

PRIMUS TELECOMMUNICATIONS GROUP INC
Form SC 13G/A
February 03, 2011

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13G/A*
(Rule 13d-102)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULES 13d-1(b), (c) AND (d) AND AMENDMENTS THERETO FILED
PURSUANT TO 13d-2 UNDER THE
SECURITIES EXCHANGE ACT OF 1934

(Amendment No. 3)*

Primus Telecommunications Group, Incorporated
(Name of Issuer)

Common Stock, \$0.001 par value

(Title of Class of Securities)

741929301
(CUSIP Number)

December 31, 2010
(Date of event which requires filing of this statement)

Check the appropriate box to designate the rule pursuant to which this Schedule 13G/A is filed:

Rule 13d-1(b)
 Rule 13d-1(c)
 Rule 13d-1(d)

(Page 1 of 10 Pages)

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 741929301

13G/A

Page 2 of 10 Pages

1 NAMES OF REPORTING PERSONS
 I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)
 Phaeton International (BVI) Ltd.
 None

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP** (a) ..
 (b) x

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION
 British Virgin Islands

5 SOLE VOTING POWER
 -0-

6 SHARED VOTING POWER
 As of December 31, 2010, 341,300 shares of Common Stock and warrants to
 purchase
 81,981 shares of Common Stock. As of the date of this filing, 331,300 shares of
 Common
 Stock and warrants to purchase 81,981 shares of Common Stock.

NUMBER OF
 SHARES
 BENEFICIALLY
 OWNED BY
 EACH
 REPORTING
 PERSON WITH

7 SOLE DISPOSITIVE POWER
 -0-

8 SHARED DISPOSITIVE POWER
 As of December 31, 2010, 341,300 shares of Common Stock and warrants to
 purchase
 81,981 shares of Common Stock. As of the date of this filing, 331,300 shares of
 Common
 Stock and warrants to purchase 81,981 shares of Common Stock.

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 As of December 31, 2010, 341,300 shares of Common Stock and warrants to purchase
 81,981 shares of Common Stock. As of the date of this filing, 331,300 shares of Common
 Stock and warrants to purchase 81,981 shares of Common Stock.

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES ..
 CERTAIN SHARES

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)
 As of December 31, 2010, 4.31%. As of the date of this filing, 4.21%.

12 TYPE OF REPORTING PERSON**
 CO

** SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 741929301

13G/A

Page 3 of 10 Pages

1 NAMES OF REPORTING PERSONS
 I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)
 Phoenix Partners, L.P.
 13-6272912

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP** (a) ..
 (b) x

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION
 New York

5 SOLE VOTING POWER
 -0-

6 SHARED VOTING POWER
 As of December 31, 2010: 557,700 shares of Common Stock and warrants to
 purchase 133,992 shares of Common Stock. As of the date of this filing: 468,700
 shares of Common Stock and warrants to purchase 133,992 shares of Common
 Stock (see Item 4)

NUMBER OF
 SHARES
 BENEFICIALLY
 OWNED BY
 EACH
 REPORTING
 PERSON WITH

7 SOLE DISPOSITIVE POWER
 -0-

8 SHARED DISPOSITIVE POWER
 As of December 31, 2010: 557,700 shares of Common Stock and warrants to
 purchase 133,992 shares of Common Stock. As of the date of this filing: 468,700
 shares of Common Stock and warrants to purchase 133,992 shares of Common
 Stock (see Item 4)

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 As of December 31, 2010: 557,700 shares of Common Stock and warrants to purchase 133,992
 shares of Common Stock. As of the date of this filing: 468,700 shares of Common Stock and
 warrants to purchase 133,992 shares of Common Stock (see Item 4)

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES ..
 CERTAIN SHARES

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)
 As of December 31, 2010, 7.0%. As of the date of this filing, 6.10%.

12 TYPE OF REPORTING PERSON**
 PN

** SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 741929301

13G/A

Page 4 of 10 Pages

1 NAMES OF REPORTING PERSONS
 I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)
 Morgens, Waterfall, Vintiadis & Company, Inc.
 13-2674766

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP** (a) ..
 (b) x

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION
 New York

5 SOLE VOTING POWER
 -0-

6 SHARED VOTING POWER
 As of December 31, 2010: 899,000 shares of Common Stock and warrants to
 purchase 215,973 shares of Common Stock. As of the date of this filing: 800,000
 shares of Common Stock and warrants to purchase 215,973 shares of Common
 Stock (see Item 4).

NUMBER OF
 SHARES
 BENEFICIALLY
 OWNED BY
 EACH
 REPORTING
 PERSON WITH

7 SOLE DISPOSITIVE POWER
 -0-

8 SHARED DISPOSITIVE POWER
 As of December 31, 2010: 899,000 shares of Common Stock and warrants to
 purchase 215,973 shares of Common Stock. As of the date of this filing: 800,000
 shares of Common Stock and warrants to purchase 215,973 shares of Common
 Stock (see Item 4).

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 As of December 31, 2010: 899,000 shares of Common Stock and warrants to purchase 215,973
 shares of Common Stock. As of the date of this filing: 800,000 shares of Common Stock and
 warrants to purchase 215,973 shares of Common Stock (see Item 4).

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES ..
 CERTAIN SHARES

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)
 As of December 31, 2010, 11.20%. As of the date of this filing, 10.20%.

12 TYPE OF REPORTING PERSON**
 IA

CUSIP No. 741929301

13G/A

Page 5 of 10 Pages

1 NAMES OF REPORTING PERSONS
 I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)
 Edwin H. Morgens

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP** (a) ..
 (b) x

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION
 United States

5 SOLE VOTING POWER
 -0-

6 SHARED VOTING POWER
 As of December 31, 2010: 899,000 shares of Common Stock and warrants to
 purchase 215,973 shares of Common Stock. As of the date of this filing: 800,000
 shares of Common Stock and warrants to purchase 215,973 shares of Common
 Stock (see Item 4).

7 SOLE DISPOSITIVE POWER
 -0-

8 SHARED DISPOSITIVE POWER
 As of December 31, 2010: 899,000 shares of Common Stock and warrants to
 purchase 215,973 shares of Common Stock. As of the date of this filing: 800,000
 shares of Common Stock and warrants to purchase 215,973 shares of Common
 Stock (see Item 4).

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 As of December 31, 2010: 899,000 shares of Common Stock and warrants to purchase 215,973
 shares of Common Stock. As of the date of this filing: 800,000 shares of Common Stock and
 warrants to purchase 215,973 shares of Common Stock (see Item 4).

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES ..

11 CERTAIN SHARES

12 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)
 As of December 31, 2010, 11.20%. As of the date of this filing, 10.20%.

13 TYPE OF REPORTING PERSON**
 IN

CUSIP No. 741929301

13G/A

Page 6 of 10 Pages

Item 1 (a). NAME OF ISSUER.

Primus Telecommunications Group, Incorporated (the "Company").

Item 1(b). ADDRESS OF ISSUER'S PRINCIPAL EXECUTIVE OFFICES:

7901 Jones Branch Drive, Suite 900, McLean, VA, 22102

Item 2 (a). NAME OF PERSON FILING:

This Schedule 13G/A is filed jointly by (a) Phaeton International (BVI) Ltd. ("Phaeton"), (b) Phoenix Partners, L.P. ("Phoenix"), (c) Morgens, Waterfall, Vintiadis & Company, Inc. ("Morgens Waterfall") and (d) Edwin H. Morgens ("Morgens" and together with the persons listed in (a) through (c), the "Reporting Persons").

Phaeton and Phoenix are hereinafter sometimes collectively referred to as the "Advisory Clients".

Item 2(b). ADDRESS OF PRINCIPAL BUSINESS OFFICE OR, IF NONE, RESIDENCE:

The business address of each of the Reporting Persons is 600 Fifth Avenue, 27th Floor, New York NY 10020.

Item 2(c). CITIZENSHIP:

Phoenix is a limited partnership organized under the laws of the State of New York. Phaeton is an exempted company organized in British Virgin Islands. Morgens Waterfall is a corporation organized under the laws of the State of New York. Morgens is a United States citizen.

Item 2(d). TITLE OF CLASS OF SECURITIES:

Common Stock, \$0.001 par value

CUSIP No. 741929301

13G/A

Page 7 of 10 Pages

Item 2(e). CUSIP NUMBER:

741929301

Item 3. IF THIS STATEMENT IS FILED PURSUANT TO RULES 13d-1(b) OR 13d-2(b) OR (c), CHECK WHETHER THE PERSON FILING IS A:

- (a) .. Broker or dealer registered under Section 15 of the Act
- (b) .. Bank as defined in Section 3(a)(6) of the Act
- (c) .. Insurance Company as defined in Section 3(a)(19) of the Act
- (d) .. Investment Company registered under Section 8 of the Investment Company Act of 1940
- (e) .. Employee Adviser in accordance with Rule 13d-1(b) (1) (ii) (E)
- (f) .. Employee Benefit Plan or Endowment Fund in accordance with 13d-1(b) (1) (ii) (F)
- (g) .. Parent Holding Company or control person in accordance with Rule 13d-1(b)(ii)(G)
- (h) .. Savings Association as defined in Section 3(b) of the Federal Deposit Insurance Act;
- (i) .. Church Plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act of 1940;
- (j) .. Group, in accordance with Rule 13d-1(b)(1)(ii)(J).

IF THIS STATEMENT IS FILED PURSUANT TO RULE 13d-1(c), CHECK THIS BOX.

Item 4. OWNERSHIP.

The percentages used to calculate beneficial ownership are based upon the (i) 9,743,157 shares of Common Stock that were outstanding as of October 31, 2010 as reported by the Company in its Form 10-Q for the quarterly period ended September 30, 2010, filed on November 15, 2010 and (ii) 215,973 shares of Common Stock deemed to be outstanding pursuant to Rule 13d-3(d)(1)(i) because such shares may be obtained and beneficially owned upon exercise within 60 days of derivative securities currently owned by the Reporting Persons. Pursuant to Rule 13d-3(d)(1)(i) the number of issued and outstanding shares of Common Stock assumes that each other shareholder of the Company does not exercise herein within 60 days.

A. Phaeton International (BVI) Ltd

- (a) Amount beneficially owned: As of December 31, 2010, 341,300 shares of Common Stock and warrants to purchase 81,981 shares of Common Stock. As of the date of this filing, 331,300 shares of Common Stock and warrants to purchase 81,981 shares of Common Stock.
- (b) Percent of class: As of December 31, 2010, 4.31%. As of the date of this filing, 4.21%.
- (c) (i) Sole power to vote or direct the vote: -0-
- (ii) Shared power to vote or direct the vote: As of December 31, 2010, 341,300 shares of Common Stock and warrants to purchase 81,981 shares of Common Stock. As of the date of this filing, 331,300 shares of Common Stock and warrants to purchase 81,981 shares of Common Stock.
- (iii) Sole power to dispose or direct the disposition: -0-
- (iv) Shared power to dispose or direct the disposition of: As of December 31, 2010, 341,300 shares of Common Stock and warrants to purchase 81,981 shares of Common Stock. As of the date of this filing, 331,300 shares of Common Stock and warrants to purchase 81,981 shares of Common Stock.

B. Phoenix Partners, L.P.

- (a) Amount beneficially owned: As of December 31, 2010, 557,700 shares of Common Stock and warrants to purchase 133,992 shares of Common Stock. As of the date of this filing, 468,700 shares of Common Stock and warrants to purchase 133,992 shares of Common Stock.
- (b) Percent of class: As of December 31, 2010, 7.0%. As of the date of this filing, 6.10%.
- (c) (i) Sole power to vote or direct the vote: -0-
- (ii) Shared power to vote or direct the vote: As of December 31, 2010, 557,700 shares of Common Stock and warrants to purchase 133,992 shares of Common Stock. As of the date of this filing, 468,700 shares of Common Stock and warrants to purchase 133,992 shares of Common Stock.
- (iii) Sole power to dispose or direct the disposition: -0-
- (iv) Shared power to dispose or direct the disposition: As of December 31, 2010, 557,700 shares of Common Stock and warrants to purchase 133,992 shares of Common Stock. As of the date of this filing, 468,700 shares of Common Stock

and warrants to purchase 133,992 shares of
Common Stock.

C. Morgens, Waterfall, Vintiadis & Co., Inc.

- (a) Amount beneficially owned: As of December 31, 2010: 899,000 shares of Common Stock and warrants to purchase 215,973 shares of Common Stock. As of the date of this filing: 800,000 shares of Common Stock and warrants to purchase 215,973 shares of Common Stock.
- (b) Percent of class: As of December 31, 2010, 11.20%. As of the date of this filing, 10.20%.
- (c)
 - (i) Sole power to vote or direct the vote: -0-
 - (ii) Shared power to vote or direct the vote: Shared power to vote or direct the vote: As of December 31, 2010: 899,000 shares of Common Stock and warrants to purchase 215,973 shares of Common Stock. As of the date of this filing: 800,000 shares of Common Stock and warrants to purchase 215,973 shares of Common Stock.
 - (iii) Sole power to dispose or direct the disposition: -0-
 - (iv) Shared power to dispose or direct the disposition: Shared power to dispose or direct the disposition: As of December 31, 2010: 899,000 shares of Common Stock and warrants to purchase 215,973 shares of Common Stock. As of the date of this filing: 800,000 shares of Common Stock and warrants to purchase 215,973 shares of Common Stock.

D. Edwin H. Morgens

- (a) Amount beneficially owned: As of December 31, 2010: 899,000 shares of Common Stock and warrants to purchase 215,973 shares of Common Stock. As of the date of this filing: 800,000 shares of Common Stock and warrants to purchase 215,973 shares of Common Stock.
- (b) Percent of class: As of December 31, 2010, 11.20%. As of the date of this filing, 10.20%.
- (c)
 - (i) Sole power to vote or direct the vote: -0-
 - (ii) Shared power to vote or direct the vote: Shared power to vote or direct the vote: As of December 31, 2010: 899,000 shares of Common Stock and warrants to purchase 215,973 shares of Common Stock. As of the date of this filing: 800,000 shares of Common Stock and warrants to purchase 215,973 shares of Common Stock.
 - (iii) Sole power to dispose or direct the disposition: -0-
 - (iv) Shared power to dispose or direct the disposition: Shared power to dispose or direct the disposition: As of December 31, 2010: 899,000 shares of Common Stock and warrants to purchase 215,973 shares of Common Stock. As of the date of this filing: 800,000 shares of Common Stock and warrants to purchase 215,973 shares of Common

Stock.

Item 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS.

Not applicable.

CUSIP No. 741929301

13G/A

Page 9 of 10 Pages

Item 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON.

Morgens Waterfall is an investment adviser registered under Section 203 of the Investment Advisers Act of 1940, as amended. The business of Morgens Waterfall is the rendering of financial services and as such it provides discretionary investment advisory services to each of the Advisory Clients. In such capacity, Morgens Waterfall has the power to make decisions regarding the dispositions of the proceeds from the sale of the foregoing shares of Common Stock. Under the rules promulgated by the Securities and Exchange Commission, Morgens Waterfall and its principal (Mr. Morgens) may be considered "beneficial owners" of securities acquired by the Advisory Clients. Each such Advisory Client has the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the securities held in such person's account.

Item 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY.

Not applicable.

Item 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP.

Not applicable.

Item 9. NOTICE OF DISSOLUTION OF GROUP.

Not applicable.

Item 10. CERTIFICATION.

By signing below each Reporting Person certifies that, to the best of its knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

CUSIP No. 741929301

13G/A

Page 10 of 10 Pages

SIGNATURES

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

DATED: February 3, 2011

/s/ Edwin H. Morgens
Edwin H. Morgens,
as attorney-in-fact for
the Reporting Persons