

BINGHAM

July 12, 2013

Via Overnight Courier

Patricia Van Gerpen, Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st Floor
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

RECEIVED

JUL 15 2013

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

**Re: Notice of Transfer of Control of Primus Telecommunications, Inc. to PTUS,
Inc.**

Dear Ms. Van Gerpen:

Primus Telecommunications, Inc. ("PTI") and PTUS, Inc. ("PTUS") (together, the "Parties"), through their undersigned counsel, hereby notify the South Dakota Public Utilities Commission ("Commission") of the transfer of control of PTI to PTUS, an affiliate of the investment firm York Capital Management ("York") and a company newly formed for the purposes of completing the transaction described herein ("Transaction").

PTI is a competitive telecommunications carrier authorized to provide intrastate telecommunications services in South Dakota. The Transaction will involve a change in the ultimate ownership of PTI and will not result in the assignment of any certificates or the assignment of any intrastate telecommunications assets or customers. PTI will continue to serve its existing customers in South Dakota under the same rates, terms and conditions. Accordingly, for all practical purposes, the Transaction will be transparent to the customers of PTI.

In support, the Parties state as follows:

I. DESCRIPTION OF THE PARTIES

A. Primus Telecommunications, Inc.

PTI, a Delaware corporation, is a wholly owned subsidiary of Primus Telecommunications Holdings, Inc. ("Holdings"), which is, in turn, a wholly owned subsidiary of Primus Telecommunications Group, Incorporated ("PTGI"), a publicly traded Delaware corporation (NYSE: PTGI). PTI is a global facilities-based integrated provider of advanced telecommunications products and services, including traditional and IP voice, data, broadband Internet, collocation, hosting, and outsourced managed services. PTI and PTGI have their principal offices at 460 Herndon Parkway, Suite 150, Herndon, VA 20170 as of July 1, 2013. PTI is authorized to provide interexchange telecommunications services in 49 states and the District of Columbia pursuant to certification, registration or tariff requirements, or on a deregulated basis. In addition, PTI holds competitive local exchange carrier authority in eight (8) states, the District of Columbia, and the Commonwealth of Puerto Rico. PTI is also authorized by the Federal

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Communications Commission to provide interstate and international services as a non-dominant carrier.

In South Dakota, PTI is authorized to provide interexchange telecommunications services pursuant to authority granted by the Commission in Docket No. TC96-044 on August 14, 1996. Information regarding PTI's legal, technical, managerial and financial qualifications has previously been submitted to the Commission and is therefore a matter of public record. The Parties request that such information be incorporated herein by reference.

B. PTUS, Inc.

PTUS is a Delaware corporation newly formed for the purposes of completing the Transaction. PTUS' principal place of business is located at 805 Wright Brothers Blvd., SW, Suite 101, Cedar Rapids, Iowa 52404. PTUS is wholly owned by York Capital Management ("York"), a private investment firm established in 1991. York holds diversified investments and manages over \$15 billion in investments. In addition to making controlling investments in private companies (or companies that become private in connection with the transaction), York invests in publicly traded debt and equity securities throughout the world across a broad range of sectors.

PTUS is well-qualified managerially, technically and financially to own and control PTI. In addition to the well-qualified management and operations teams of PTI that will remain with the company following the Transaction, York is an experienced investor in technology companies. Indeed, over the years, York has made numerous passive and non-passive investments in the communications and technology sectors. York is ultimately controlled by its founder, James Dinan. PTUS also has the necessary financial commitments to consummate the Transaction and to provide adequate working capital to meet the operational needs of PTI.

II. DESIGNATED CONTACTS

For the purposes of this filing, questions or any correspondence, orders, or other materials should be directed to the following contacts for the Parties:

For PTI:

Catherine Wang
Danielle Burt
Bingham McCutchen LLP
2020 K Street, NW
Washington, D.C. 20006
(202) 373-6000 (Tel)
(202) 373-6001 (Fax)
catherine.wang@bingham.com
danielle.burt@bingham.com

For PTUS:

Tom W. Davidson
Douglas I. Brandon
Akin Gump Strauss Hauer & Feld, LLP
1333 New Hampshire Avenue, N.W.
Washington, DC 20036
(202) 887-4000 (Tel)
(202) 887-4288 (Fax)
tdavidson@akingump.com
dbrandon@akingump.com

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With a copy to:

Richard Ramlall
Primus Telecommunications, Inc.
460 Herndon Parkway
Suite 150
Herndon, VA 20170
Tel: (703) 394-4345

With a copy to:

Joshua A. Ratner
PTUS, Inc.
c/o York Capital Management
767 Fifth Avenue, 17th Floor
New York, NY 10153

III. DESCRIPTION OF THE TRANSACTION

On May 10, 2013, PTUS, its affiliate, PTCAN, Inc., PTGI and certain of their respective subsidiaries entered into an Equity Purchase Agreement (“Agreement”) whereby, among other actions, PTUS will acquire all of the stock of PTI, from PTGI’s wholly owned subsidiary Holdings. The completion of the sale of PTI stock is conditioned on obtaining necessary federal and state regulatory approvals. For the Commission’s convenience, organization charts illustrating the current and post-Transaction corporate structure are provided at Exhibit A.

The Parties expect the Transaction to be entirely transparent to customers of PTI. Following the completion of the Transaction, PTI will continue to be operated by highly experienced, well-qualified management, operational and technical personnel. PTI will continue to provide service to existing customers at the same rates, terms and conditions as currently provided. The Transaction will not result in any immediate change to the day-to-day operations of PTI and will not adversely affect PTI’s current operations in South Dakota.

IV. PUBLIC INTEREST CONSIDERATIONS

The Parties submit that the Transaction serves the public interest. PTI will continue to provide high-quality, competitive and innovative products and services to consumers in South Dakota and other states following the completion of the Transaction. The Transaction will not have an adverse impact on competition since no existing or potential competitors will be eliminated or in any way impaired as a result of the Transaction. As a result of the Transaction, PTI will have access to the financial and managerial resources of PTUS. Such strengthened support will enhance the competitive position of PTI to the benefit of the telecommunications marketplace consistent with the Commission’s policies favoring competition and diversity of services.

In addition, the transfer of control of PTI will not result in a change of carrier for customers or any assignment of authorizations. PTI will continue to provide high-quality communications services to its customers without interruption and without immediate change in rates, terms or conditions. Accordingly, the Transaction will be transparent to customers, and in no event will it result in the discontinuance, reduction, loss, or impairment of service to customers.

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V. CONCLUSION

For the reasons stated above, the Parties respectfully submit that the public interest, convenience, and necessity would be furthered by the transfer of control of PTI.

An original and ten (10) copies of this letter are enclosed for filing. Please date-stamp the extra copy and return it in the envelope provided. If there are any questions regarding this matter, please feel free to contact the undersigned.

Respectfully submitted,

Danielle Burt /DPB

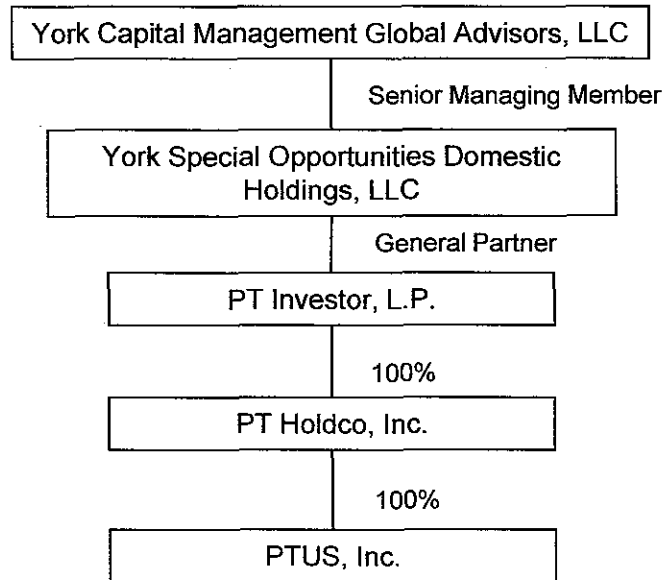
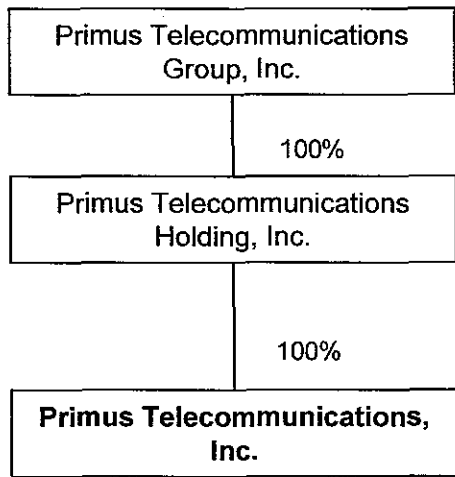
Catherine Wang
Danielle Burt

Counsel for Primus Telecommunications, Inc.

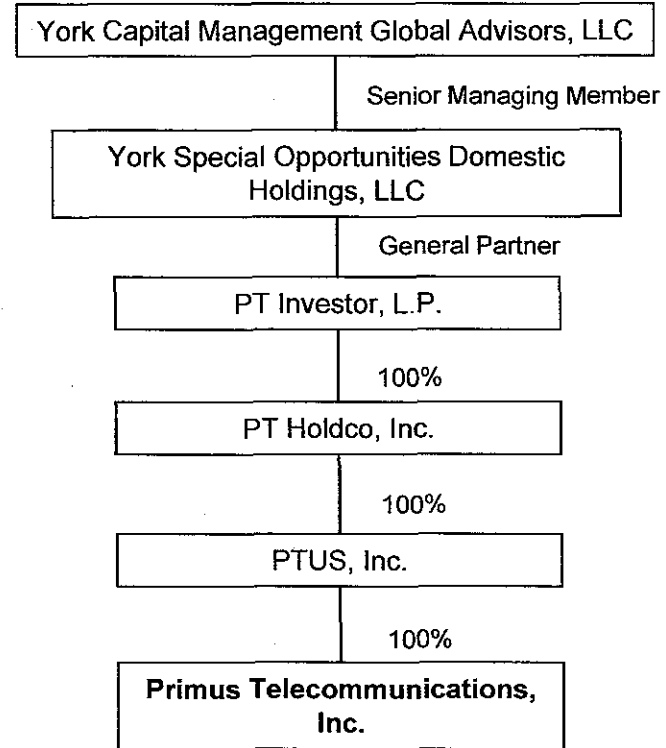
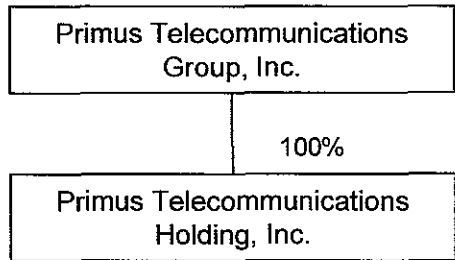
EXHIBIT A

Pre- and Post-Transaction Organizational Charts

Pre-Transaction Illustrative Corporate Charts



Post-Transaction Illustrative Corporate Charts



Verifications

VERIFICATION

STATE OF NEW YORK §
COUNTY OF SUFFOLK §

I, Josh Ratner, state that I am Vice President of PTUS, Inc.; that I am authorized to make this Verification on behalf of PTUS, Inc.; that the foregoing filing was prepared under my direction and supervision; and that the statements in the foregoing document are true and correct to the best of my knowledge, information and belief.

[Signature]
Name:
Title:

SWORN TO AND SUBSCRIBED before me on the 4th day of June, 2013.

[Signature]
Notary Public

SISILYN S. HUTCHINSON
Notary Public, State of New York
Registration #01HU6183341
Qualified in Suffolk County
Commission Expires March 17, 2016

My commission expires: March 17, 2016