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Executive
Director's Office

November 10, 2003

VIA OVERNIGHT DELIVERY

Mr. Thomas Dorman
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-8294

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PUBLIC SERVICE
COMMISSION

**Re: Notification of Pro Forma Transfer of Control for Primus
Telecommunications, Inc. and Least Cost Routing, Inc.**

Dear Mr. Dorman:

Primus Telecommunications, Inc., ("PTI") and Least Cost Routing, Inc. ("LCR", or collectively, the "Parties"), by their undersigned counsel, hereby notify the Kentucky Public Service Commission of a proposed a *pro forma* transfer of control of the Parties, two companies authorized to provide telecommunications service in the State of Kentucky. As discussed below, the Parties' parent company, Primus Telecommunications Group, Incorporated, for business and financial reasons, plans to create a new, intermediate holding company that will become the direct corporate parent of PTI and a new, intermediate holding company for Least Cost Routing.

Upon review of applicable Kentucky statutes and regulations, the Parties believe that Kentucky Public Service Commission approval is not required for this transaction. The Parties emphasize that the transfer of control described herein is *pro forma* in nature because it will not result in a change in the ultimate control of either PTI or LCR or otherwise change the operations of the Parties. The proposed *pro forma* transaction will not involve an assignment of any certification or a change in the day-to-day operations of any certificated company. In addition, there will be no change in the services offered to customers or the rates for regulated services. The transaction will be completely transparent to PTI's and LCR's customers.

In addition, the Parties submit the following information:

The Parties

A. Primus Telecommunications, Inc.

PTI is a corporation organized pursuant to the laws of the State of Delaware and maintains its principal offices at 1700 Old Meadow Road, McLean, Virginia 22102. PTI is a

wholly owned subsidiary of Primus Telecommunications Group, Incorporated ("PTGI"), a Delaware Corporation that is publicly traded on the NASDAQ stock exchange under the symbol "PRTL." PTGI holds no regulatory licenses from this or any other regulatory commission.

PTI was authorized to operate in the State of Kentucky as an interexchange carrier on February 7, 1996 in Docket No. 95-442. PTI is also a licensed competitive local exchange carrier in Kentucky. PTI is authorized to provide interexchange telecommunications services in 48 other states and the District of Columbia pursuant to certification, registration or tariff requirements, or on a deregulated basis. PTI is also authorized by the Federal Communications Commission to provide interstate and international services as a non-dominant carrier. Finally, PTI also holds competitive local exchange carrier authority in 11 states and the Commonwealth of Puerto Rico.

B. Least Cost Routing, Inc.

LCR is a Florida corporation that also maintains its principal offices at 1700 Old Meadow Road, McLean, Virginia 22102. LCR is authorized to provide interchange services in numerous states throughout the continental United States. LCR is a wholly owned subsidiary of TresCom International, Inc., a Florida corporation with the sole purpose of serving a telecommunications holding company ("TresCom"). TresCom, in turn, is wholly owned by PTGI. Thus, the insertion of a new holding company beneath PTGI, and above TresCom will have the effect of causing a *pro forma* transfer of control of LCR. In Kentucky, LCR was registered as an interexchange carrier by the Kentucky Public Service Commission on October 21, 1995.

Description of Proposed *Pro Forma* Transaction

PTI and LCR propose to engage in a transaction that will result in a *pro forma* transfer of control of the Parties. For business and financial reasons, PTGI wishes to create an intermediate holding company which will become the direct corporate parent of PTI and of TresCom. This new company, Primus Telecommunications Holding, Inc. ("Holding"), is a Delaware corporation created specifically to serve as an intermediate holding company for PTGI. At the conclusion of the transaction, PTI and TresCom will be a 100 percent direct subsidiary of Holding. Holding, in turn, will be a 100 percent direct subsidiary of PTGI. Thus, at the conclusion of the transaction, PTI and LCR will continue to be, ultimately, owned and operated by PTGI.

Consistent with the *pro forma* nature of this transaction, PTI and LCR do not propose to change the name under which PTI and LCR currently operate or any other aspect of the manner in which PTI and LCR currently offer service in the State of Kentucky. Immediately following the proposed transaction, PTI and LCR will continue to offer the services they currently offer with no change in the rates, terms, or conditions of service. Thus, the *pro forma* transfer of control will be completely transparent to PTI's and LCR's customers in the State of Kentucky with respect to the services that they receive and, therefore, will not cause customer confusion or inconvenience.

Public Interest Considerations

The proposed transaction will serve the public interest by enabling PTI and TresCom and their owners to improve the operational and cost efficiencies of PTI's and LCR's business. The proposed transaction will also enhance PTI's and LCR's operational flexibility by providing PTGI and Holding with greater flexibility in financing. By reorganizing the PTGI family of companies in this way, PTI and LCR will be in a better position to offer a broader array of high quality customer services at affordable rates. The proposed transaction will thus serve the public interest by promoting competition and providing consumer benefits. The proposed transaction will directly benefit Kentucky consumers by facilitating the continued provision of innovative, high-quality telecommunications services to the public and thereby promoting competition in the Kentucky telecommunications service market.

Conclusion

An original and ten (10) copies of this notice are included. Please use the self-addressed, stamped envelope to return a file-stamped copy of this notice to us. If there are any questions regarding this filing, please contact the undersigned counsel. Thank you for your attention to this matter.

Respectfully submitted,



Catherine Wang

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Counsel for the Parties

cc: Kathleen K. Lawrence, Esq.