

KLOSTER THOMAS R
 Form 4
 July 06, 2009

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
KLOSTER THOMAS R

2. Issuer Name and Ticker or Trading Symbol
PRIMUS TELECOMMUNICATIONS GROUP INC [PRTL]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)
 Director 10% Owner
 Officer (give title below) Other (specify below)
 Chief Financial Officer

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 07/01/2009

7901 JONES BRANCH DRIVE, SUITE 900
 (Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

MCLEAN, VA 22102
 (City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Underlying (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Employee Stock Option (service-based, right to buy)	\$ 12.22	07/01/2009		A	26,246	(1) 07/01/2019		Common Stock
Employee Stock Option (performance-based, right to buy)	\$ 12.22	07/01/2009		A	8,543	(3) 07/01/2019		Common Stock
Restricted Stock Unit	(4)	07/02/2009		A	34,172	(4) 07/02/2019		Common Stock
Contingent Value Rights (\$ 35.95	07/01/2009		A	9,950	(5) (6)		Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KLOSTER THOMAS R 7901 JONES BRANCH DRIVE SUITE 900 MCLEAN, VA 22102			Chief Financial Officer	

Signatures

Thomas R. 07/06/2009
Kloster

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) One fourth (25%) of the option shall become vested and exercisable every six months following the grant date.
- (2) No consideration.
- (3) One half (50%) of the performance option shall become vested and exercisable if the Adjusted EBITDA for any fiscal year of the Company, beginning in 2009, equals or exceeds 115% of the Adjusted EBITDA Target as set forth in the Management Compensation Plan for the years 2009, 2010 and 2011, and the grantee is employed by the Company on the first day following the year in which such

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Adjusted EBITDA Targets are attained. Adjusted EBITDA Targets for subsequent years will be established by the board.

- (4) One half (50%) of the restricted stock units shall become vested and exercisable if the Adjusted EBITDA for any fiscal year of the Company, beginning in 2009, equals or exceeds 90% of the Adjusted EBITDA Target as set forth in the Management Compensation Plan for the years 2009, 2010 and 2011, and the grantee is employed by the Company on the first day following the year in which such Adjusted EBITDA Targets are attained. Adjusted EBITDA Targets for subsequent years will be established by the board.

- (5) On July 1, 2009, a plan of reorganization of the Registrant became effective (the "Plan"). Under the Plan, CVRs were issued pro rata to the former holders of common stock of Registrant whose old common stock of the Registrant were cancelled under the Plan in connection with the issuance of the CVRs. Holders of CVRs are titled to receive a pro rata share of up to 2,665,000 shares of new Registrant common stock if and to the extent the value of the Registrant's equity value (assuming exercise in full of certain outstanding Registrant derivative securities) exceeds \$35.95 per share, subject to certain adjustments. Issuance of new Registrant common stock in respect of CVRs shall be made without delivering any cash consideration by the holders of CVRs and shall occur automatically under the terms of a CVR Distribution Agreement, as filed in Form-8A on July 1, 2009.

- (6) CVRs will expire on the earliest to occur of (1) the date no further common stock is issuable in respect of CVRs, (2) the consummation of a change of control or (3) July 1, 2019.

Remarks:

As a result of the reorganization, the ticker symbol "PRTL" will be changed and will be reflected in the future filings.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.