

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

SCHEDULE 13D

UNDER THE SECURITIES EXCHANGE ACT OF 1934

(AMENDMENT NO. 2)

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED  
(Name of Issuer)

COMMON STOCK, \$0.01 PAR VALUE PER SHARE  
(Title of Class of Securities)

741929 10 3  
(CUSIP Number)

Paul Hong, Esq.  
AIG Global Sports and Entertainment Fund, L.P.  
AIG Global Emerging Markets Fund, L.L.C.  
GEM Parallel Fund, L.P.  
c/o AIG Capital Partners, Inc.  
175 Water Street  
New York, NY 10038  
Tel. No.: (212) 458-2156  
(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

November 4, 2003  
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this Schedule because of Sections 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the Schedule, including all Exhibits. See Section 240.13d-7(b) for other parties to whom copies are to be sent.

CUSIP No.

741929 10 3

1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only).  
AIG GLOBAL SPORTS AND ENTERTAINMENT FUND, L.P. (I.R.S. NO. 52-2190010)

2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a)   
(b)

3. SEC Use Only

4. Source of Funds (See Instructions)  
00

5. Check box if disclosure of legal proceedings is required pursuant to  
Item 2(d) or 2(e)

6. Citizenship or Place of Organization  
CAYMAN ISLANDS

7. Sole Voting Power  
Number of Shares Beneficially Owned by Each Reporting Person With  
8,270,004 shares of common stock, par value \$0.01 per share

8. Shared Voting Power

9. Sole Dispositive Power  
8,270,004 shares of common stock, par value \$0.01 per share

10. Shared Dispositive Power

11. Aggregate Amount Beneficially Owned by Each Reporting Person  
8,270,004 shares of common stock, par value \$0.01 per share

12. Check box if the Aggregate Amount in Row (11) Excludes Certain Shares  
(See Instructions)

13. Percent of Class Represented by Amount in Row (11)  
9.4%

14. Type of Reporting Person (See Instructions)  
PN

CUSIP No.

741929 10 3

- 
1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only).  
  
AIG GSEF, L.P. (I.R.S. NO. 98-0210589)
  - 
  2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a) [ ]  
(b) [X]
  - 
  3. SEC Use Only
  - 
  4. Source of Funds (See Instructions)  
00
  - 
  5. Check box if disclosure of legal proceedings is required pursuant to Item 2(d) or 2(e) [ ]
  - 
  6. Citizenship or Place of Organization  
  
CAYMAN ISLANDS
  - 
  - 
  7. Sole Voting Power  
8,270,004 shares of common stock, par value \$0.01 per share
  - 
  8. Shared Voting Power
  - 
  9. Sole Dispositive Power  
8,270,004 shares of common stock, par value \$0.01 per share
  - 
  10. Shared Dispositive Power
  - 
  11. Aggregate Amount Beneficially Owned by Each Reporting Person  
8,270,004 shares of common stock, par value \$0.01 per share
  - 
  12. Check box if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) [X]
  - 
  13. Percent of Class Represented by Amount in Row (11)  
9.4%
  - 
  14. Type of Reporting Person (See Instructions)  
PN
  -

Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With

CUSIP No.

741929 10 3

- 
1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only).  
  
AIG GSEF INVESTMENTS, LTD. (I.R.S. NO. 98-0210590)
- 
2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a) [ ]  
(b) [X]
- 
3. SEC Use Only
- 
4. Source of Funds (See Instructions)  
00
- 
5. Check box if disclosure of legal proceedings is required pursuant to Item 2(d) or 2(e) [ ]
- 
6. Citizenship or Place of Organization  
  
CAYMAN ISLANDS
- 
- |   |     |  |
|---|-----|--|
| Number of<br>Shares<br>Beneficially<br>Owned by<br>Each<br>Reporting<br>Person With | 7.  | Sole Voting Power<br>8,270,004 shares of common stock, par value \$0.01 per share      |
|   | 8.  | Shared Voting Power  |
|   | 9.  | Sole Dispositive Power<br>8,270,004 shares of common stock, par value \$0.01 per share |
|   | 10. | Shared Dispositive Power   |
- 
11. Aggregate Amount Beneficially Owned by Each Reporting Person  
8,270,004 shares of common stock, par value \$0.01 per share
- 
12. Check box if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) [X]
- 
13. Percent of Class Represented by Amount in Row (11)  
9.4%
- 
14. Type of Reporting Person (See Instructions)  
00
-

CUSIP No.

741929 10 3

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1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only).  
  
AIG CAPITAL PARTNERS, INC. (I.R.S. NO. 13-3856440)

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2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a) [ ]  
(b) [X]

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3. SEC Use Only

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4. Source of Funds (See Instructions)  
00

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5. Check box if disclosure of legal proceedings is required pursuant to Item  
2(d) or 2(e) [ ]

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6. Citizenship or Place of Organization  
  
DELAWARE

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Number of Shares Beneficially Owned by Each Reporting Person With	7. Sole Voting Power 8,270,004 shares of common stock, par value \$0.01 per share
	8. Shared Voting Power
	9. Sole Dispositive Power 8,270,004 shares of common stock, par value \$0.01 per share
	10. Shared Dispositive Power

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11. Aggregate Amount Beneficially Owned by Each Reporting Person  
8,270,004 shares of common stock, par value \$0.01 per share

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12. Check box if the Aggregate Amount in Row (11) Excludes Certain Shares (See  
Instructions) [X]

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13. Percent of Class Represented by Amount in Row (11)  
9.4%

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14. Type of Reporting Person (See Instructions)  
C0

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CUSIP No.

741929 10 3

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1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only).  
  
AIG GLOBAL EMERGING MARKETS FUND, L.L.C. (I.R.S. NO. 13-3960880)
- 
2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a)   
(b)
- 
3. SEC Use Only
- 
4. Source of Funds (See Instructions)  
  
00
- 
5. Check box if disclosure of legal proceedings is required pursuant to Item 2(d) or 2(e)
- 
6. Citizenship or Place of Organization  
  
DELAWARE
- 
- |   |   |
|---|---|
| Number of<br>Shares<br>Beneficially<br>Owned by<br>Each<br>Reporting<br>Person With | 7. Sole Voting Power<br>8,270,004 shares of common stock, par value \$0.01 per share      |
|   | 8. Shared Voting Power  |
|   | 9. Sole Dispositive Power<br>8,270,004 shares of common stock, par value \$0.01 per share |
|   | 10. Shared Dispositive Power  |
- 
11. Aggregate Amount Beneficially Owned by Each Reporting Person  
7,478,556 shares of common stock, par value \$0.01 per share
- 
12. Check box if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
- 
13. Percent of Class Represented by Amount in Row (11)  
8.5%
- 
14. Type of Reporting Person (See Instructions)  
00
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CUSIP No.

741929 10 3

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1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only).  
  
GEM PARALLEL FUND, L.P. (I.R.S. NO. 52-2159897)
- 
2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a) [ ]  
(b) [X]
- 
3. SEC Use Only
- 
4. Source of Funds (See Instructions)  
00
- 
5. Check box if disclosure of legal proceedings is required pursuant to Item 2(d) or 2(e) [ ]
- 
6. Citizenship or Place of Organization  
  
DELAWARE
- 
- |   |   |
|---|---|
| Number of<br>Shares<br>Beneficially<br>Owned by<br>Each<br>Reporting<br>Person With | 7. Sole Voting Power<br>8,270,004 shares of common stock, par value \$0.01 per share      |
|   | 8. Shared Voting Power  |
|   | 9. Sole Dispositive Power<br>8,270,004 shares of common stock, par value \$0.01 per share |
|   | 10. Shared Dispositive Power  |
- 
11. Aggregate Amount Beneficially Owned by Each Reporting Person  
791,448 shares of common stock, par value \$0.01 per share
- 
12. Check box if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) [X]
- 
13. Percent of Class Represented by Amount in Row (11)  
0.9%
- 
14. Type of Reporting Person (See Instructions)  
PN
-

CUSIP No.

741929 10 3

1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only).  
  
AIG CAPITAL MANAGEMENT CORP. (I.R.S. NO. 13-3776802)  
-----
2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a)   
(b)   
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3. SEC Use Only  
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4. Source of Funds (See Instructions)  
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5. Check box if disclosure of legal proceedings is required pursuant to Item  
2(d) or 2(e)   
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6. Citizenship or Place of Organization  
  
DELAWARE  
-----
7. Sole Voting Power  
8,270,004 shares of common stock, par value \$0.01 per  
share  
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8. Shared Voting Power  
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9. Sole Dispositive Power  
8,270,004 shares of common stock, par value \$0.01 per  
share  
-----
10. Shared Dispositive Power  
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11. Aggregate Amount Beneficially Owned by Each Reporting Person  
8,270,004 shares of common stock, par value \$0.01 per share  
-----
12. Check box if the Aggregate Amount in Row (11) Excludes Certain Shares (See  
Instructions)   
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13. Percent of Class Represented by Amount in Row (11)  
9.4%  
-----
14. Type of Reporting Person (See Instructions)  
CO  
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Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With



CUSIP No.

741929 10 3

- 
1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only).  
  
AIG ASSET MANAGEMENT SERVICES, INC. (I.R.S. NO. 13-3805094)  
-----
  2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a)   
(b)   
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  3. SEC Use Only  
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  4. Source of Funds (See Instructions)  
00  
-----
  5. Check box if disclosure of legal proceedings is required pursuant to Item  
2(d) or 2(e)   
-----
  6. Citizenship or Place of Organization  
  
DELAWARE  
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- |   |  |
|---|--|
| Number of<br>Shares<br>Beneficially<br>Owned by<br>Each<br>Reporting<br>Person With | 7. Sole Voting Power<br>8,270,004 shares of common stock, par value \$0.01 per<br>share      |
|   | 8. Shared Voting Power   |
|   | 9. Sole Dispositive Power<br>8,270,004 shares of common stock, par value \$0.01 per<br>share |
|   | 10. Shared Dispositive Power   |
- 
11. Aggregate Amount Beneficially Owned by Each Reporting Person  
8,270,004 shares of common stock, par value \$0.01 per share  
-----
  12. Check box if the Aggregate Amount in Row (11) Excludes Certain Shares (See  
Instructions)   
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  13. Percent of Class Represented by Amount in Row (11)  
9.4%  
-----
  14. Type of Reporting Person (See Instructions)  
C0  
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CUSIP No.

741929 10 3

1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only).  
  
AIG GLOBAL INVESTMENT GROUP, INC. (I.R.S. NO. 13-3870953)  
-----
2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a)   
(b)   
-----
3. SEC Use Only  
-----
4. Source of Funds (See Instructions)  
00  
-----
5. Check box if disclosure of legal proceedings is required pursuant to Item  
2(d) or 2(e)   
-----
6. Citizenship or Place of Organization  
  
DELAWARE  
-----
7. Sole Voting Power  
8,270,004 shares of common stock, par value \$0.01 per  
share  
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8. Shared Voting Power  
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9. Sole Dispositive Power  
8,270,004 shares of common stock, par value \$0.01 per  
share  
-----
10. Shared Dispositive Power  
-----
11. Aggregate Amount Beneficially Owned by Each Reporting Person  
16,540,008 shares of common stock, par value \$0.01 per share  
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12. Check box if the Aggregate Amount in Row (11) Excludes Certain Shares (See  
Instructions)   
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13. Percent of Class Represented by Amount in Row (11)  
18.7%  
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14. Type of Reporting Person (See Instructions)  
CO, HC  
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Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With

CUSIP No.

741929 10 3

- 
1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only).  
  
AMERICAN INTERNATIONAL GROUP, INC. (I.R.S. NO. 13-2592361)
- 
2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a)   
(b)
- 
3. SEC Use Only
- 
4. Source of Funds (See Instructions)  
00
- 
5. Check box if disclosure of legal proceedings is required pursuant to Item  
2(d) or 2(e)
- 
6. Citizenship or Place of Organization  
  
DELAWARE
- 
- |   |  |
|---|--|
| Number of<br>Shares<br>Beneficially<br>Owned by<br>Each<br>Reporting<br>Person With | 7. Sole Voting Power<br>8,270,004 shares of common stock, par value \$0.01 per<br>share      |
|   | 8. Shared Voting Power   |
|   | 9. Sole Dispositive Power<br>8,270,004 shares of common stock, par value \$0.01 per<br>share |
|   | 10. Shared Dispositive Power   |
- 
11. Aggregate Amount Beneficially Owned by Each Reporting Person  
16,540,008 shares of common stock, par value \$0.01 per share
- 
12. Check box if the Aggregate Amount in Row (11) Excludes Certain Shares (See  
Instructions)
- 
13. Percent of Class Represented by Amount in Row (11)  
18.7%
- 
14. Type of Reporting Person (See Instructions)  
CO, HC
-

AMENDMENT NO. 2 TO SCHEDULE 13D

Except as otherwise provided herein, this Amendment No. 2 to Schedule 13D (this "Amendment No. 2") amends and restates in its entirety the Schedule 13D (the "Initial 13D") of the Filers (as defined below) filed with the Securities and Exchange Commission (the "SEC") on January 10, 2003 and Amendment No. 1 to the Initial 13D of the Filers filed with the SEC on April 24, 2003.

ITEM 1. SECURITY AND ISSUER

This Amendment No. 2 relates to the shares of common stock, par value \$0.01 per share (the "Common Stock") of Primus Telecommunications Group, Incorporated, a Delaware corporation (the "Issuer"). The address of the principal executive offices of the Issuer is 1700 Old Meadow Road, McLean, VA 22102.

ITEM 2. IDENTITY AND BACKGROUND

(a) through (c) and (f):

This Amendment No. 2 is being filed on behalf of the following entities (collectively, the "Filers"):

- (i) AIG Global Sports and Entertainment Fund, L.P., a Cayman Islands limited partnership ("AIGGSEF"), having its principal office at Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, is an investment fund engaged in the business of making proprietary investments;
- (ii) AIG GSEF, L.P., a Cayman Islands limited partnership ("AIGGSEFGP"), having its principal office at Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, is the sole general partner of AIGGSEF;
- (iii) AIG GSEF Investments, Ltd., a Cayman Islands limited company ("AIGGSEFI"), having its principal office at Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, is the sole general partner of AIGGSEFGP;
- (iv) AIG Capital Partners, Inc., a Delaware corporation ("AIGCP"), having its principal office at 175 Water Street, New York, NY 10038, is the sole shareholder of AIGGSEFI and is engaged in the business of originating and managing AIG's international private equity investments in emerging markets;
- (v) AIG Global Emerging Markets Fund, L.L.C., a Delaware limited liability company ("AIGGEM"), having its principal office at 175 Water Street, New York, NY 10038, is an investment fund engaged in the business of making proprietary investments;
- (vi) GEM Parallel Fund, L.P., a Delaware limited partnership ("GEM Parallel"), having its principal office at 175 Water Street, New York, NY 10038, is an investment fund engaged in the business of making proprietary investments;
- (vii) AIG Capital Management Corp., a Delaware corporation ("AIGCMC"), having its principal office at 70 Pine Street, New York, NY 10270, is the sole managing member of AIGGEM and is the sole general partner of GEM Parallel and is

engaged in the business of organizing and managing the invested assets of institutional private equity investment funds;

- (viii) AIG Asset Management Services, Inc., a Delaware corporation ("AIGAMS"), having its principal office at 70 Pine Street, New York, NY 10270, is the sole shareholder of AIGCMC and is a holding company;
- (ix) AIG Global Investment Group, Inc., a Delaware corporation ("AIGGIG"), having its principal office at 70 Pine Street, New York, NY 10270, is the sole shareholder of AIGCP and AIGAMS and is a holding company; and
- (x) American International Group, Inc., a Delaware corporation ("AIG"), having its principal office at 70 Pine Street, New York, NY 10270, is the sole shareholder of AIGGIG and is a holding company which through its subsidiaries is engaged in a broad range of insurance and insurance-related activities and financial services in the United States and abroad.

Starr International Company, Inc., a private holding company incorporated in Panama ("SICO"), The Starr Foundation, a New York not-for-profit corporation ("The Starr Foundation"), and C.V. Starr & Co, Inc., a Delaware corporation ("Starr"), have the right to vote approximately 12%, 2.3% and 1.8%, respectively, of the outstanding common stock of AIG. The principal executive offices of SICO are located at 29 Richmond Road, Pembroke, Bermuda. The principal executive offices of The Starr Foundation and Starr are located at 70 Pine Street, New York, NY 10270.

The names of the executive officers and directors (collectively, "Covered Persons") of each of AIG, AIGGIG, AIGCP, AIGGSEFI, AIGAMS, AIGCMC, SICO, The Starr Foundation and Starr, their business addresses and principal occupations are set forth in Annex A to the Initial 13D, which is incorporated herein by reference in its entirety. The business address indicated for each Covered Person is also the address of the principal employer for such Covered Person. Each of the Covered Persons is a United States citizen, except for Messrs. Manton and Tse, who are British subjects, Mr. Johnson who is a British national and Mr. Cohen who is a Canadian citizen.

(d) and (e):

During the last five years, none of the Filers, SICO, The Starr Foundation or Starr nor, to the best knowledge of each such Filer, SICO, The Starr Foundation or Starr, their respective Covered Persons has (i) been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding has been or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

### ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

On December 31, 2002, pursuant to that certain Stock Purchase Agreement (the "Purchase

Agreement") dated as of such date by and among the Issuer, AIGGSEF, AIGGEM, GEM Parallel (AIGGSEF, AIGGEM and GEM Parallel being referred to herein as the "Lead Investors") and Duke Hotels Limited ("Duke," and together with the Lead Investors, the "Investors"), which Purchase Agreement is filed herewith as Exhibit 2 and incorporated herein by reference in its entirety, (i) AIGGSEF purchased 206,095 shares of the Issuer's Series C Convertible Preferred Stock, par value \$0.01 per share (the "Series C Preferred"), for \$15,458,475.73, (ii) AIGGEM purchased 186,371 shares of Series C Preferred for \$13,979,099.60, and (iii) GEM Parallel purchased 19,723 shares of Series C Preferred for \$1,479,376.13.

At a subsequent closing pursuant to the terms of the Purchase Agreement, (i) AIGGSEF purchased 60,548 additional shares of Series C Preferred for \$4,541,524.27, (ii) AIGGEM purchased 54,754 additional shares of Series C Preferred for \$4,106,900.40, and (iii) GEM Parallel purchased 5,795 additional shares of Series C Preferred for \$434,623.87. As a result of such transactions and the transactions consummated on December 31, 2002 as described above, (x) AIGGSEF held 266,643 shares of Series C Preferred, (y) AIGGEM held 241,125 shares of Series C Preferred, and (z) GEM Parallel held 25,518 shares of Series C Preferred.

Each of AIGGSEF, AIGGEM and GEM Parallel obtained the funds used to purchase all of their respective shares of Series C Preferred by contributions from their respective members or general and limited partners, as applicable.

On November 4, 2003, the Lead Investors converted all of the 533,286 outstanding shares of the Issuer's Series C Preferred held by them into 21,540,008 shares of Common Stock of the Issuer at a conversion ratio of 40.3911 shares of Common Stock per share of Series C Preferred (the "Series C Preferred Conversion"). The Series C Preferred Conversion was at no cost to the Lead Investors and was effected pursuant to the optional conversion provisions of the Certificate of Designation in respect of the Series C Preferred filed herewith as Exhibit 3, which is incorporated herein by reference in its entirety (the "Certificate of Designation"). As a result of such transactions, (x) AIGGSEF held 10,770,004 shares of Common Stock, (y) AIGGEM held 9,739,304 shares of Common Stock, and (z) GEM Parallel held 1,030,700 shares of Common Stock.

On November 21, 2003, the Investors, entered into an agreement with Smithfield Fiduciary LLC, Citadel Equity Fund Ltd., Connecticut General Life Insurance Company Separate Account FTF and Deutsche Bank AG, London Branch (collectively, the "Buyers"), pursuant to which the Lead Investors sold in the aggregate 5,000,000 shares of Common Stock to the Buyers in a private transaction for an aggregate purchase price of \$43,500,000 (the "Private Resale Transaction"). As a result of the Private Resale Transaction, (x) AIGGSEF currently holds 8,270,004 shares of Common Stock, (y) AIGGEM currently holds 7,478,556 shares of Common Stock, and (z) GEM Parallel currently holds 791,448 shares of Common Stock.

#### ITEM 4. PURPOSE OF TRANSACTION.

Each of AIGGSEF, AIGGEM, GEM Parallel Fund acquired the shares of Series C Preferred and the shares of Common Stock acquired upon the Series C Preferred Conversion reported herein

for investment purposes and may, from time to time, depending on such Investor's evaluation of the market for the Common Stock, other opportunities available to it, its financial requirements and other possible future developments, decide to increase or decrease its holdings of Common Stock. The response to Item 3 hereof is incorporated herein by reference in its entirety.

As a result of the transactions contemplated by the Purchase Agreement and the Series C Preferred Conversion, the capitalization of the Issuer has changed.

In connection with the Series C Preferred Conversion, on November 4, 2003, each of the Lead Investors entered into an agreement, filed herewith as Exhibit 4 and incorporated herein by reference in its entirety, with the Issuer (the "Governance Agreement") pursuant to which the Issuer has agreed that, for so long as the Investors own Common Stock of the Issuer representing at least (a) five percent (5%) of the total outstanding voting power of the Issuer on a "Fully Diluted Basis" (as defined in the Governance Agreement), the Issuer will use its best efforts, subject to the exercise of the Issuer's fiduciary duties by its Board of Directors, to have a designee of the Investors nominated for election by the Issuer's stockholders as a member of its Board of Directors (without any guarantee that such person shall be elected as a director) and (b) ten percent (10%) of the total outstanding voting power of the Issuer on a Fully Diluted Basis, the Issuer will use its best efforts, subject to the exercise of fiduciary duties by its Board of Directors, to have an additional designee of the Investors serve as a non-voting observer to the board of directors (the "Board Observer"); provided that such director nominee and the Board Observer are reasonably acceptable to a majority of the other directors of the Issuer. Following the Series C Conversion, the Board of the Directors of the Issuer elected Paul G. Pizzani as a director and Geoffrey L. Hamlin as the Board Observer, each of whom served in similar roles on behalf of the holders of Series C Preferred.

The Governance Agreement also provides that for so long as the Investors own Common Stock of the Issuer representing at least ten percent (10%) of the total outstanding voting power of the Issuer on a Fully Diluted Basis, the Issuer may not take certain specified actions without majority approval of the non-management directors of the Issuer, voting together as a group.

Pursuant to that certain Registration Rights Agreement dated as of December 31, 2002 (the "Registration Rights Agreement"), filed herewith as Exhibit 5 and incorporated herein by reference in its entirety, by and among the Issuer and each of the Investors, each of the Investors was granted certain demand, "piggyback" and Form S-3 registration rights entitling such Investors, subject to the limitations set forth therein, to have their respective Registrable Securities (as defined therein) registered under the Securities Act of 1933, as amended (the "Securities Act"). On November 4, 2003, pursuant to a Form S-3 registration request, the Issuer filed a Registration Statement on Form S-3 with the SEC relating to the possible offer and sale from time to time by the Investors of some or all of their shares of Common Stock which they received upon the Series C Preferred Conversion (the "Resale Registration Statement"). However, the Resale Registration Statement has not yet become effective. Pursuant to Amendment No. 1 to the Registration Rights Agreement dated as of November 21, 2003, by and among the Issuer and each of the Investors (the "Amendment No. 1 to the Registration Rights Agreement"), entered into in connection with the Private Resale Transaction and filed herewith

as Exhibit 6 and incorporated herein by reference in its entirety, Section 6(b) of the Registration Rights Agreement shall be deleted in its entirety effective immediately upon the verbal or written notice by members of the staff of the SEC that the Resale Registration Statement has been declared effective under the Securities Act.

In connection with the Series C Preferred Conversion and the filing of the Resale Registration Statement, each of the Lead Investors entered into an agreement, dated as of November 4, 2003, with the Issuer (the "Lock-up Agreement"), pursuant to which each of the Lead Investors agreed, subject to certain exceptions, not to offer, sell or otherwise dispose of any shares of the Issuer's Common Stock or any securities convertible or exchangeable into the Issuer's Common Stock for a period of 270 days from November 4, 2003, without the prior written consent of the Issuer. Notwithstanding the foregoing, the Lock-up Agreement provided that the Lead Investors may sell up to an aggregate of 8,000,000 shares of the Issuer's Common Stock during this 270-day period (exclusive of the 13,540,008 shares in aggregate referenced above that are subject to the Lock-up Agreement). The 5,000,000 shares of Common Stock sold by the Lead Investors in the Private Resale Transaction were sold pursuant to such exception.

In connection with the Private Resale Transaction, each of the Lead Investors entered into an agreement dated as of November 21, 2003, filed herewith as Exhibit 7 and incorporated herein by reference in its entirety, with the Issuer (the "Revised Lock-up Agreement") which amended and restated the Lock-up Agreement. Pursuant to the Revised Lock-up Agreement, the Lead Investors agreed, until after January 15, 2004, not to offer, sell or otherwise dispose of the 3,000,000 shares of the Issuer's Common Stock which were previously exempted pursuant to the terms of the Lock-up Agreement and to extend the expiration date of the Lock-up Agreement to February 14, 2004, in the event the Resale Registration Statement has not yet been declared effective by that date.

The foregoing summary of certain provisions of the Certificate of Designation, the Purchase Agreement, the Registration Rights Agreement, the Governance Agreement, Amendment No.1 to the Registration Rights Agreement and the Revised Lock-up Agreement does not purport to be complete and is qualified in its entirety by reference to such documents as filed herewith as Exhibits.

Except as contemplated by the Registration Rights Agreement, Amendment No. 1 to the Registration Rights Agreement and the Governance Agreement or as otherwise set forth in this Item 4, none of the Filers, SIC0, The Starr Foundation or Starr nor, to the best knowledge of each such Filer, SIC0, The Starr Foundation or Starr, their respective Covered Persons has any present plans or proposals which relate to or would result in:

- (i) the acquisition by any person of additional securities of the Issuer, or the disposition of securities of the Issuer;
- (ii) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Issuer or any of its subsidiaries;
- (iii) a sale or transfer of a material amount of assets of the Issuer or any of its subsidiaries;



- (iv) any change in the present Board of Directors or management of the Issuer, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the Board of Directors;
- (v) any material change in the present capitalization or dividend policy of the Issuer;
- (vi) any other material change in the Issuer's business or corporate structure;
- (vii) changes in the Issuer's Certificate of Incorporation, By-laws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Issuer by any person;
- (viii) causing a class of securities of the Issuer to cease to be quoted on The Nasdaq Stock Market, Inc.
- (ix) a class of equity securities of the Issuer becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Exchange Act; or
- (x) any action similar to any of those enumerated above.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

(a) and (b):

The information required by these paragraphs is set forth in Items 7 through 11 and 13 of each of the cover pages of this Amendment No. 2 and is incorporated herein by reference. Such information is based upon 88,405,033 shares of Common Stock issued and outstanding as of November 12, 2003 as reported by the Issuer in its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2003, as filed with the SEC on November 14, 2003.

(c):

Other than the Series C Preferred Conversion and the Private Resale Transaction, none of the Filers, SICO, The Starr Foundation or Starr nor, to the best knowledge of each such Filer, SICO, The Starr Foundation or Starr, their respective Covered Persons has effected any transactions in the Common Stock or Series C Preferred during the past sixty days.

(d) and (e):

Not applicable.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

Except as otherwise set forth in this Amendment No. 2 and the Exhibits filed herewith, there are no contracts, arrangements, understandings or relationships between any of the Filers or any of the Covered Persons and any other person with respect to any securities of the Issuer, including any contract, arrangement, understanding or relationship concerning the transfer or the voting of

any securities of the Issuer, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

1. Joint Filing Agreement by and among the Filers as required by Rule 13d-1(k)(1) (incorporated by reference to Exhibit 99.1 to the Filers' Initial 13D, as filed with the Securities and Exchange Commission on January 10, 2003).
2. Purchase Agreement, dated as of December 31, 2002, by and among the Issuer and each of the Investors (incorporated by reference to Exhibit 99.1 to the Issuer's Current Report on Form 8-K, as filed with the Securities and Exchange Commission on January 2, 2003).
3. Certificate of Designation in respect of the Series C Preferred (incorporated by reference to Exhibit 4.1 to the Issuer's Current Report on Form 8-K, as filed with the Securities and Exchange Commission on January 2, 2003).
4. Governance Agreement, dated as of November 4, 2003, by and among the Issuer and each of the Lead Investors.
5. Registration Rights Agreement, dated as of December 31, 2002, by and among the Issuer and each of the Investors (incorporated by reference to Exhibit 99.2 to the Issuer's Current Report on Form 8-K, as filed with the Securities and Exchange Commission on January 2, 2003).
6. Amendment No. 1 to the Registration Rights Agreement, dated as of November 21, 2003, by and among the Issuer and each of the Investors.
7. Revised Lock-up Agreement, dated as of November 21, 2003, by and among the Issuer and each of the Lead Investors.

SIGNATURE

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

Date: December 8, 2003

AIG GLOBAL SPORTS AND  
ENTERTAINMENT FUND, L.P.

By: AIG GSEF, L.P.,  
Its general partner

By: AIG GSEF Investments, Ltd.,  
its general partner

By: /s/ Peter Yu

-----  
Name: Peter Yu  
Title: Director

Date: December 8, 2003

AIG GSEF, L.P.

By: AIG GSEF Investments, Ltd.,  
its general partner

By: /s/ Peter Yu

-----  
Name: Peter Yu  
Title: Director

Date: December 8, 2003

AIG GSEF INVESTMENTS, LTD.

By: /s/ Peter Yu

-----  
Name: Peter Yu  
Title: Director

Date: December 8, 2003

AIG CAPITAL PARTNERS, INC.

By: /s/ Peter Yu

-----  
Name: Peter Yu  
Title: President

Date: December 8, 2003

AIG GLOBAL EMERGING  
MARKETS FUND, L.L.C.

By: AIG Capital Management Corp.,  
its managing member

By: /s/ Peter Yu

-----  
Name: Peter Yu  
Title: Managing Director and  
Vice President

Date: December 8, 2003

GEM PARALLEL FUND, L.P.

By: AIG Capital Management Corp.,  
its general partner

By: /s/ Peter Yu

-----  
Name: Peter Yu  
Title: Managing Director

Date: December 8, 2003

AIG CAPITAL MANAGEMENT CORP.

By: /s/ Peter Yu

-----  
Name: Peter Yu  
Title: Managing Director

Date: December 8, 2003

AIG ASSET MANAGEMENT SERVICES, INC.

By: /s/ Win J. Neuger

-----  
Name: Win J. Neuger  
Title: Director & President

Date: December 8, 2003

AIG GLOBAL INVESTMENT GROUP, INC.

By: /s/ Win J. Neuger

-----  
Name: Win J. Neuger  
Title: Chairman & Chief  
Executive Officer

Date: December 8, 2003

AMERICAN INTERNATIONAL GROUP, INC.

By: /s/ Win J. Neuger

-----  
Name: Win J. Neuger  
Title: Executive Vice  
President & Chief  
Investment Officer

EXHIBIT INDEX

Exhibit No. -----	Description -----
99.1	Joint Filing Agreement by and among the Filers as required by Rule 13d-1(k)(1) (incorporated by reference to Exhibit 99.1 to the Filers' Initial 13D, as filed with the Securities and Exchange Commission on January 10, 2003).
99.2	Purchase Agreement, dated as of December 31, 2002, by and among the Issuer and each of the Investors (incorporated by reference to Exhibit 99.1 to the Issuer's Current Report on Form 8-K, as filed with the Securities and Exchange Commission on January 2, 2003).
99.3	Certificate of Designation in respect of the Series C Preferred (incorporated by reference to Exhibit 4.1 to the Issuer's Current Report on Form 8-K, as filed with the Securities and Exchange Commission on January 2, 2003).
99.4	Governance Agreement, dated as of November 4, 2003, by and among the Issuer and each of the Lead Investors.
99.5	Registration Rights Agreement, dated as of December 31, 2002, by and among the Issuer and each of the Investors (incorporated by reference to Exhibit 99.2 to the Issuer's Current Report on Form 8-K, as filed with the Securities and Exchange Commission on January 2, 2003).
99.6	Amendment No. 1 to the Registration Rights Agreement, dated as of November 21, 2003, by and among the Issuer and each of the Investors.
99.7	Revised Lock-up Agreement, dated as of November 21, 2003, by and among the Issuer and each of the Lead Investors.

November 4, 2003

PRIMUS TELECOMMUNICATIONS  
GROUP, INCORPORATED  
1700 Old Meadow Road, Suite 300  
McLean, Virginia 22102

Dear Sirs:

Primus Telecommunications Group, Incorporated (the "Corporation") has been contacted by the undersigned entities other than the Corporation (the "AIG Affiliated Entities") concerning a proposed election by all holders (collectively, the "Holders") of the Corporation's Series C Preferred Stock ("Series C") to convert all outstanding Series C shares in full into common stock (the "Conversion") in accordance with the Certificate of Designation (defined below), provided the Corporation agrees to continue (as set forth herein) certain independent corporate governance provisions currently contained in the Corporation's Series C Preferred Stock certificate of designation, as filed pursuant to Section 151 of the Delaware General Corporation Law ("DGCL") and in effect as of the date hereof (the "Certificate of Designation").

The Board of Directors of the Corporation has considered such request and determined that the Conversion would be beneficial insofar as, among other things, the Corporation's balance sheet would be improved by the issuance of common equity and the elimination of the preferences and obligations associated with the Series C Preferred, and such issuance would have the effect of increasing the Corporation's stock market capitalization by nearly \$200 million as of the date hereof. Furthermore, the Board of Directors has considered such request and determined that the Conversion would be in the best interest of the Corporation and its stockholders and that the Board desires to facilitate the Conversion (i.e., a full conversion of the Series C Preferred) and to agree to certain enhanced corporate governance procedures set forth in this agreement, as requested by such Holders as of the date hereof. Moreover, the Holders have agreed to the provisions of an agreement of even date hereof in the form attached as Annex A (the "Lock-Up Agreement"), which was requested as a condition to the Corporation's entering into this letter agreement.

Now therefore, in consideration for the AIG Affiliated Entities entering into the Lock-Up Agreement, in consideration of the premises and for other good and valuable consideration as evidenced by the execution of this letter agreement and the Lock-up Agreement, the Corporation and the Holders hereby agree as follows:

(A) The Corporation hereby agrees that so long as the Holders' ownership of Common Stock of the Corporation represents at least ten percent (10%) of the total outstanding voting securities or voting power of the Corporation (determined on a Fully Diluted Basis), in accordance with the methodologies contained in the first sentence of Section 6(b) of the Certificate of Designation (regardless of whether or not in effect after the date hereof) ("Fully Diluted"), approval by a vote constituting a majority of the Non-Management Directors (defined

below) voting together as a group, shall be obtained prior to any proposed or putative Board approval of any of the following matters:

(i) any merger or consolidation of the Corporation or any Material Subsidiary with one or more other corporations or other entities in any transactions in which the stockholders of the Corporation or such Material Subsidiary, as applicable, immediately prior to such merger or consolidation hold stock or other equity ownership interests representing less than a majority of the voting power of the outstanding stock or other equity ownership interests of the surviving entity, or

(ii) any sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation as described in clause (i) above), in one or a series of related transactions, of all or substantially all of the assets of the Corporation or of any Material Subsidiaries; or

(iii) any incurrence of, or assumption or creation of any obligation individually or in the aggregate to incur, any new indebtedness by the Corporation after the Initial Issue Date in excess of \$50,000,000 over and above a Net Debt level of \$485,000,000 (i.e., such amount that would cause the Corporation to exceed Net Debt of \$535,000,000); or

(iv) any increase (whether by additional issuance or grant, amendment to applicable terms or otherwise), to a level exceeding 9,000,000 shares of Common Stock (as adjusted for stock splits and similar events), in the aggregate maximum number of shares of Common Stock issuable upon exercise of options (each, an "Employee Option") granted prior to, on or after the Initial Issue Date by the Corporation to its employees, agents, consultants and similar persons; provided, however, that upon the forfeiture of any Employee Options, the number of shares of Common Stock that would have been issuable upon exercise of such forfeited Employee Options shall be forever ignored for purposes of determining whether the foregoing aggregate maximum number of shares of Common Stock issuable upon exercise of Employee Options has been reached, and such forfeited Employee Options may thereafter be reissued subject to the remaining provisions of the Certificate of Designation and Section 8.12 of the Purchase Agreement; or

(v) except for any Excluded Issuances, any action taken by the Corporation to effect the issuance of shares of Common Stock or any Convertible Securities or Other Stock Rights for a consideration per share of Common Stock (or, in the case of any Convertible Securities or Other Stock Rights, for a Common Stock-equivalent consideration per share computed as the quotient of (x) the total consideration payable to the Corporation upon issuance or grant of such Convertible Securities or Other Stock Rights, together with the minimum additional consideration to be received by the Corporation upon conversion, exercise or exchange thereof, as applicable, for or into shares of Common Stock in accordance with their respective terms, divided by (y) the maximum number of shares of Common Stock issuable upon conversion, exercise or exchange, as applicable, of such Convertible Securities or Other Stock Rights as aforesaid) that is less than the average daily closing price for the Common Stock during the period of twenty (20) consecutive trading days (as adjusted for stock splits, stock dividends and similar events, if any, occurring during such twenty (20) day period) immediately



preceding the date on which such action is to be taken by the Corporation with respect to any such issuance; or

(vi) any action initiated by the Corporation to effect a liquidation, declaration of bankruptcy, reorganization of the Corporation or similar event; or

(vii) the consent by the Corporation to the appointment of, or the taking of possession by, a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official with respect to the Corporation or any of its Material Subsidiaries or for all or substantially all of the property and assets of the Corporation or any of its Material Subsidiaries; or

(viii) any action taken by the Corporation to effect any general assignment for the benefit of creditors; and

(B) The Corporation hereby agrees, subject to the exercise of the fiduciary duties of the Corporation's Board of Directors, to use its best efforts

(i) so long as the Holders' ownership of Common Stock of the Corporation represents at least five percent (5%) on a Fully Diluted basis to have a designee of the Holders nominated for election by the Corporation's stockholders as a director of the Corporation; and

(ii) so long as the Holders' ownership of Common Stock of the Corporation represents at least ten percent (10%) on a Fully Diluted basis an additional designee of the Holders may serve as a board observer, with such rights as are similar to those set forth in the Certificate of Designation ("Board Observer");

provided such director nominee and Board Observer are reasonably acceptable to a majority of the other directors of the Company; provided, further, however the Corporation can not guarantee that the Holders' designee will be elected as a director or board observer designee will be designated as Board Observer.

For purposes of this letter agreement: "Non-Management Director" shall mean, as of any date, each director then serving on the Board of Directors who is not, and has not been during the 12 month period immediately preceding such date, employed or engaged by the Corporation as a compensated (excluding any compensation solely for serving as a director of the Corporation) employee, consultant, advisor or independent contractor. In addition, the following terms that are capitalized and used in this letter agreement shall have the meanings set forth in the Certificate of Designation: Material Subsidiary; Net Debt; Initial Issue Date; Excluded Issuances; Purchase Agreement; Convertible Securities; Other Stock Rights; and Liquidation.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this letter agreement and that, upon request, the undersigned will execute any additional documents necessary in connection with the enforcement hereof. Any obligations of the undersigned shall be binding upon the successors and assigns of the undersigned. This letter agreement shall be governed by the DGCL and any dispute arising out of this letter agreement shall be subject to the exclusive jurisdiction of the courts of Delaware. This letter

agreement may be signed in one or more fax counterparts and may be amended from time to time through a written document executed by the Corporation, on the one hand, and the Holders owning at least a majority of the equity voting securities of the Corporation owned by the Holders as a group, on the other hand. This letter agreement may be signed in one or more counterparts and delivered by facsimile, Federal Express, hand-delivery or commercially recognized delivery services.

AIG GLOBAL SPORTS & ENTERTAINMENT FUND, L.P.

By: AIG GSEF, L.P., its General Partner

By: AIG GSEF Investment, Ltd.,  
its General Partner

By: /s/ William Jarosz  
-----  
Name: William Jarosz  
Title: Authorized Signatory

AIG GLOBAL EMERGING MARKETS FUND, L.L.C.

By: AIG Capital Management Corp.,  
its Managing Member

By: /s/ William Jarosz  
-----  
Name: William Jarosz  
Title: Authorized Signatory

GEM PARALLEL FUND, L.P.

By: AIG Capital Management Corp.,  
its General Partner

By: /s/ William Jarosz  
-----  
Name: William Jarosz  
Title: Authorized Signatory

AGREED AND ACCEPTED:

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

By: /s/ Neil Hazard

\_\_\_\_\_  
Name: Neil Hazard  
Title: Chief Operating Officer

Amendment No. 1 to  
REGISTRATION RIGHTS AGREEMENT

by and among

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED,  
AIG GLOBAL SPORTS AND ENTERTAINMENT FUND, L.P.

and

THE OTHER INVESTORS LISTED HEREIN

-----

Dated as of November 21, 2003

REGISTRATION RIGHTS AGREEMENT

The signatories hereto (as well as certain other Investors) entered into a Registration Rights Agreement, dated as of December 31, 2002 (the "Registration Rights Agreement") and a Stock Purchase Agreement, dated as of December 31, 2002 (the "Stock Purchase Agreement"), concerning the issuance and sale to the Investors, of shares of Series C Convertible Preferred Stock, par value \$0.01 per share (the "Series C Preferred Stock"), of the Company. Capitalized terms that are not otherwise defined herein shall have the meanings set forth in the Registration Rights Agreement.

WHEREAS, the signatories own the Registrable Securities set forth on Annex I attached hereto, which collectively represent all of the outstanding Registrable Securities owned by all Investor Stockholders; and

WHEREAS, in order to facilitate the Investors' future resale of Common Stock that was acquired upon conversion of the Series C Preferred Stock, the Company expended significant internal and professional resources to expeditiously file a registration statement under the Securities Act concerning 22.6 million shares of Common Stock under SEC file number 333-110234 (the "Registration Statement").

WHEREAS, as of the date hereof, the parties hereto entered into letter agreements of even date hereof (the "Letter Agreements").

NOW, THEREFORE, in consideration of the Company's efforts described above, the execution of the Letter Agreements, the Company's continued efforts concerning the Registration Statement and the shares registered thereby and for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree to amend the following provisions of the Registration Rights Agreement as follows (the Agreement, as so amended constituting the "Amended Agreement"):

Section 6(b) shall be deleted in its entirety effective immediately upon verbal or written notice by members of the staff of the SEC that the Registration Statement has been declared effective under the Securities Act.

IN WITNESS WHEREOF, the undersigned have executed, or have caused to be executed, this Amended Agreement on the date first written above.

PRIMUS TELECOMMUNICATIONS GROUP,  
INCORPORATED

By: /s/ Neil Hazard

\_\_\_\_\_  
Name: Neil Hazard  
Title: Chief Operating Officer

AIG GLOBAL SPORTS AND  
ENTERTAINMENT FUND, L.P.

By: AIG GSEF, L.P.,  
its General Partner

By: AIG GSEF INVESTMENTS, LTD.,  
its General Partner

By: /s/ Peter Yu

-----  
Name: Peter Yu  
Title: Director

AIG GLOBAL EMERGING MARKETS FUND,  
L.L.C.

By: AIG Capital Management Corp.,  
its Managing Member

By: /s/ Peter Yu  
-----  
Name: Peter Yu  
Title: Vice President

AIG GEM PARALLEL FUND, L.P.

By: AIG Capital Management Corp.,  
its General Partner

By: /s/ Peter Yu  
-----  
Name: Peter Yu  
Title: Vice President

DUKE HOTELS LIMITED

By: /s/ Ian Buchanan  
-----  
Name: Ian Buchanan  
Title: Director

SHARE OWNERSHIP INFORMATION  
 CONCERNING PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED  
 COMMON STOCK

NAME -----	COMMON SHARES OWNED OF RECORD -----	COMMON SHARES SUBJECT TO THE SPECIFIED DISPOSITION -----	COMMON STOCK OF THE COMPANY REMAINING AFTER THE SPECIFIED DISPOSITION -----
AIG Global Sports & Entertainment Fund, L.P.	10,770,004 (1)	2,500,000	8,270,004
AIG Global Emerging Markets Fund, L.L.C.	9,739,304 (1)	2,260,748	7,478,556
GEM Parallel Fund, L.P.	1,030,700 (1)	239,252	791,448
Duke Hotels Limited	1,076,982	500,000	576,982

(1) Excludes additional beneficial ownership information pursuant to other shared or exclusive voting or investment power with American International Group, Inc. and its fund affiliates as disclosed in Amendment No. 1 to Schedule 13D filed by such entities and the Holders concerning the Company's Securities on April 24, 2003.



November 21, 2003

PRIMUS TELECOMMUNICATIONS  
GROUP, INCORPORATED  
1700 Old Meadow Road, Suite 300  
McLean, Virginia 22102

Dear Sirs:

The undersigned former record holders (the "Holders") of Series C Convertible Preferred Stock ("Series C") and current record holders of Common Stock of Primus Telecommunications Group, Incorporated, a Delaware corporation (the "Company"), understand that the Company has filed a registration statement with the Securities and Exchange Commission (the "SEC") covering the resale of the Company's 3-3/4% Convertible Senior Notes due 2010 (the "Notes") and the common stock underlying the Notes (the "Offering"). Each of the undersigned Holders previously communicated its (i) desire to have the common stock (the "Common Shares") issued upon conversion of the Series C shares registered for resale with the SEC, and (ii) acknowledge that the Plan of Distribution for the Offering will cover potentially differing securities, holders and methods of distribution, as compared to an offering of the Common Shares (a "Share Offering"). The undersigned, as of November 4, 2003, requested registration of the Common Shares in connection with a Share Offering (the "Shares Registration") pursuant to a prospectus separate from the Offering (the "Registration Request") and agreed to the terms and considerations of a letter agreement originally dated as of November 4, 2003.

In consideration of (i) the Company hereby agreeing to treat the Registration Request as a request for registration pursuant to Section 5 of the Registration Rights Agreement dated December 31, 2002 among the Company and the holders of outstanding Series C (the "Registration Rights Agreement"), subject to the terms of the succeeding paragraph, and (ii) the Company filing the Shares Registration and entering into letter agreements as of November 4, 2003 and November 19, 2003 and for other good and valuable consideration, each of the undersigned hereby irrevocably agrees that, without the prior written consent of the Company, each of the undersigned Holders will not, subject to the succeeding sentence, directly or indirectly, (1) offer for sale, sell, pledge, or otherwise dispose of (or enter into any transaction or device that is designed to, or could be expected to, result in the disposition by any person at any time in the future of) any Common Shares or common stock of the Company, including, without limitation, shares of common stock that may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the Securities and Exchange Commission ("Beneficially Owned") and shares of common stock that may be issued upon exercise of any option or warrant or securities convertible into or exchangeable for common stock Beneficially Owned by the undersigned, (2) sell or grant options, rights or warrants with respect to any shares of common stock Beneficially Owned by the undersigned or securities convertible or exchangeable for common stock or substantially similar securities Beneficially

Owned by the undersigned or (3) enter into any swap or other derivatives transaction that transfers to another, in whole or in part, any of the economic benefits or risks of ownership of such shares of common stock Beneficially Owned by the undersigned, whether any such transaction described in clause (1), (2) or (3) above is to be settled by delivery of Common Stock or other securities, in cash or otherwise (a "Hedging Transaction"), in each case for a period of 270 days commencing on November 4, 2003. The foregoing sentence shall not apply to: (a) bona fide gifts of Common Shares, common stock or securities convertible into, or exchangeable for, shares of common stock so long as the recipient agrees in writing to be bound by the restrictions set forth herein; (b) offers, sales, assignments or transfers of Common Shares, or shares of common stock made to (I) corporations, partnerships, limited liability companies or other entities to the extent such entities are wholly-owned by any of the undersigned, or (II) charitable organizations, so long as in the case of clauses (I) and (II) each recipient agrees in writing to be bound by the restrictions set forth herein; (c) transfers of Common Shares, or shares of common stock made to any trust for the direct or indirect benefit of the undersigned or any party listed under clause (b) above so long as the trustee of the trust agrees in writing to be bound by the restrictions set forth herein; (d) the transfer, sale or other disposition of shares of common stock of the Company that were acquired after the date hereof in an open market transaction; (e) the pledge of Common Shares, or shares of common stock to third parties in connection with financing arrangements; (f) sales of certain Common Shares and Hedging Transactions that are effected after January 15, 2004 collectively by all of the undersigned with respect to no more than 3,000,000 Common Shares; or (g) the Registration Request and the Shares Registration, subject to the terms of this letter agreement.

Notwithstanding Section 5 of the Registration Rights Agreement, the Company hereby agrees to keep, subject to applicable rules, regulations and interpretations of the SEC, the Shares Registration effective until such time as the Holders and all other holders of Common Shares issued upon conversion of the Series C Shares may dispose of all of their Common Shares without limitation under Rule 144(k) of the Securities Act of 1933. Each of the Holders and all other holders of Series C Shares converted all outstanding Series C Shares into Common Shares upon the Company's filing of the Shares Registration.

Each of the undersigned Holders represents and warrants as of the date hereof that (i) it does not own of record or Beneficially Own any Common Shares or common stock of the Company, except for such securities identified on Annex I hereto, which is part of this letter agreement and governed by the definitions herein and (ii) it has not entered into any sale arrangement, short sale or Hedging Transaction with respect to the Common Shares or with respect to any other shares of common stock or securities of the Company.

Each of the Holders acknowledges and agrees that in the event of any breach by any Holder of any of the provisions of this letter agreement, monetary damages shall not constitute a sufficient remedy, and, in the event of any such breach, the Company may in addition to other rights and remedies existing in its favor, apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce or prevent any violations of the provisions hereof, in each case without the requirement of posting a bond or proving actual damages.

In furtherance of the foregoing, the Company and its Transfer Agent are hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation or breach of this letter agreement.

It is understood that, if the Company notifies you that it does not intend to proceed with the Shares Registration or if the registration statement concerning any Common Shares under the Shares Registration is not declared effective by the SEC by February 14, 2004, each of the undersigned Holders will be released from its obligations under the second paragraph of this letter agreement.

Each of the undersigned Holders understands and agrees that the Company is under no obligation to have the SEC declare effective the registration statement for the Shares Offering (i) by any date certain or (ii) before the SEC declares effective the registration statement for the Offering.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this letter agreement and that, upon request, the undersigned will execute any additional documents necessary in connection with the enforcement hereof. Any obligations of the undersigned shall be binding upon the successors and assigns of the undersigned. The original letter agreement concerning certain of the matters covered hereby was originally executed and delivered coincident with the filing of the Shares Registration and such letter agreement was amended and restated through this document, principally to revise certain terms in light of the "Specified Disposition" by Holders on November 20, 2003, as set forth in Annex I. Each of the Holders agrees and acknowledges that the transferees party to the Specified Disposition may enforce the obligations of each of the Holders hereunder. This letter agreement may be signed in one or more counterparts and delivered by facsimile, Federal Express, hand-delivery or commercially recognized delivery services. This letter agreement shall be governed by Delaware law and any dispute arising out of this letter agreement shall be subject to the exclusive jurisdiction of the courts of Delaware.

AIG GLOBAL SPORTS & ENTERTAINMENT FUND, L.P.

By: AIG GSEF, L.P., its General Partner

By: AIG GSEF Investment, Ltd.,  
its General Partner

By: /s/ Peter Yu

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Name: Peter Yu  
Title: Director

AIG GLOBAL EMERGING MARKETS FUND, L.L.C.

By: AIG Capital Management Corp.,  
its Managing Member

By: /s/ Peter Yu

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Name: Peter Yu  
Title: Vice President

GEM PARALLEL FUND, L.P.

By: AIG Capital Management Corp.,  
its General Partner

By: /s/ Peter Yu

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Name: Peter Yu  
Title: Vice President

AGREED AND ACCEPTED:

PRIMUS TELECOMMUNICATIONS  
GROUP, INCORPORATED

By: /s/ Neil Hazard

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Name: Neil Hazard  
Title: Chief Operating Officer

SHARE OWNERSHIP INFORMATION  
 CONCERNING PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED  
 COMMON STOCK

NAME -----	COMMON SHARES OWNED OF RECORD (1) -----	COMMON SHARES SUBJECT TO THE SPECIFIED DISPOSITION -----	COMMON STOCK OF THE COMPANY REMAINING AFTER THE SPECIFIED DISPOSITION -----
AIG Global Sports & Entertainment Fund, L.P.	10,770,004	2,500,000	8,270,004
AIG Global Emerging Markets Fund, L.L.C.	9,739,304	2,260,748	7,478,556
GEM Parallel Fund, L.P.	1,030,700	239,252	791,448

(1) Excludes additional beneficial ownership information pursuant to other shared or exclusive voting or investment power with American International Group, Inc. and its fund affiliates as disclosed in Amendment No. 1 to Schedule 13D filed by such entities and the Holders concerning the Company's Securities on April 24, 2003.