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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 20, 2012

**PRIMUS TELECOMMUNICATIONS
GROUP, INCORPORATED**

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-35210
(Commission File Number)

54-1708481
(I.R.S. Employer
Identification No.)

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

22102
(Zip Code)

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

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01. Other Events.

On June 20, 2012, Primus Telecommunications Group, Incorporated (the “Company”) issued a press release announcing that its Board of Directors declared a special cash dividend of \$1.00 per share on all issued and outstanding Company common stock. The special cash dividend will be paid on July 16, 2012 to holders of record of Company common stock as of July 2, 2012.

The press release also announced that Primus Telecommunications Holding, Inc. (the “Offeror”), a wholly owned subsidiary of the Company, has commenced an offer to purchase (the “Offer to Purchase”) up to \$183,300,000 aggregate principal amount of the Offeror’s 10% Senior Secured Notes due 2017 (the “Notes”), at a purchase price in cash equal to 100% of the principal amount of Notes validly tendered (and not validly withdrawn) and accepted in the Offer to Purchase, plus accrued and unpaid interest thereon to the settlement date for the Offer to Purchase.

The press release is attached hereto as Exhibit 99.1 and incorporated herein by reference. Attached as Exhibit 99.2 and incorporated herein by reference is a Question and Answer document for use by the Company in responding to inquiries regarding the special cash dividend and the Offer to Purchase.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following is included as an exhibit to this report:

Exhibit No.	Description
99.1	Press Release, dated June 20, 2012, issued by the Company
99.2	Q&A Relating to the Declaration of Special Dividend and Note Tender Offer

INDEX TO EXHIBITS

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99.1	Press Release, dated June 20, 2012, issued by the Company
99.2	Q&A Relating to the Declaration of Special Dividend and Note Tender Offer



**PTGi Announces Use of Proceeds from Sale of Australia Operations
Board Declares Special Dividend of \$1.00 per Share
Company Commences Asset Sale Tender Offer for 10% Notes**

MCLEAN, VA – (MARKET WIRE) – June 20, 2012 – Primus Telecommunications Group, Incorporated (“PTGi”) (NYSE: PTGI), a global facilities-based integrated provider of advanced telecommunications products and services, announced today that its Board of Directors has approved a special cash dividend of \$1.00 per share on all issued and outstanding PTGi common stock. The special cash dividend will be paid on July 16, 2012 to holders of record of PTGi common stock as of July 2, 2012.

In addition, PTGi announced the commencement of an offer to purchase (the “Offer to Purchase”) up to \$183,300,000 aggregate principal amount (the “Offer Amount”) of 10% Senior Secured Notes due 2017 (the “Notes,” CUSIP Nos. 74163RAK4, U74198AC3 and 74163RAJ7) issued by Primus Telecommunications Holding, Inc. (the “Offeror”), a wholly owned subsidiary of PTGi. The Offer to Purchase will expire at 9:00 a.m., New York City time, on July 19, 2012, unless extended (the “Expiration Time”).

The Offer to Purchase is being made pursuant to the terms of the indenture governing the Notes (the “Indenture”). The Indenture requires the Offeror to make an offer to purchase Notes using the Excess Proceeds (as defined in the Indenture) from certain asset sales, which in the case of PTGi’s sale of its Australia operations are equal to the Offer Amount.

In accordance with the Indenture and subject to the terms and conditions of the Offer to Purchase, the Offeror will pay a purchase price in cash equal to 100% of the principal amount of Notes validly tendered (and not validly withdrawn) prior to the Expiration Time that are accepted, plus accrued and unpaid interest thereon to the settlement date for the Offer to Purchase (the “Payment Date”). If the aggregate principal amount of Notes validly tendered (and not validly withdrawn) in the Offer to Purchase exceeds the Offer Amount, Notes will be accepted for purchase on a pro rata basis, such that the aggregate principal amount of Notes purchased does not exceed the Offer Amount. Tenders may be validly withdrawn no later than the Expiration Time.

In the event that the aggregate principal amount of tendered and accepted Notes is less than the Offer Amount, any Excess Proceeds not used for the purchase of Notes pursuant to the Offer to Purchase will be available to PTGi for general corporate purposes.

This press release is for informational purposes only and is neither an offer to purchase nor a solicitation of an offer to sell any Notes. The Offer to Purchase is only being made pursuant to the asset sale offer to purchase and the related letter of transmittal that PTGi is distributing to holders of Notes in connection with the Offer to Purchase.

The complete terms and conditions of the Offer to Purchase are set forth in the asset sale offer to purchase and related letter of transmittal.

About PTGi

PTGi is a leading provider of advanced communication solutions, including traditional and IP voice, data, mobile services, broadband Internet, collocation, hosting, and outsourced managed services to business and residential customers in Canada and the United States. PTGi is also one of the leading international wholesale service providers to fixed and mobile network operators worldwide. PTGi owns and operates its own global network of next-generation IP soft switches, media gateways, hosted IP/SIP platforms, broadband infrastructure, fiber capacity, and data centers located in Canada. Founded in 1994, PTGi is headquartered in McLean, Virginia.

Forward-Looking Statements

This press release includes “forward-looking statements” as defined by the Securities and Exchange Commission (SEC). All statements, other than statements of historical fact, included herein that address activities, events or developments that PTGi expects, believes or anticipates will or may occur in the future, including statements regarding PTGi’s use of any remaining proceeds from the sale of its Australia operations following the Offer to Purchase, statements regarding PTGi’s beliefs, expectations, prospects and strategic plans and statements regarding the potential for future transactions, are forward-looking statements. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially including, among other things, those outlined in our filings with the SEC, including PTGi’s most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q on file with the SEC. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of their dates. Except as required by law, PTGi does not undertake any obligation to update or revise its statements made in this press release, whether as a result of new information, future events or otherwise.

Investor Contact:

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Q&A Relating to the Declaration of Special Dividend and Note Tender Offer

- 1) What percentage of the total amount of the Australia sale proceeds do these potential disbursements represent? What will you do with the rest?
 - A) We are tendering for a principal amount of 10% Notes equal to the net proceeds we have received to date from the Australia sale. It is possible that we will receive additional net proceeds from the escrow that was established at closing or from the purchase price adjustment for the transaction, but we do not expect to make determinations regarding those proceeds until a later time.
- 2) What is your current cash balance?

We don't disclose intra-quarter balance sheet information. We will report our June 30, 2012 cash position in our Form 10-Q for the quarter ended June 30, 2012.
- 3) What if all the Note holders tender? Do you have enough cash to fund the tender offer and the special dividend?
 - A) Yes.
- 4) How did you arrive at a dividend of \$1.00 per share?
 - A) Our board carefully considered the best interests of PTGi and its stockholders, including PTGi's cash position and liquidity needs, in establishing the size of the special dividend. The dividend is being made pursuant to the \$15 million general basket available for restricted payments under the indenture governing the 10% Notes.
- 5) What is the ex-dividend date with respect to the special dividend?
 - A) In accordance with its standard practices, the NYSE has established the ex-dividend date as June 28, 2012.
- 6) Will the cash dividend be treated as a return of capital for tax purposes?
 - A) Because PTGi has incurred tax losses, there is a chance that a portion of the cash dividend will be treated as a return of capital, with any distribution in excess of your adjusted basis treated as a capital gain.
- 7) Why are you conducting a tender offer for the 10% Notes at par? The bonds are trading at greater than par. Why wouldn't you conduct a dutch tender?
 - A) The indenture for the 10% Notes requires PTGi under certain circumstances following an asset sale to conduct a tender offer for the 10% Notes at a purchase price equal to 100% of the principal amount thereof plus accrued but unpaid interest to the date of purchase. We are conducting the tender offer in accordance with the indenture requirements.
- 8) What happens if the Note holders don't tender their holdings?
 - A) Any remaining funds following the tender offer will become available for general corporate purposes. We have not made any specific determinations regarding our use of any such remaining proceeds.
- 9) Are there any restrictions in the indenture agreements to preclude additional dividends being paid out by PTGi even if no offers for the tender are received?
 - A) The indenture restricts PTGi's ability to pay cash dividends. Aside from the \$15 million general basket to be utilized for the special dividend, the indenture permits restricted payments to be made pursuant to a formula tied to PTGi's EBITDA and interest expense for the period starting October 1, 2012, provided that PTGI's consolidated leverage ratio does not exceed a specified level. We have not made any determinations regarding future dividends.
- 10) Does the special dividend affect the CVRs?
 - A) Yes. The CVRs have antidilution provisions with respect to the strike price and maximum number of CVR shares, to be effective immediately after the record or other effective date of the dividend. The adjustments are set forth in the agreement that governs the CVRs. The actual adjustments will be determined at the time of the record date for the dividend. PTGi will notify CVR holders upon the occurrence of the adjustment and expects to make the adjustment information publicly available after it has been determined.
- 11) Are outstanding PTGi Warrants affected by the special dividend?
 - A) Yes. The Warrants have antidilution provisions with respect to the strike price and maximum number of Warrant shares that will apply with respect to the dividend. The adjustments are set forth in the agreements that govern the Warrants. The actual adjustments will be determined at the time of the record date for the dividend. PTGi will notify Warrant holders upon the occurrence of the adjustment and expects to make the adjustment information publicly available after it has been determined.

- 12) Under the terms of the Note indenture, isn't PTGi obligated to use the proceeds of asset sales to offer to repurchase Notes?
- A) Yes, and the tender offer is for that purpose. Following the completion of the tender offer, any remaining funds will become available for general corporate purposes.
- 13) Will management's compensation – the RSUs and options – be affected by the dividend?
- A) The RSUs will be credited with \$1.00 per share, to be paid out when the RSUs vest and are settled. The options will be adjusted according to the same formula used for the CVRs and Warrants.
- 14) When will you start reporting the Canadian business in two segments? What will happen to corporate in the US?
- A) We plan to begin reporting two separate North American segments – a 'pure play' data center business unit; and a North American telecom unit focused on consumer, SME, and carrier voice and data services, including U.S. Retail – with our second quarter 2012 results report. We expect to provide more detail on corporate when we report Q2.
- 15) What's happening with the strategic review?
- A) As we have previously stated, we will not make announcements unless our board makes decisions or otherwise deems further disclosure appropriate. We have no further disclosures at this time.
- 16) Might you buy back stock?
- A) Our previously announced stock repurchase program remains in effect through August 8, 2013 and could be extended by our board at that time, although we will have limited restricted payment capability immediately after the special dividend. The indenture governing our 10% notes limits the amount of stock that we may repurchase without note holder approval.