchase price of Stock as to which an Option is exercised shall be paid in full at the time of exercise; payment may be made in cash, which may be paid by check, or other instrument acceptable to the Company, or, with the consent of the Committee, in shares of Stock, valued at the Fair Market Value on the date of exercise (including shares of Stock that otherwise would be distributed to the Grantee upon exercise of the Option), or if there were no sales on such date, on the next preceding day on which there were sales or (if permitted by the Committee and subject to such terms and conditions as it may determine) by surrender of outstanding Awards under the Plan, or the Committee may permit such payment of exercise price by any other method it deems satisfactory in its discretion. In addition, subject to applicable law and pursuant to procedures approved by the Committee, payment of the exercise price may be made through the sale of Stock acquired on exercise of the Option, valued at Fair Market Value on the date of exercise, sufficient to pay for such Stock (together with, if requested by the Company, the amount of federal, state or local withholding taxes payable by Grantee by reason of such exercise). Any amount necessary to satisfy applicable federal, state or local tax withholding requirements shall be paid promptly upon notification of the amount due. The Committee may permit such amount of tax withholding to be paid in shares of Stock previously owned by the employee, or a portion of the shares of Stock that otherwise would be distributed to such employee upon exercise of the Option, or a combination of cash and shares of such Stock.

(C) Term and Exercisability of Options. Options shall be exercisable over the exercise period (which shall not exceed ten years from the date of grant), at such times and upon such conditions as the Committee may determine, as reflected in the Award Agreement; provided that, the Committee shall have the authority to accelerate the exercisability of any outstanding Option at such time and under such circumstances as it, in its sole discretion, deems appropriate. An Option may be exercised to the extent of any or all full shares of Stock as to which the Option has become exercisable, by giving written notice of such exercise to the Committee or its designated agent. No partial exercise may be made for less than one hundred (100) full shares of Stock.

(D) Termination of Employment. Unless otherwise provided in the applicable Award Agreement or employment or other agreement, or unless otherwise determined by the Committee:

(I) Except as set forth herein or in subsections II, III, IV or V below, an Option may not be exercised unless the Grantee is then in the employ of, maintains an independent contractor relationship with, or is a director of, the Company or a Subsidiary (or a company or a parent or subsidiary company of such company issuing or assuming the Option in a transaction to which Section 424(a) of the Code applies), and unless the Grantee has remained continuously so employed, or continuously maintained such relationship, since the date of grant of the Option.

(II) If the Grantee's employment or service terminates because of the Grantee's death or Disability, the portions of outstanding Options granted to such Grantee that are exercisable as of the date of such termination of employment or service shall remain exercisable until the earlier of (i) one year following the date of the Grantee's death or Disability and (ii) the expiration of the term of the Option and shall thereafter terminate. All additional portions of outstanding Options granted to such Grantee which are not exercisable as of the date of such termination of employment or service, shall terminate upon the date of such termination of employment or service.

(III) If the Grantee's employment or service terminates upon the Grantee's retirement on or after the Grantee's normal retirement date under any Company or Subsidiary qualified retirement plan, the portions of outstanding Options granted to such Grantee that are exercisable as of the date of such termination of employment or service shall remain exercisable until the earlier of (i) eighteen (18) months following the date of such termination of employment or service and (ii) expiration of the term of the Option and shall thereafter terminate. All additional portions of outstanding Options granted to such Grantee which are not exercisable as of the date of such termination of employment or service, shall terminate upon the date of such termination of employment or service.

(IV) If the Grantee's employment or service is terminated for Cause, all vested and unvested outstanding Options granted to such Grantee shall terminate on the date of the Grantee's termination of employment or service.

(V) If the Grantee's employment or service with the Company and its Subsidiaries terminates (including by reason of the Subsidiary which employs the Grantee ceasing to be a Subsidiary of the Company) other than as described in subsections (II), (III) and (IV) above, the portions of outstanding Options granted to such Grantee that are exercisable as of the date of such termination of employment or service shall remain exercisable until the earlier of (i) 90 days following the date of such termination of employment or service and (ii) the expiration of the term of the Option and shall thereafter terminate. All additional portions of outstanding Options granted to such Grantee which are not exercisable as of the date of such termination of employment or service, shall terminate upon the date of such termination of employment or service.

(E) Non-Employee Director's Grants. Unless otherwise provided by the Committee, immediately following each annual meeting of Company shareholders during the term of the Plan commencing with the 2010 annual meeting, each non-employee director serving as such shall be granted a NQSO to purchase 10,000 shares of Stock with an exercise price per share equal to the Fair Market Value of a share of Stock on the date of grant. Each such Option shall vest and become exercisable ratably in three installments commencing on the date of grant such that 100% of the Option shall be vested and exercisable on the second anniversary of the grant date (subject to continued service as a director through each such vesting date). Other terms and conditions of the grants shall be established by the Committee pursuant to Section 3 of the Plan and set forth in such non-employee director's Award Agreement.

(F) Other Provisions. Options may be subject to such other conditions including, but not limited to, restrictions on transferability of, or provisions for recovery of, the shares

acquired upon exercise of such Options (or proceeds of sale thereof), as the Committee may prescribe in its discretion or as may be required by applicable law.

(ii) Restricted Stock.

(A) The Committee may grant Awards of Restricted Stock, alone or in tandem with other Awards under the Plan, subject to such restrictions, terms and conditions, as the Committee shall determine in its sole discretion and as shall be evidenced by the applicable Award Agreement (provided that any such Award is subject to the vesting requirements described herein). The vesting of a Restricted Stock Award granted under the Plan may be conditioned upon the completion of a specified period of employment or service with the Company or any Subsidiary or Affiliate, upon the attainment of specified Performance Goals, and/or upon such other criteria as the Committee may determine in its sole discretion.

(B) The Committee shall determine the price, which, to the extent required by law, shall not be less than par value of the Stock, to be paid by the Grantee for each share of Restricted Stock or unrestricted stock or stock units subject to the Award. Each Award Agreement with respect to such Award shall set forth the amount (if any) to be paid by the Grantee with respect to such Award and when and under what circumstances such payment is required to be made.

(C) The Committee may, upon such terms and conditions as the Committee determines, provide that a certificate or certificates representing the shares underlying a Restricted Stock Award shall be registered in the Grantee's name and bear an appropriate legend specifying that such shares are not transferable and are subject to the provisions of the Plan and the restrictions, terms and conditions set forth in the applicable Award Agreement, or that such certificate or certificates shall be held in escrow by the Company on behalf of the Grantee until such shares become vested or are forfeited. Except as provided in the applicable Award Agreement, no shares of Stock underlying a Restricted Stock Award may be assigned, transferred, or otherwise encumbered or disposed of by the Grantee until such shares of Stock have vested in accordance with the terms of such Award.

(D) If and to the extent that the applicable Award Agreement may so provide, a Grantee shall have the right to vote and receive dividends on Restricted Stock granted under the Plan. Unless otherwise provided in the applicable Award Agreement, any Stock received as a dividend on or in connection with a stock split of the shares of Stock underlying a Restricted Stock Award shall be subject to the same restrictions as the shares of Stock underlying such Restricted Stock Award.

(E) Upon termination of employment with or service to the Company or any Affiliate or Subsidiary of the Company (including by reason of such Subsidiary or Affiliate ceasing to be a Subsidiary or Affiliate of the Company), during the applicable restriction period, Restricted Stock shall be forfeited; provided, that the Committee may provide, by rule or regulation or in any Award Agreement, or may determine in any individual case, that restrictions or forfeiture conditions relating to Restricted Stock will be waived in whole or in part in the event of terminations resulting from specified causes, and the Committee may in other cases waive in whole or in part the forfeiture of Restricted Stock.

(iii) Other Stock-Based or Cash-Based Awards.

(A) The Committee is authorized to grant Awards to Grantees in the form of Other Stock-Based Awards or Other Cash-Based Awards, as deemed by the Committee to be consistent with the purposes of the Plan. The Committee shall determine the terms and conditions of such Awards, consistent with the terms of the Plan, at the date of grant or thereafter, including the Performance Goals and performance periods. Stock or other securities or property delivered pursuant to an Award in the nature of a purchase right granted under Section 6(b)(iii) shall be purchased for such consideration, paid for at such times, by such methods, and in such forms, including, without limitation, Stock, other Awards, notes or other property, as the Committee shall determine, subject to any required corporate action.

(B) Payments earned in respect of any Cash-Based Award may be decreased or, with respect to any Grantee who is not a Covered Employee, increased in the sole discretion of the Committee based on such factors as it deems appropriate. Notwithstanding the foregoing, any Awards may be adjusted in accordance with Section 5(b) hereof.

7. CHANGE OF CONTROL PROVISIONS.

(a) To the extent determined by the Committee in its sole discretion (either as evidenced in an applicable Award Agreement, employment agreement or otherwise), if a Grantee's employment or service is terminated by the Company without Cause or by the Grantee for Good Reason, in each case within twenty-four (24) months following a Change of Control:

(i) any Award carrying a right to exercise that was not previously vested and exercisable shall become fully vested and exercisable and all outstanding Awards shall remain exercisable for one (1) year following such date of termination of employment or service but in no event beyond the original term of the Award and shall thereafter terminate; and

(ii) the restrictions, deferral limitations, payment conditions, and forfeiture conditions applicable to any Award other than an Award described in (i) granted under the Plan shall lapse and such Awards shall be deemed fully vested, and any performance conditions imposed with respect to Awards shall be deemed to be achieved at the higher of (x) the target level for the applicable performance period or (y) the level of achievement of such performance conditions for the most recently concluded performance period.

Notwithstanding the foregoing, the Committee shall have the discretion to:

(x) accelerate the vesting or payment of any Award effective immediately upon the occurrence of a Change of Control, or

(y) convert the vesting of performance-based Awards to a time-based vesting schedule as deemed appropriate by the Committee, in each case, only to the extent that such action would not cause any Award to result in deferred compensation that is subject to the additional 20% tax under Section 409A of the Code.

(b) A "Change of Control" shall be deemed to have occurred if the event set forth in any one of the following paragraphs shall have occurred:

(i) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates) representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding voting securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (A) of paragraph (iii) below; or

(ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least a majority of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended by such directors; or

(iii) there is consummated a merger or consolidation of the Company with any other corporation or other entity, other than (A) a merger or consolidation which results in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any subsidiary of the Company, more than fifty percent (50%) of the combined voting power of the voting securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its Affiliates) representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities; or

(iv) the stockholders of the Company approve a plan of liquidation or dissolution of the Company or there is consummated an agreement for the sale or other disposition, directly or indirectly, by the Company of all or substantially all of the Company's assets, other than such sale or other disposition by the Company of all or substantially all of the Company's assets to an entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are owned by stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale.

Notwithstanding the foregoing, a "Change of Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the common stock of the Company immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions. In addition, for each Award subject to Section 409A of the Code, a "Change of Control" shall be deemed to have occurred under this Plan with respect to such Award only if a change in the ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company shall also be deemed to have occurred under Section 409A of the Code.

8. GENERAL PROVISIONS.

(a) Nontransferability, Deferrals and Settlements. Unless otherwise determined by the Committee or provided in an Award Agreement, Awards shall not be transferable by a Grantee except by will or the laws of descent and distribution and shall be exercisable during the lifetime of a Grantee only by such Grantee or his guardian or legal representative.

(b) No Right to Continued Employment, etc. Nothing in the Plan or in any Award granted or any Award Agreement, promissory note or other agreement entered into pursuant hereto shall confer upon any Grantee the right to continue in the employ or service of the Company, any Subsidiary or any Affiliate or to be entitled to any remuneration or benefits not set forth in the Plan or such Award Agreement, promissory note or other agreement or to interfere with or limit in any way the right of the Company or any such Subsidiary or Affiliate to terminate such Grantee's employment or service.

(c) Taxes. The Company or any Subsidiary or Affiliate is authorized to withhold from any Award granted, any payment relating to an Award under the Plan, including from a distribution of Stock, or any other payment to a Grantee, amounts of withholding and other taxes due in connection with any transaction involving an Award, and to take such other action as the Committee may deem advisable to enable the Company and Grantees to satisfy obligations for the payment of withholding taxes and other tax obligations relating to any Award. This authority shall include authority to withhold or receive Stock or other property with a Fair Market Value not in excess of the minimum amount required to be withheld and to make cash payments in respect thereof in satisfaction of a Grantee's tax obligations.

(d) Amendment and Termination. The Plan shall take effect on the Effective Date. The Board may amend, alter or discontinue the Plan, but no amendment, alteration, or discontinuation shall be made that would impair the rights of a Grantee under any

Award theretofore granted without such Grantee's consent, or that without the approval of the stockholders (as described below) would, except as provided in Section 5, increase the total number of shares of Stock reserved for the purpose of the Plan. In addition, stockholder approval shall be required with respect to any amendment that materially increases benefits provided under the Plan or materially alters the eligibility provisions of the Plan. Unless earlier terminated by the Board pursuant to the provisions of the Plan, the Plan shall terminate on the tenth anniversary of its Effective Date. No Awards shall be granted under the Plan after such termination date.

(e) No Rights to Awards; No Stockholder Rights. No Grantee shall have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of Grantees. Except as provided specifically herein, a Grantee or a transferee of an Award shall have no rights as a stockholder with respect to any shares covered by the Award until the date of the issuance of a stock certificate to him for such shares.

(f) Unfunded Status of Awards. The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Grantee pursuant to an Award, nothing contained in the Plan or any Award shall give any such Grantee any rights that are greater than those of a general unsecured creditor of the Company.

(g) No Fractional Shares. No fractional shares of Stock shall be issued or delivered pursuant to the Plan or any Award. The Committee shall determine whether cash, other Awards, or other property shall be issued or paid in lieu of such fractional shares or whether such fractional shares or any rights thereto shall be forfeited or otherwise eliminated.

(h) Regulations and Other Approvals.

(i) The obligation of the Company to sell or deliver Stock with respect to any Award granted under the Plan shall be subject to all applicable laws, rules and regulations, including all applicable federal and state securities laws, and the obtaining of all such approvals by governmental agencies as may be deemed necessary or appropriate by the Committee.

(ii) Each Award is subject to the requirement that, if at any time the Committee determines, in its absolute discretion, that the listing, registration or qualification of Stock issuable pursuant to the Plan is required by any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory body is necessary or desirable as a condition of, or in connection with, the grant of an Award or the issuance of Stock, no such Award shall be granted or payment made or Stock issued, in whole or in part, unless listing, registration, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Committee.

(iii) In the event that the disposition of Stock acquired pursuant to the Plan is not covered by a then current registration statement under the Securities Act of 1933, as amended (the "Securities Act"), and is not otherwise exempt from such registration, such Stock shall be restricted against transfer to the extent required by the Securities Act or regulations thereunder, and the Committee may require a Grantee receiving Stock pursuant to the Plan, as a condition precedent to receipt of such Stock, to represent to the Company in writing that the Stock acquired by such Grantee is acquired for investment only and not with a view to distribution.

(i) Section 409A Compliance. The intent of the parties is that payments and benefits under the Plan comply with Section 409A of the Code to the extent subject thereto, and, accordingly, to the maximum extent permitted, the Plan shall be interpreted and be administered to be in compliance therewith. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, the Grantee shall not be considered to have terminated employment with the Company for purposes of the Plan and no payment shall be due to the Grantee under the Plan or any Award Agreement until the Grantee would be considered to have incurred a "separation from service" from the Company within the meaning of Section 409A of the Code. Any payments described in the Plan that are due within the "short term deferral period" as defined in Section 409A of the Code shall not be treated as deferred compensation unless applicable law requires otherwise. Notwithstanding anything to the contrary in the Plan, to the extent that any Awards are payable upon a separation from service and such payment would result in the imposition of any individual excise tax and late interest charges imposed under Section 409A of the Code, the settlement and payment of such awards shall instead be made on the first business day after the date that is six (6) months following such separation from service (or death, if earlier).

(j) Governing Law. The Plan and all determinations made and actions taken pursuant hereto shall be governed by the laws of the State of Delaware without giving effect to the conflict of laws principles thereof.

Exhibit 10.9

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED
MANAGEMENT COMPENSATION PLAN
FORM OF RESTRICTED STOCK UNIT AGREEMENT

THIS RESTRICTED STOCK UNIT AGREEMENT (the "Agreement") dated as of July 1, 2009 (the "Grant Date") is made between Primus Telecommunications Group, Incorporated (the "Company") and [ ] (the "Grantee"). The Management Compensation Plan (the "Plan") is hereby incorporated by reference and made a part hereof, and the Restricted Stock Units (the "Management RSUs") and this Agreement shall be subject to all terms and conditions of the Plan. Capitalized terms not defined herein shall have the meanings ascribed to them in the Plan.

1. Grant of Restricted Stock Units. The Company hereby grants to the Grantee [ ] Management RSUs pursuant to the Plan, subject to the terms and conditions of this Agreement and the Plan. The Management RSUs shall vest in accordance with the attainment of specified Adjusted EBITDA Targets for any fiscal year during the term of this Agreement. The Adjusted EBITDA Targets for 2009, 2010, and 2011 are set forth in Annex A attached hereto and Adjusted EBITDA shall have the meaning set forth in Annex B attached hereto. The Adjusted EBITDA Targets for subsequent years shall be determined by the Compensation Committee (the "Committee") of the Board of Directors of the Company (the "Board") and ratified by the Board.

2. Vesting. The Management RSUs granted to the Grantee hereunder shall become vested upon the attainment of the applicable percentage of the specified Adjusted EBITDA Targets as set forth below, provided, except as set forth in Sections 4(c) [and 4(d)] below, that the Grantee is employed by the Company or its Subsidiaries on the first day of the fiscal year following the year in which such Adjusted EBITDA Targets are attained. For the avoidance of doubt, the Management RSUs shall only vest in accordance with Sections 2(a), 4(c) [and 4(d)] hereof, in each case, as applicable.

(a) Management RSUs. If Adjusted EBITDA for any fiscal year of the Company equals or exceeds ninety percent (90%) of the Adjusted EBITDA Target for such fiscal year (such fiscal year, the "Initial Management RSU Year"), fifty percent (50%) of the Management RSUs shall become vested. If Adjusted EBITDA for any fiscal year of the Company subsequent to the Initial Management RSU Year equals or exceeds ninety percent (90%) of the Adjusted EBITDA Target for such fiscal year, the remaining fifty percent (50%) of the Management RSUs shall become vested.

(b) Vested and Unvested RSUs. The Management RSUs granted to the Grantee under this Agreement that become vested in accordance with this Section 2 shall constitute "Vested RSUs". All Management RSUs granted to the Grantee under this Agreement that have not become vested shall constitute "Unvested RSUs".

3. Settlement of RSUs. Subject to the last sentence of Section 4(a) hereof, Vested RSUs shall be settled in shares of Stock on a one-for-one basis, as soon as practicable following the date on which the Committee certifies that the applicable percentage of the specified Adjusted EBITDA Targets with respect to the applicable fiscal year have been achieved, but in no event later than the 15th day of the third calendar month following the end of the fiscal year for which the applicable Adjusted EBITDA Targets were achieved.

4. Termination of Employment.

(a) Forfeiture. Except as provided in Sections 4(c) [or 4(d)] hereof, upon the termination of the Grantee's employment with the Company or any Subsidiary for any reason, any Unvested RSUs shall be forfeited (without payment of any consideration therefor). Upon the termination of the Grantee's employment with the Company or any Subsidiary for Cause, any Vested RSUs which have not been settled prior to the date of such termination shall be forfeited (without payment of any consideration therefor).

(b) Clawback. In the event that the Grantee's employment with the Company or any Subsidiary is terminated for Cause during the term of this Agreement, the Company shall demand repayment of (i) any Stock or cash payments received by the Grantee in settlement of any Vested RSUs and (ii) any profits received on the sale of any Stock received in connection with the settlement of any Vested RSUs. The Grantee shall be required to provide repayment of such amounts within ten (10) days following written demand by the Company. The value of such repayment shall be determined by the Committee in its sole discretion.

(c) Pro-Rata Vesting. Subject to the provisions of Section 4(d) hereof, in the event that (i) the Grantee's employment (x) is involuntarily terminated by the Company without Cause (other than on account of death or Disability (as such term is defined in the Grantee's employment agreement or separation agreement, or if the Grantee does not have an employment agreement or separation agreement, as such term is defined in the Plan)) or (y) is terminated by the Grantee for Good Reason (as such term is defined in the Grantee's employment agreement, or if the Grantee does not have an employment agreement, as such term is defined in the Plan) or by the Grantee for a Constructive Termination (as such term is defined in the Grantee's applicable separation agreement) and (ii) the Company attains the applicable percentage of the specified Adjusted EBITDA Targets for the fiscal year in which occurred such termination of employment, the Grantee shall be entitled to receive a pro-rata portion of the Management RSUs that would have vested had the Grantee remained employed by the Company or any Subsidiary through the applicable payment date set forth in Section 3 hereof (the "Earned RSUs"). For the avoidance of doubt, the pro-rata portion of Management RSUs shall be determined by multiplying the number of Earned RSUs by a fraction, the numerator of which shall be the number of days that the Grantee actually was employed by the Company or any Subsidiary during such fiscal year and the denominator of which shall be 365. Any RSUs so earned shall be settled in accordance with Section 3 hereof.

(d) [Accelerated Vesting] [Change of Control]. [In accordance with the applicable provisions of the Grantee's [employment agreement] [separation agreement], if the Grantee's employment (i) is involuntarily terminated by the Company without Cause (other than on account of death or Disability) within twenty-four months after a Change of Control (as such term is defined in the Grantee's employment agreement or separation agreement, as applicable), or (ii) is terminated by the Grantee [for Good Reason (as such term is defined in the Grantee's applicable employment agreement)] [in a Constructive Termination (as such term is defined in the Grantee's applicable separation agreement)] within twenty-four months after a Change of

Control, all Management RSUs granted pursuant to Section 1 hereof shall immediately vest and shall be settled within ten (10) days of the date of such termination of employment. For the avoidance of doubt, the number of Management RSUs that vest in accordance with the first sentence of this Section 4(d) shall be calculated as if the Company attained ninety percent (90%) of the specified Adjusted EBITDA Targets for two successive fiscal years.] [Upon a Change of Control (as such term is defined in the Plan), any Unvested RSUs shall be forfeited (without payment of any consideration therefor).]

(e) Notwithstanding anything herein or in an applicable employment or separation agreement to the contrary, for purposes of this Agreement, a termination for Good Reason or a Constructive Termination, as applicable, shall only be deemed to have occurred if such termination constitutes an "involuntary separation from service" for purposes of Section 409A of the Code.

5. Expiration of Restricted Stock Units. Subject to earlier forfeiture as provided in Section 4 hereof, in the event that all or any portion of the RSUs granted pursuant to this Agreement have not become Vested RSUs by the tenth (10th) anniversary of the Grant Date (the "Expiration Date"), any such Unvested RSUs shall terminate and be of no further force and effect as of the Expiration Date.

6. No Rights as a Stockholder. The Grantee shall have no rights of a stockholder (including the right to distributions or dividends) until shares of Stock are issued pursuant to the terms of this Agreement.

7. Restrictions. Prior to the time shares of Stock are issued with respect to any Management RSUs granted hereunder, neither the Management RSUs nor any interest thereto may be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of by the Grantee, except by will or the laws of descent and distribution, and any such purported sale, assignment, transfer, pledge, hypothecation or other disposition in violation of this Section 7 shall be void and unenforceable against the Company and will result in the immediate termination of the applicable Management RSUs.

8. Withholding Taxes. The Grantee shall pay to the Company, or make provision satisfactory to the Company for payment of, any taxes required to be withheld by applicable law or regulation in respect of the Management RSUs, as applicable, no later than the date of the event creating the tax liability. The Company may, and, in the absence of other timely payment or provision made by the Grantee that is satisfactory to the Company, shall, to the extent permitted by law, deduct any such tax obligations from any payment of any kind otherwise due to the Grantee, including, but not limited to, by withholding shares from any shares of Stock to be delivered hereunder. In the event that payment to the Company of such tax obligations is made by delivery or withholding of shares of Stock, such shares shall be valued at their fair market value (as determined in accordance with the Plan) on the applicable date for such purposes.

9. Section 409A Compliance. The intent of the parties is that payments and benefits under this Agreement comply with Section 409A of the Code to the extent subject thereto, and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted and be

administered to be in compliance therewith. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, the Grantee shall not be considered to have terminated employment with the Company for purposes of this Agreement and no payment shall be due to the Grantee under the Plan or this Agreement until the Grantee would be considered to have incurred a "separation from service" from the Company within the meaning of Section 409A of the Code. Any payments described in this Agreement that are due within the "short term deferral period" as defined in Section 409A of the Code shall not be treated as deferred compensation unless applicable law requires otherwise. Notwithstanding anything to the contrary in this Agreement, to the extent that any Awards are payable upon a separation from service and such payment would result in the imposition of any individual excise tax and late interest charges imposed under Section 409A of the Code, the settlement and payment of such Awards shall instead be made on the first business day after the date that is six (6) months following such separation from service (or death, if earlier).

10. Miscellaneous.

(a) No Right to Continued Employment. Except as may otherwise be provided in an applicable employment or severance agreement, nothing in the Plan or in this Agreement will confer upon the Grantee any right to continue in the employ of the Company or its Subsidiaries or interfere with or restrict in any way the right of the Company or any of its Subsidiaries, which is hereby expressly reserved, to remove, terminate or discharge the Grantee at any time for any reason whatsoever, with or without Cause.

(b) Authority of the Committee. The Committee shall have full authority to interpret and construe the terms of the Plan and this Agreement. The determination of the Committee as to any such matter of interpretation or construction shall be final, binding and conclusive.

(c) Notices. All notices and other communications under this Agreement shall be in writing and shall be given by first class mail, certified or registered with return receipt requested, and shall be deemed to have been duly given three days after mailing to the respective parties named below:

If to the Company: Primus Telecommunications Group, Incorporated
7901 Jones Branch Drive, Suite 900
McLean, VA 22102
Attention: [ ]

If to the Grantee: At the address on record with the Company.

(d) Amendments. This Agreement may be amended or modified at any time only by an instrument in writing signed by each of the parties hereto.

(e) Successors. The terms of this Agreement will be binding upon and inure to the benefit of the Company, its successors and assigns, and, subject to Section 7 hereof, the beneficiaries, executors, administrators, heirs and successors of the Grantee.

(f) Headings. Headings are used solely for the convenience of the parties and shall not be deemed to be a limitation upon or descriptive of the contents of any such Section.

(g) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

(h) Governing Law. This Agreement shall be governed by and construed according to the laws of the State of Delaware without regard to its principles of conflict of laws.

(i) Acceptance. The Grantee hereby acknowledges receipt of a copy of the Plan and this Agreement. The Grantee has read and understands the terms and provisions thereof and hereof, and accepts the Management RSUs granted hereunder subject to all the terms and conditions of the Plan and this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement on the day and year first above written.

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

By _____
Name:
Title:

_____
Grantee

Annex A

Adjusted EBITDA Targets for 2009, 2010, 2011[1]

For the Year Ending December 31,		
2009	**2010**	**2011**
$66,031,000	$67,055,000	$ 73,137,000

[1] These numbers are consistent with the Plan of Reorganization's Financial Forecast line item "EBITDA (before Restructuring charges)".

Annex B

Definition of "Adjusted EBITDA"

1. All capitalized terms not defined in this Annex B shall have the meanings ascribed to them in the "Term Loan Agreement" (as such term is defined in Section 3 below).

2. For purposes of this Agreement, "Adjusted EBITDA" shall mean "Adjusted EBITDA" as externally reported by Parent in its earnings releases, in a manner consistent with Parent's past practices plus, to the extent otherwise deducted in calculating net income during such period, professional fees, costs and expenses incurred in connection with the Proceedings, the confirmation and effectiveness of the Plan of Reorganization and the related Fresh Start Accounting implementation. Adjusted EBITDA shall be calculated to eliminate the effect of Fresh Start Accounting and to eliminate the effect of any Asset Disposition or Asset Acquisition (including acquisitions of other Persons by merger, consolidation or purchase of Capital Stock), based upon adjustments calculated by the Parent and such adjustments shall be subject to agreed upon procedures performed by the Parent's nationally recognized independent accountants.

3. "Term Loan Agreement" shall mean the Term Loan Agreement, dated as of February 18, 2005 and last amended on July 1, 2009 (as may be further amended, supplemented or otherwise modified from time to time), among Primus Telecommunications Group, Incorporated and Primus Telecommunications Holding, Inc., as Borrower, the several lenders from time to time parties hereto, Lehman Brothers Inc., as Arranger, Lehman Commercial Paper Inc., as Syndication Agent and Lehman Commercial Paper Inc., as Administrative Agent.

Exhibit 10.10

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED
MANAGEMENT COMPENSATION PLAN
FORM OF NONQUALIFIED STOCK OPTION AGREEMENT

THIS NONQUALIFIED STOCK OPTION AGREEMENT (the "Agreement") dated as of July 1, 2009 (the "Grant Date") is made between Primus Telecommunications Group, Incorporated (the "Company") and [ ] (the "Grantee"). Capitalized terms not defined herein shall have the meanings ascribed to them in the Management Compensation Plan (the "Plan"). Where the context permits, references to the Company shall include any successor to the Company.

1. Grant of Option.

(a) Number of Shares; Type of Option. The Company hereby grants to the Grantee an Option to purchase [ ] shares of Stock (the "Option Shares") on the terms and conditions set forth in this Agreement. The Option is intended to be a nonqualified stock option.

(b) Incorporation of Plan by Reference, Etc. The Plan is hereby incorporated by reference and made a part hereof, and the Option and this Agreement shall be subject to all terms and conditions of the Plan.

2. Terms and Conditions.

(a) Exercise Price. The per share exercise price (the "Exercise Price") for the purchase of Option Shares upon the exercise of all or any portion of the Option shall be equal to the greater of (i) $12.22 and (ii) the Fair Market Value of a share of Stock on the Grant Date.

(b) Term of Option; Expiration Date. Subject to earlier expiration as provided in Section 2(e) below, the Option shall expire at the close of business on the tenth (10th) anniversary of the Grant Date (the "Expiration Date").

(c) Exercisability of Option. Except as otherwise provided in this Agreement or in the Plan, the Option shall vest and become exercisable with respect to the number of Option Shares specified on the dates set forth below (each a "Vesting Date"), provided that the Grantee is employed by the Company or any Subsidiary of the Company on the applicable Vesting Date. Once vested and exercisable, the Option shall continue to be vested and exercisable at any time or times prior to the Expiration Date, subject to the provisions hereof and the Plan.

i. 25% of the Option shall become vested and exercisable on the date which is six (6) months following the Grant Date;

ii. 25% of the Option shall become vested and exercisable on the first anniversary of the Grant Date;

iii. 25% of the Option shall become vested and exercisable on the date which is eighteen (18) months following the Grant Date; and

iv. 25% of the Option shall become vested and exercisable on the second anniversary of the Grant Date.

(d) Method of Exercise. The Exercise Price for any Option Share purchased pursuant to the exercise of all or part of the Option shall be paid in cash. Notwithstanding the foregoing, if the Fair Market Value per share of Stock on the date of exercise equals or exceeds 150% of the Exercise Price, the Committee may permit payment of the Exercise Price (i) on a net-settlement basis pursuant to which the Company shall withhold the amount of Stock sufficient to cover the Exercise Price and tax withholding obligation or, (ii) to the extent permitted by applicable law, by means of a cashless exercise procedure through a broker acceptable to the Company.

(e) Termination of Employment.

i. If the Grantee's employment with the Company and its Subsidiaries terminates because of the Grantee's death or Disability (as such term is defined in the Grantee's employment agreement or separation agreement, or if the Grantee does not have an employment agreement or separation agreement, as such term is defined in the Plan), (A) any unvested portion of the Option shall terminate (without payment of any consideration therefor) and (B) any vested portion of the Option held by the Grantee as of the date of such termination shall remain exercisable until the earlier of (x) one (1) year following the date of such termination and (y) the Expiration Date, and the Option shall thereafter terminate (without payment of any consideration therefor).

ii. If the Grantee's employment with the Company and its Subsidiaries is terminated for Cause, the Option, whether or not then vested and exercisable, shall terminate on the date of such termination of employment (without payment of any consideration therefor).

iii. [In accordance with the applicable provisions of the Grantee's [employment] [separation] agreement, if the Grantee's employment (i) is involuntarily terminated by the Company without Cause (other than on account of death or Disability) within twenty-four months after a Change of Control (as such term is defined in the Grantee's employment or separation agreement, as applicable), or (ii) is terminated by the Grantee [for Good Reason (as such term is defined in the Grantee's applicable employment agreement)] [in a Constructive Termination (as such term is defined in the Grantee's applicable separation agreement)] within twenty-four months after a Change of Control, the Option granted hereunder shall become 100% vested as of the date of such termination of employment and shall be exercisable until the earlier of (x) 120 days following the date of such termination of employment and (y) the Expiration Date, and the Option shall thereafter terminate (without payment of any consideration therefor).] [Upon a Change of Control, (i) any unvested portion of the Option shall immediately

terminate and be of no further force and effect (without payment of any consideration therefor) and (ii) any vested portion of the Option shall remain exercisable for the earlier of (A) 120 days following the date of such Change of Control and (B) the Expiration Date, and the Option shall thereafter terminate (without payment of any consideration therefor).]

iv. If the Grantee's employment with the Company and its Subsidiaries terminates (including by reason of the Subsidiary which employs the Grantee ceasing to be a Subsidiary of the Company) other than as described in subsections (i), (ii) and (iii) above, as applicable, (A) any portion of the Option granted to the Grantee that is vested and exercisable as of the date of such termination of employment shall remain exercisable until the earlier of (x) 120 days following the date of such termination of employment and (y) the Expiration Date, and the Option shall thereafter terminate (without payment of any consideration therefor), and (B) any portion of the Option granted to such Grantee which is not vested and exercisable as of the date of such termination of employment shall terminate upon the date of such termination of employment (without payment of any consideration therefor).

(f) Nontransferability. The Option granted hereunder (including any portion thereof or interest therein) is not transferable by the Grantee otherwise than by will or the laws of descent and distribution, and the Option may be exercised during the lifetime of the Grantee only by the Grantee or the Grantee's guardian or legal representative. Any such transfer of the Option in violation of this Section 2(f) shall be void and unenforceable against the Company and will result in the immediate termination of the Option (or portion thereof or interest therein). The terms of the Option shall be binding upon the beneficiaries, executors, administrators, heirs and successors of the Grantee.

3. Miscellaneous.

(a) No Right to Continued Employment. Nothing in the Plan or in this Agreement will confer upon the Grantee any right to continue in the employ of the Company or its Subsidiaries or interfere with or restrict in any way the right of the Company or any of its Subsidiaries, which is hereby expressly reserved, to remove, terminate or discharge the Grantee at any time for any reason whatsoever, with or without Cause.

(b) Authority of the Committee. The Committee shall have full authority to interpret and construe the terms of the Plan and this Agreement. The determination of the Committee as to any such matter of interpretation or construction shall be final, binding and conclusive.

(c) Notices. All notices and other communications under this Agreement shall be in writing and shall be given by first class mail, certified or registered with return receipt requested, and shall be deemed to have been duly given three days after mailing to the respective parties named below:

If to the Company: Primus Telecommunications Group, Incorporated
7901 Jones Branch Drive, Suite 900
McLean, VA 22102
Attention: [ ]

If to the Grantee: At the address on record with the Company.

(d) Amendments. This Agreement may be amended or modified at any time only by an instrument in writing signed by each of the parties hereto.

(e) Successors. The terms of this Agreement will be binding upon and inure to the benefit of the Company, its successors and assigns, and, subject to Section 2(f) hereof, the beneficiaries, executors, administrators, heirs and successors of the Grantee.

(f) Headings. Headings are used solely for the convenience of the parties and shall not be deemed to be a limitation upon or descriptive of the contents of any such Section.

(g) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

(h) Governing Law. This Agreement shall be governed by and construed according to the laws of the State of Delaware without regard to its principles of conflict of laws.

(i) Acceptance. The Grantee hereby acknowledges receipt of a copy of the Plan and this Agreement. The Grantee has read and understands the terms and provisions thereof, and accepts the Option subject to all the terms and conditions of the Plan and this Agreement.

(j) No Rights as a Stockholder. The Grantee shall have no rights of a stockholder (including the right to distributions or dividends) until the Option shall have been exercised with respect to shares of Stock and such shares have been issued and delivered to the Grantee.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement on the day and year first above written.

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

By _____
Name:
Title:

_____
Grantee

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED
MANAGEMENT COMPENSATION PLAN
FORM OF NONQUALIFIED STOCK OPTION AGREEMENT

THIS NONQUALIFIED STOCK OPTION AGREEMENT (the "Performance Option Agreement") dated as of July 1, 2009 (the "Grant Date") is made between Primus Telecommunications Group, Incorporated (the "Company") and [ ] (the "Grantee"). Capitalized terms not defined herein shall have the meanings ascribed to them in the Management Compensation Plan (the "Plan"). Where the context permits, references to the Company shall include any successor to the Company.

1. Grant of Performance Option.

(a) Number of Shares; Type of Option. The Company hereby grants to the Grantee an Option (a "Performance Option") to purchase [ ] shares of Stock (the "Option Shares") on the terms and conditions set forth in this Performance Option Agreement.[1] The Performance Option is intended to be a nonqualified stock option. The Performance Option shall vest in accordance with the attainment of the applicable percentage of the specified Adjusted EBITDA Targets for any fiscal year during the term of this Performance Option Agreement. The Adjusted EBITDA Targets for 2009, 2010, and 2011 are set forth in Annex A attached hereto and Adjusted EBITDA shall have the meaning set forth in Annex B attached hereto. The Adjusted EBITDA Targets for subsequent years shall be determined by the Compensation Committee (the "Committee") of the Board of Directors of the Company (the "Board") and ratified by the Board.

(b) Incorporation of Plan by Reference, Etc. The Plan is hereby incorporated by reference and made a part hereof, and the Performance Option and this Performance Option Agreement shall be subject to all terms and conditions of the Plan.

2. Terms and Conditions.

(a) Exercise Price. The per share exercise price (the "Exercise Price") for the purchase of Option Shares upon the exercise of all or any portion of the Performance Option shall be equal to the greater of (i) $12.22 and (ii) the Fair Market Value of a share of Stock on the Grant Date.

(b) Term of Performance Option; Expiration Date. Subject to earlier expiration as provided in Section 2(e) below, the Performance Option shall expire at the close of business on the tenth (10th) anniversary of the Grant Date (the "Expiration Date").

(c) Exercisability of Performance Option. The Performance Option granted to the Grantee hereunder shall become vested and exercisable with respect to the number of Option Shares specified in clauses (i) and (ii) of this Section 2(c) upon the attainment of the applicable

[1] 100,000 shares in the aggregate will be reserved under the Management Compensation Plan to fund grants of Performance Options.

percentage of the specified Adjusted EBITDA Targets set forth below, provided that, except as set forth in Section 2(e)(iv)(B) hereof, the Grantee is employed by the Company or its Subsidiaries on the first day of the fiscal year following the year in which such Adjusted EBITDA Targets are attained. Once vested and exercisable, the Performance Option shall continue to be vested and exercisable at any time or times prior to the Expiration Date, subject to the provisions hereof and the Plan.

i. If Adjusted EBITDA for any fiscal year of the Company equals or exceeds 115% of the Adjusted EBITDA Target for such fiscal year (such fiscal year, the "Initial Option Year"), fifty percent (50%) of the Performance Option shall become vested and exercisable.

ii. If Adjusted EBITDA for any fiscal year of the Company subsequent to the Initial Option Year equals or exceeds 115% of the Adjusted EBITDA Target for such fiscal year, the remaining fifty percent (50%) of the Performance Option shall become vested and exercisable.

(d) Method of Exercise. The Exercise Price for any Option Share purchased pursuant to the exercise of all or part of the Performance Option shall be paid in cash. Notwithstanding the foregoing, if the Fair Market Value per share of Stock on the date of exercise equals or exceeds 150% of the Exercise Price, the Committee may permit payment of the Exercise Price (i) on a net-settlement basis pursuant to which the Company shall withhold the amount of Stock sufficient to cover the Exercise Price and tax withholding obligation or, (ii) to the extent permitted by applicable law, by means of a cashless exercise procedure through a broker acceptable to the Company.

(e) Termination of Employment; Change of Control.

i. If the Grantee's employment with the Company and its Subsidiaries terminates because of the Grantee's death or Disability (as such term is defined in the Grantee's employment agreement or separation agreement, or if the Grantee does not have an employment agreement or separation agreement, as such term is defined in the Plan), (A) any unvested portion of the Performance Option shall terminate (without payment of any consideration therefor) and (B) any vested portion of the Performance Option held by the Grantee as of the date of such termination shall remain exercisable until the earlier of (x) one (1) year following the date of such termination and (y) the Expiration Date, and the Performance Option shall thereafter terminate (without payment of any consideration therefor).

ii. If the Grantee's employment with the Company and its Subsidiaries is terminated for Cause, the Performance Option, whether or not then vested and exercisable, shall terminate on the date of such termination of employment (without payment of any consideration therefor).

iii. Notwithstanding any provision to the contrary in any equity agreement, employment agreement, separation agreement or similar agreement to which the Grantee is a party or to which the Grantee is entitled to the benefits thereof as of the Grant Date (any of the foregoing, an "Individual Agreement"), upon a Change of Control, (i) any unvested portion of the Performance Option shall immediately terminate and be of no further force and effect (without payment of any consideration therefor) and (ii) any vested portion of the Performance Option shall remain exercisable until the earlier of (x) one (1) year following the date of such Change of Control and (y) the Expiration Date, and the Performance Option shall thereafter terminate (without payment of any consideration therefor). The Grantee understands, acknowledges and agrees that any provision set forth in any Individual Agreement that provides for automatic or accelerated vesting and/or exercisability of stock options, restricted stock, equity grants or other Awards at the time of, or at any time following, the occurrence of a Change of Control (or similar transaction) or a termination of employment or other event occurring at the time of, or at any time following, the occurrence of a Change of Control (or similar transaction), shall not be applicable to the Performance Option.

iv. In the event that the Grantee's employment (i) is involuntarily terminated by the Company without Cause (other than on account of death or Disability (as such term is defined in the Grantee's employment agreement or separation agreement, or if the Grantee does not have an employment agreement or separation agreement, as such term is defined in the Plan)) or (ii) is terminated by the Grantee for Good Reason (as such term is defined in the Grantee's employment agreement, or if the Grantee does not have an employment agreement, as such term is defined in the Plan) or by the Grantee for a Constructive Termination (as such term is defined in the Grantee's applicable separation agreement), the following provisions shall apply:

(A) Any portion of the Performance Option granted to the Grantee that is vested and exercisable as of the date of such termination of employment shall remain exercisable until the earlier of (x) one (1) year following the date of such termination of employment and (y) the Expiration Date, and the Performance Option shall thereafter terminate (without payment of any consideration therefor); and

(B) If the Company attains the applicable percentage of the specified Adjusted EBITDA Targets for the fiscal year in which occurred such termination of employment, a pro-rata portion of the portion of the Performance Option (the "Target Performance Option") that would have vested had the Grantee remained employed by the Company or any

Subsidiary through the last day of the fiscal year in which such Adjusted EBITDA Targets are attained (such pro-rata portion of the Target Performance Option, the "Pro-Rata Performance Option") shall become vested and exercisable and shall remain vested and exercisable until the earlier of (x) one (1) year following the Measurement Date (as defined below) and (y) the Expiration Date. The Pro-Rata Performance Option shall be determined by multiplying the number of shares subject to the Target Performance Option by a fraction, the numerator of which shall be the number of days that the Grantee actually was employed by the Company or any Subsidiary during such fiscal year and the denominator of which shall be 365; and

(C) Any portion of the Performance Option (other than the Target Performance Option) shall terminate on the date of such termination of employment (without payment of any consideration therefor) and the Target Performance Option shall remain outstanding until the date on which the Committee determines whether the specified percentage of the applicable Adjusted EBITDA Targets have been attained for the fiscal year in which occurred such termination of employment (the "Measurement Date"), and thereafter, any Target Performance Option which is not vested and exercisable as of the Measurement Date shall terminate (without payment of any consideration therefor).

v. If the Grantee's employment with the Company and its Subsidiaries terminates (including by reason of the Subsidiary which employs the Grantee ceasing to be a Subsidiary of the Company) other than as described in subsections (i), (ii), and (iv) of this Section 2(e), as applicable, (A) any portion of the Performance Option granted to the Grantee that is vested and exercisable as of the date of such termination of employment shall remain exercisable until the earlier of (x) one (1) year following the date of such termination of employment and (y) the Expiration Date, and the Performance Option shall thereafter terminate (without payment of any consideration therefor), and (B) any portion of the Performance Option granted to such Grantee which is not vested and exercisable as of the date of such termination of employment shall terminate upon the date of such termination of employment (without payment of any consideration therefor).

(f) Nontransferability. The Performance Option granted hereunder (including any portion thereof or interest therein) is not transferable by the Grantee otherwise than by will or the laws of descent and distribution, and the Performance Option may be exercised during the lifetime of the Grantee only by the Grantee or the Grantee's guardian or legal representative. Any such transfer of the Performance Option in violation of this Section 2(f) shall be void and

unenforceable against the Company and will result in the immediate termination of the Performance Option (or portion thereof or interest therein). The terms of the Performance Option shall be binding upon the beneficiaries, executors, administrators, heirs and successors of the Grantee.

3. Miscellaneous.

(a) No Right to Continued Employment. Nothing in the Plan or in this Performance Option Agreement will confer upon the Grantee any right to continue in the employ of the Company or its Subsidiaries or interfere with or restrict in any way the right of the Company or any of its Subsidiaries, which is hereby expressly reserved, to remove, terminate or discharge the Grantee at any time for any reason whatsoever, with or without Cause.

(b) Authority of the Committee. The Committee shall have full authority to interpret and construe the terms of the Plan and this Performance Option Agreement. The determination of the Committee as to any such matter of interpretation or construction shall be final, binding and conclusive.

(c) Notices. All notices and other communications under this Performance Option Agreement shall be in writing and shall be given by first class mail, certified or registered with return receipt requested, and shall be deemed to have been duly given three days after mailing to the respective parties named below:

If to the Company: Primus Telecommunications Group, Incorporated
7901 Jones Branch Drive, Suite 900
McLean, VA 22102
Attention: [ ]

If to the Grantee: At the address on record with the Company.

(d) Amendments. This Performance Option Agreement may be amended or modified at any time only by an instrument in writing signed by each of the parties hereto.

(e) Successors. The terms of this Performance Option Agreement will be binding upon and inure to the benefit of the Company, its successors and assigns, and, subject to Section 2(f) hereof, the beneficiaries, executors, administrators, heirs and successors of the Grantee.

(f) Headings. Headings are used solely for the convenience of the parties and shall not be deemed to be a limitation upon or descriptive of the contents of any such Section.

(g) Counterparts. This Performance Option Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

(h) Governing Law. This Performance Option Agreement shall be governed by and construed according to the laws of the State of Delaware without regard to its principles of conflict of laws.

(i) Acceptance. The Grantee hereby acknowledges receipt of a copy of the Plan and this Performance Option Agreement. The Grantee has read and understands the terms and provisions thereof, and accepts the Performance Option subject to all the terms and conditions of the Plan and this Performance Option Agreement.

(j) No Rights as a Stockholder. The Grantee shall have no rights of a stockholder (including the right to distributions or dividends) until the Performance Option shall have been exercised with respect to shares of Stock and such shares have been issued and delivered to the Grantee.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Performance Option Agreement on the day and year first above written.

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

By _____
Name:
Title:

_____
Grantee

Adjusted EBITDA Targets for 2009, 2010, 2011[2]

For the Year Ending December 31,		
2009	**2010**	**2011**
$66,031,000	$67,055,000	$73,137,000

[2] These numbers are consistent with the Plan of Reorganization's Financial Forecast line item "EBITDA (before Restructuring charges)".

Annex B

Definition of "Adjusted EBITDA"

1. All capitalized terms not defined in this Annex B shall have the meanings ascribed to them in the "Term Loan Agreement" (as such term is defined in Section 3 below).

2. For purposes of this Performance Option Agreement, "Adjusted EBITDA" shall mean "Adjusted EBITDA" as externally reported by Parent in its earnings releases, in a manner consistent with Parent's past practices plus, to the extent otherwise deducted in calculating net income during such period, professional fees, costs and expenses incurred in connection with the Proceedings, the confirmation and effectiveness of the Plan of Reorganization and the related Fresh Start Accounting implementation. Adjusted EBITDA shall be calculated to eliminate the effect of Fresh Start Accounting and to eliminate the effect of any Asset Disposition or Asset Acquisition (including acquisitions of other Persons by merger, consolidation or purchase of Capital Stock), based upon adjustments calculated by the Parent and such adjustments shall be subject to agreed upon procedures performed by the Parent's nationally recognized independent accountants.

3. "Term Loan Agreement" shall mean the Term Loan Agreement, dated as of February 18, 2005 and last amended on July 1, 2009 (as may be further amended, supplemented or otherwise modified from time to time), among Primus Telecommunications Group, Incorporated and Primus Telecommunications Holding, Inc., as Borrower, the several lenders from time to time parties hereto, Lehman Brothers Inc., as Arranger, Lehman Commercial Paper Inc., as Syndication Agent and Lehman Commercial Paper Inc., as Administrative Agent.

Exhibit 99.1

PRIMUS TELECOMMUNICATIONS GROUP SUCCESSFULLY EMERGES FROM CHAPTER 11

McLEAN, VA — (MARKET WIRE) – July 1, 2009 – Primus Telecommunications Group, Incorporated ("Group"), together with three affiliated non-operating holding companies, Primus Telecommunications Holding, Inc. ("Holding"), Primus Telecommunications International, Inc. and Primus Telecommunications IHC, Inc. ("IHC" and together, the "Holding Companies"), today completed the necessary steps to implement their consensual Plan of Reorganization and have successfully emerged from Chapter 11 bankruptcy protection. The Plan of Reorganization was confirmed on June 12, 2009.

Chairman and Chief Executive Officer K. Paul Singh said, "This is an exciting day for PRIMUS which marks the official completion of our financial restructuring. We emerge with significantly reduced debt and a strengthened capital structure." Under the terms of the Plan of Reorganization PRIMUS has reduced its debt by $316 million, or 55%, and will emerge from bankruptcy with approximately $255 million of debt. Additionally, PRIMUS reduced interest payments by approximately 50% and extended certain debt maturities.

On July 1, 2009 (the "Effective Date"), Group's common stock was cancelled and Group issued 4,800,000 shares of common stock, par value of $0.001 per share (the "New Common Stock") to holders of IHC's 14 1/4% Senior Secured Notes due 2011 and 4,800,000 shares of New Common Stock to holders of the 5% Exchangeable Senior Notes due 2010 and 8% Senior Notes due 2014 issued by Holding (collectively, the "Holding Notes"). The 9,600,000 aggregate shares of New Common Stock represent 100% of the issued and outstanding common stock of reorganized Group as of the Effective Date. The Company expects the New Common Stock to be traded on the OTC Bulletin Board within a few days of the Effective Date.

On the Effective Date, the Holding Notes and the 3 3/4% Senior Notes due 2010, the 12 3/4% Senior Notes due 2009 and the Step Up Convertible Subordinated Debentures due 2009 issued by Group (collectively, the "Group Notes") were cancelled. Also, on the Effective Date, $173 million of outstanding 14 1/4% Senior Secured Notes due 2011 were cancelled and replaced with $123 million of 14 1/4% Senior Subordinated Secured Notes of IHC with an extended maturity until 2013, and $96 million in an outstanding variable rate Term Loan due 2011 issued by Holding was reinstated and amended.

Also on the Effective Date, Group issued Class A warrants to purchase up to an aggregate of 3,000,000 shares of New Common Stock to holders of the Holding Notes and Class B warrants to purchase up to an aggregate of 1,500,000 shares of New Common Stock to holders of the Group Notes. The warrants have a five-year term. The Class A warrants consist of three classes of 1,000,000 each entitling the holders to purchase up to 1,000,000 shares of New Common Stock at an initial exercise prices of $12.22 per share, $16.53 per share and $20.50 per share, respectively. The Class B warrants have a five-year term and entitle the holders to purchase up to 1,500,000 shares of New Common Stock at an initial exercise price of $26.01 per share. Group also issued to holders of the Old Common Stock a pro rata share of contingent value rights representing the right to receive up to 2,665,000 shares of New Common Stock after the equity value reaches a certain threshold.

On the Effective Date, Group's new Management Compensation Plan became effective and grants to acquire shares of New Common Stock were reserved for certain senior officers and employees of Group and its operating subsidiaries as follows: 400,000 restricted stock units were reserved for certain senior officers; service-based stock options to purchase 400,000 shares of New Common Stock were granted to certain senior officers and employees; and performance-based stock options to purchase 100,000 shares of New Common Stock were granted to certain senior officers.

As planned, none of PRIMUS's operating companies in the United States, Australia, Canada, India, Europe or Brazil were included in the restructuring. The operating units have and will continue to manage and to operate their businesses normally.

"Our ability to achieve an efficient and effective financial restructuring is due, in large part, to the dedication of our employees, the loyalty of our customers, and the support and cooperation of our vendors and major creditor groups," said Mr. Singh. "We now ask them to join us as our new journey begins."

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PRIMUS Telecommunications Group, Incorporated is an integrated communications services provider offering international and domestic voice, voice-over-Internet protocol (VOIP), Internet, wireless, data and hosting services to business and residential retail customers and other carriers located primarily in the United States, Canada, Australia, the United Kingdom and Western Europe. PRIMUS provides services over its global network of owned and leased transmission facilities, including approximately 500 points-of-presence (POPs) throughout the world, ownership interests in undersea fiber optic cable systems, 18 carrier-grade international gateway and domestic switches, and a variety of operating relationships that allow it to deliver traffic worldwide. Founded in 1994, PRIMUS is based in McLean, Virginia.

Contact:
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Executive Vice President
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