

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

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No.)*

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

(Name of Issuer)

Common Stock, \$.01 Par Value

(Title of Class of Securities)

741929103

(CUSIP Number)

Stephen M. Vine, Esq.
Akin, Gump, Strauss, Hauer & Feld, L.L.P.
399 Park Avenue
New York, New York 10022
(212) 872-1000

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

January 1, 1997

(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 Rule 13d-1(b)(3) or (4), check the following box .

Check the following box if a fee is being paid with the statement **. (A fee is not required only if the reporting person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7)

Note: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

*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 disclosure provided in a prior cover page.

The information required on 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).

Continued on following page(s)
Page 1 of 84 Pages
Exhibit Index: Page 32

** A filing fee is not being paid with this statement pursuant to SEC Release No. 33-7331 whereby the filing fee has been eliminated for Schedule 13D.

1 Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

QUANTUM INDUSTRIAL PARTNERS LDC

2 Check the Appropriate Box If a Member of a Group*
a.
b.

3 SEC Use Only

4 Source of Funds*

Not applicable

5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to
Items 2(d) or 2(e)

6 Citizenship or Place of Organization

Cayman Islands

Number of Shares Beneficially Owned By Each Reporting Person With	7	Sole Voting Power 0
	8	Shared Voting Power 652,050
	9	Sole Dispositive Power 0
	10	Shared Dispositive Power 652,050

11 Aggregate Amount Beneficially Owned by Each Reporting Person

652,050

12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares*

13 Percent of Class Represented By Amount in Row (11)

3.63%

14 Type of Reporting Person*

00; IV

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 741929103

1 Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

QIH MANAGEMENT INVESTOR, L.P.

2 Check the Appropriate Box If a Member of a Group*
a.
b.

3 SEC Use Only

4 Source of Funds*

Not applicable

5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to
Items 2(d) or 2(e)

6 Citizenship or Place of Organization

Delaware

Number of Shares Beneficially Owned By Each Reporting Person With	7	Sole Voting Power	0
	8	Shared Voting Power	652,050
	9	Sole Dispositive Power	0
	10	Shared Dispositive Power	652,050

11 Aggregate Amount Beneficially Owned by Each Reporting Person
652,050

12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares*

13 Percent of Class Represented By Amount in Row (11)
3.63%

14 Type of Reporting Person*
PN; IA

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 741929103

1 Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

QIH MANAGEMENT, INC.

2 Check the Appropriate Box If a Member of a Group*

a.
b.

3 SEC Use Only

4 Source of Funds*

Not applicable

5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to
Items 2(d) or 2(e)

6 Citizenship or Place of Organization

Delaware

Number of Shares Beneficially Owned By Each Reporting Person With	7	Sole Voting Power 0
	8	Shared Voting Power 652,050
	9	Sole Dispositive Power 0
	10	Shared Dispositive Power 652,050

11 Aggregate Amount Beneficially Owned by Each Reporting Person

652,050

12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares*

13 Percent of Class Represented By Amount in Row (11)

3.63%

14 Type of Reporting Person*

CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 741929103

- 1 Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

SOROS FUND MANAGEMENT LLC
- 2 Check the Appropriate Box If a Member of a Group*
a.
b.
- 3 SEC Use Only
- 4 Source of Funds*

Not applicable
- 5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to
Items 2(d) or 2(e)
- 6 Citizenship or Place of Organization

Delaware
- | | | |
|----------------------------------------------------------------------------------------|----|-------------------------------------|
| Number of
Shares
Beneficially
Owned By
Each
Reporting
Person
With | 7 | Sole Voting Power
0 |
| | 8 | Shared Voting Power
652,050 |
| | 9 | Sole Dispositive Power
0 |
| | 10 | Shared Dispositive Power
652,050 |
- 11 Aggregate Amount Beneficially Owned by Each Reporting Person

652,050
- 12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares*
- 13 Percent of Class Represented By Amount in Row (11)

3.63%
- 14 Type of Reporting Person*

00; IA

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 741929103

- 1 Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

GEORGE SOROS (in the capacity described herein)
- 2 Check the Appropriate Box If a Member of a Group*
a.
b.
- 3 SEC Use Only
- 4 Source of Funds*

Not applicable
- 5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to
Items 2(d) or 2(e)
- 6 Citizenship or Place of Organization

United States
- | | | |
|----------------------------------------------------------------------------------------|----|---------------------------------------|
| Number of
Shares
Beneficially
Owned By
Each
Reporting
Person
With | 7 | Sole Voting Power
0 |
| | 8 | Shared Voting Power
1,043,280 |
| | 9 | Sole Dispositive Power
0 |
| | 10 | Shared Dispositive Power
1,043,280 |
- 11 Aggregate Amount Beneficially Owned by Each Reporting Person

1,043,280
- 12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares*
- 13 Percent of Class Represented By Amount in Row (11)

5.78%
- 14 Type of Reporting Person*

IA

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 741929103

- 1 Name of Reporting Person
 S.S. or I.R.S. Identification No. of Above Person
 STANLEY F. DRUCKENMILLER (in the capacity described herein)
- 2 Check the Appropriate Box If a Member of a Group*
 a.
 b.
- 3 SEC Use Only
- 4 Source of Funds*
 Not applicable
- 5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to
 Items 2(d) or 2(e)
- 6 Citizenship or Place of Organization
 United States
- | | | |
|----------------------------------------------------------------------------------------|----|-------------------------------------|
| Number of
Shares
Beneficially
Owned By
Each
Reporting
Person
With | 7 | Sole Voting Power
0 |
| | 8 | Shared Voting Power
652,050 |
| | 9 | Sole Dispositive Power
0 |
| | 10 | Shared Dispositive Power
652,050 |
- 11 Aggregate Amount Beneficially Owned by Each Reporting Person
 652,050
- 12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares*
- 13 Percent of Class Represented By Amount in Row (11)
 3.63%
- 14 Type of Reporting Person*
 IA

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 741929103

- 1 Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

S-C PHOENIX HOLDINGS, L.L.C.
- 2 Check the Appropriate Box If a Member of a Group*
a.
b.
- 3 SEC Use Only
- 4 Source of Funds*

Not applicable
- 5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to
Items 2(d) or 2(e)
- 6 Citizenship or Place of Organization

Delaware
- | | | |
|----------------------------------------------------------------------------------------|----|-----------------------------------|
| Number of
Shares
Beneficially
Owned By
Each
Reporting
Person
With | 7 | Sole Voting Power
391,230 |
| | 8 | Shared Voting Power
0 |
| | 9 | Sole Dispositive Power
391,230 |
| | 10 | Shared Dispositive Power
0 |
- 11 Aggregate Amount Beneficially Owned by Each Reporting Person

391,230
- 12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares*
- 13 Percent of Class Represented By Amount in Row (11)

2.19%
- 14 Type of Reporting Person*

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*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 741929103

1 Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

WINSTON PARTNERS, L.P.

2 Check the Appropriate Box If a Member of a Group*
a.
b.

3 SEC Use Only

4 Source of Funds*

Not applicable

5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to
Items 2(d) or 2(e)

6 Citizenship or Place of Organization

Delaware

Number of Shares Beneficially Owned By Each Reporting Person With	7	Sole Voting Power 0
	8	Shared Voting Power 391,230
	9	Sole Dispositive Power 0
	10	Shared Dispositive Power 391,230

11 Aggregate Amount Beneficially Owned by Each Reporting Person
391,230

12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares*

13 Percent of Class Represented By Amount in Row (11)
2.19%

14 Type of Reporting Person*
PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 741929103

1 Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

CHATTERJEE FUND MANAGEMENT, L.P.

2 Check the Appropriate Box If a Member of a Group*
a.
b.

3 SEC Use Only

4 Source of Funds*

Not applicable

5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to
Items 2(d) or 2(e)

6 Citizenship or Place of Organization

Delaware

Number of Shares Beneficially Owned By Each Reporting Person With	7	Sole Voting Power 0
	8	Shared Voting Power 391,230
	9	Sole Dispositive Power 0
	10	Shared Dispositive Power 391,230

11 Aggregate Amount Beneficially Owned by Each Reporting Person
391,230

12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares*

13 Percent of Class Represented By Amount in Row (11)
2.19%

14 Type of Reporting Person*
PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 741929103

1 Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

WINSTON PARTNERS II LDC

2 Check the Appropriate Box If a Member of a Group*
a.
b.

3 SEC Use Only

4 Source of Funds*

Not applicable

5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to
Items 2(d) or 2(e)

6 Citizenship or Place of Organization

Cayman Islands

Number of Shares Beneficially Owned By Each Reporting Person With	7	Sole Voting Power 179,313
	8	Shared Voting Power 0
	9	Sole Dispositive Power 179,313
	10	Shared Dispositive Power 0

11 Aggregate Amount Beneficially Owned by Each Reporting Person
179,313

12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares*

13 Percent of Class Represented By Amount in Row (11)
1.01%

14 Type of Reporting Person*
00; IV

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 741929103

- 1 Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

WINSTON PARTNERS II LLC
- 2 Check the Appropriate Box If a Member of a Group*
a.
b.
- 3 SEC Use Only
- 4 Source of Funds*

Not applicable
- 5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to
Items 2(d) or 2(e)
- 6 Citizenship or Place of Organization

Delaware
- | | | |
|----------------------------------------------------------------------------------------|----|----------------------------------|
| Number of
Shares
Beneficially
Owned By
Each
Reporting
Person
With | 7 | Sole Voting Power
81,506 |
| | 8 | Shared Voting Power
0 |
| | 9 | Sole Dispositive Power
81,506 |
| | 10 | Shared Dispositive Power
0 |
- 11 Aggregate Amount Beneficially Owned by Each Reporting Person

81,506
- 12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares*
- 13 Percent of Class Represented By Amount in Row (11)

0.46%
- 14 Type of Reporting Person*

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*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 741929103

- 1 Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

CHATTERJEE ADVISORS LLC
- 2 Check the Appropriate Box If a Member of a Group*
a.
b.
- 3 SEC Use Only
- 4 Source of Funds*

Not applicable
- 5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to
Items 2(d) or 2(e)
- 6 Citizenship or Place of Organization

Delaware
- | | | |
|----------------------------------------------------------------------------------------|----|-----------------------------------|
| Number of
Shares
Beneficially
Owned By
Each
Reporting
Person
With | 7 | Sole Voting Power
260,819 |
| | 8 | Shared Voting Power
0 |
| | 9 | Sole Dispositive Power
260,819 |
| | 10 | Shared Dispositive Power
0 |
- 11 Aggregate Amount Beneficially Owned by Each Reporting Person

260,819
- 12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares*
- 13 Percent of Class Represented By Amount in Row (11)

1.46%
- 14 Type of Reporting Person*

00; IA

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 741929103

1 Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

CHATTERJEE MANAGEMENT COMPANY

2 Check the Appropriate Box If a Member of a Group*

- a.
- b.

3 SEC Use Only

4 Source of Funds*

Not applicable

5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to
Items 2(d) or 2(e)

6 Citizenship or Place of Organization

Delaware

Number of Shares Beneficially Owned By Each Reporting Person With	7	Sole Voting Power 260,819
	8	Shared Voting Power 0
	9	Sole Dispositive Power 260,819
	10	Shared Dispositive Power 0

11 Aggregate Amount Beneficially Owned by Each Reporting Person

260,819

12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares*

13 Percent of Class Represented By Amount in Row (11)

1.46%

14 Type of Reporting Person*

CO; IA

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

CUSIP No. 741929103

- 1 Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person

PURNENDU CHATTERJEE (in the capacities described herein)
 - 2 Check the Appropriate Box If a Member of a Group*
 - a.
 - b.
 - 3 SEC Use Only
 - 4 Source of Funds*

Not applicable
 - 5 Check Box If Disclosure of Legal Proceedings Is Required Pursuant to
Items 2(d) or 2(e)
 - 6 Citizenship or Place of Organization

United States
- | | | |
|----------------------------------------------------------------------------------------|----|-----------------------------------------|
| Number of
Shares
Beneficially
Owned By
Each
Reporting
Person
With | 7 | Sole Voting Power
260,819 |
| | 8 | Shared Voting Power
1,043,280 |
| | 9 | Sole Dispositive Power
260,819 |
| | 10 | Shared Dispositive Power
1,043,280qi |
- 11 Aggregate Amount Beneficially Owned by Each Reporting Person

1,304,099
 - 12 Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares*
 - 13 Percent of Class Represented By Amount in Row (11)

7.20%
 - 14 Type of Reporting Person*

IA

*SEE INSTRUCTIONS BEFORE FILLING OUT!

This Statement on Schedule 13D relates to shares of Common Stock, \$0.01 par value per share (the "Shares"), of Primus Telecommunications Group, Incorporated (the "Issuer"). This Statement is being filed by the Reporting Persons (as defined herein) to report an agreement between one of the Reporting Persons and Soros Fund Management LLC, a newly formed Delaware limited liability company ("SFM LLC"), pursuant to which SFM LLC has been granted investment discretion over the Shares held for the account of Quantum Industrial Partners ("QIP") to SFM LLC. As a result of this contract, SFM LLC and Mr. Stanley F. Druckenmiller ("Mr. Druckenmiller"), in his capacity as Lead Portfolio Manager of SFM LLC, may be deemed to have acquired beneficial ownership of more than 5% of the outstanding Shares.

ITEM 1. SECURITY AND ISSUER.

This Statement relates to the Shares. The address of the principal executive offices of the Issuer is 8180 Greensboro Drive, Suite 1100, McLean, VA 22102.

ITEM 2. IDENTITY AND BACKGROUND.

This Statement is being filed on behalf of each of the following persons (collectively, the "Reporting Persons"):

- i) QIP;
- ii) QIH Management Investor, L.P. ("QIHMI");
- iii) QIH Management, Inc. ("QIH Management");
- iv) SFM LLC;
- v) Mr. George Soros ("Mr. Soros");
- vi) Mr. Druckenmiller;
- vii) S-C Phoenix Holdings, L.L.C. ("Phoenix Holdings");
- viii) Winston Partners, L.P. ("Winston L.P.");
- ix) Chatterjee Fund Management, L.P. ("CFM");
- x) Winston Partners II LDC ("Winston LDC");
- xi) Winston Partners II LLC ("Winston LLC");
- xii) Chatterjee Advisors LLC ("Chatterjee Advisors");
- xiii) Chatterjee Management Company ("Chatterjee Management"); and
- xiv) Dr. Purnendu Chatterjee ("Dr. Chatterjee").

The Reporting Persons

QIP, QIHMI and QIH Management

QIP is a Cayman Islands exempted limited duration company with its principal address at Kaya Flamboyan 9, Willemstad, Curacao, Netherlands Antilles. The principal business of QIP is investment in securities. Current information concerning the identity and background of the directors and officers of QIP is set forth in Annex A hereto, which is incorporated by reference in response to this Item 2.

QIHMI, an investment advisory firm organized as a Delaware limited partnership, is a minority shareholder of, and (pursuant to constituent documents of QIP) is vested with investment discretion with respect to the portfolio assets held for the account of, QIP. The principal business of QIHMI is to provide management and advisory services to, and to invest in, QIP. QIH Management, a Delaware corporation of which Mr. Soros is the sole shareholder, is the sole general partner of QIHMI. The principal business of QIH Management is to serve as the sole general partner of QIHMI. QIHMI and QIH Management have their principal offices at 888 Seventh Avenue, 33rd Floor, New York, New York 10106. Pursuant to regulations promulgated under Section 13(d) of the Securities Exchange Act of 1934, as amended (the "Act"), each of QIHMI, by reason of its investment discretion over the securities owned by QIP, and QIH Management, as the sole general partner of QIHMI, may be deemed the beneficial owner of securities (including the Shares) held for the account of QIP.

Mr. Soros (who is more fully described below) is the sole stockholder and person ultimately in control of QIH Management.

During the past five years, none of QIP, QIHMI, QIH Management and, to the best knowledge of the Reporting Persons, any person identified in Annex A hereto has been (a) convicted in a criminal proceeding; or (b) a party to any civil proceeding as a result of which any of them has been 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.

SFM LLC, Mr. Soros and Mr. Druckenmiller

In connection with the restructuring of the business of Soros Fund Management, a sole proprietorship owned by Mr. Soros, which will now be conducted through SFM LLC, Mr. Soros has entered into an agreement dated as of January 1, 1997 with SFM LLC pursuant to which Mr. Soros has, among other things, agreed to use his best efforts to cause QIH Management, as the general partner of QIHMI, to act at the direction of SFM LLC, which agreement to so act shall terminate upon the earlier of (a) the assignment to SFM LLC of the legal and beneficial ownership interest in QIH Management and (b) the assignment to SFM LLC of the general partnership interest in QIHMI (the "QIP Contract").

The business of SFM LLC is managed through a Management Committee (the "Management Committee") comprised of Mr. Soros, Mr. Druckenmiller and Mr. Gary Gladstein. SFM LLC has its principal office at 888 Seventh Avenue, 33rd

Floor, New York, New York 10106. Its principal business is to serve, pursuant to contract, as the principal investment manager to several foreign investment companies (the "SFM Clients"). Mr. Soros, as Chairman of SFM LLC, has the ability to direct the investment decisions of SFM LLC and as such may be deemed to have investment discretion over the securities held for the accounts of the SFM Clients, including QIP. Mr. Druckenmiller, as Lead Portfolio Manager of SFM LLC, has the ability to direct the investment decisions of SFM LLC and as such may be deemed to have investment discretion over the securities held for the accounts of the SFM Clients, including QIP. Set forth in Annex B hereto and incorporated by reference in response to this Item 2 and elsewhere in this Schedule 13D as applicable is a list of the Managing Directors of SFM LLC.

The principal occupation of Mr. Soros, a United States citizen, is his direction of the activities of SFM LLC, which is carried out in his capacity as Chairman of SFM LLC at SFM LLC's principal office.

The principal occupation of Mr. Druckenmiller, a United States citizen, is his position as Lead Portfolio Manager and a Member of the Management Committee of SFM LLC, which is carried out at SFM LLC's principal office.

Pursuant to regulations promulgated under Section 13(d) of the Act, each of SFM LLC, pursuant to the provisions of the QIP Contract, Mr. Soros, in his capacity as Chairman of SFM LLC, and Mr. Druckenmiller, in his capacity as Lead Portfolio Manager of SFM LLC, may be deemed a beneficial owner of securities, including the Shares, held for the account of QIP.

During the past five years, none of SFM LLC, Mr. Soros, Mr. Druckenmiller and, to the best knowledge of the Reporting Persons, any person identified in Annex B hereto has been (a) convicted in a criminal proceeding; or (b) a party to any civil proceeding as a result of which any of them has been 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.

Phoenix Holdings
- - - - -

Phoenix Holdings is a Delaware limited liability company with its principal place of business at 888 Seventh Avenue, 33rd Floor, New York, New York 10106. The principal business of Phoenix Holdings is investing in securities. Mr. Soros and Winston L.P. are the managing members of Phoenix Holdings with respect to its investment in the Shares, and as a result of their ability to exercise investment discretion over the Shares held for the account of Phoenix Holdings, each may be deemed a beneficial owner of the Shares pursuant to regulations promulgated under Section 13(d) of the Act.

Phoenix Holdings has not, during the past five years, been (a) convicted in a criminal proceeding, or (b) a party to any civil proceeding as a result of which it has been 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.

Winston L.P., CFM, Winston LDC, Winston LLC, Chatterjee Advisors and Chatterjee Management

Winston L.P. is a Delaware limited partnership which is principally engaged in investing in securities. CFM is a Delaware limited partnership and the general partner of Winston L.P. Dr. Chatterjee is the sole general partner of CFM. The principal business of CFM is to serve as the sole general partner of Winston L.P. The principal office of Winston L.P. and CFM is located at 888 Seventh Avenue, 30th Floor, New York, New York 10106. Pursuant to regulations promulgated under Section 13(d) of the Act, CFM, as the sole general partner of Winston L.P., may be deemed a beneficial owner of securities, including the Shares, held for the account by Winston L.P.

Winston LDC is a Cayman Islands exempted limited duration company with its principal office at Kaya Flamboyen 9, Willemstad, Curacao, Netherlands Antilles. Winston LDC was organized as the operating unit of Winston Partners II Offshore Ltd., an open-end investment company incorporated in the British Virgin Islands (the "Winston Offshore"). Winston Offshore invests all of its assets in Winston LDC, and is the largest shareholder in Winston LDC. Chatterjee Advisors and Chatterjee Fund Investors LDC (an affiliate of Chatterjee Advisors) are also shareholders of Winston LDC. The principal business of Winston LDC is investing in securities.

Winston LLC is a limited liability company formed under the laws of the State of Delaware with its principal office at 888 Seventh Avenue, 30th Floor, New York, New York 10106. Chatterjee Advisors and Chatterjee Fund Investors LDC (an affiliate of Chatterjee Advisors) are also shareholders of Winston LLC. The principal business of Winston LLC is investing in securities.

Chatterjee Advisors, a Delaware limited liability company that is managed and controlled by Dr. Chatterjee, serves as the manager, and is responsible for supervising the operations, of each of Winston LDC and Winston LLC. The principal office of Chatterjee Advisors is located at 888 Seventh Avenue, 30th Floor, New York, New York 10106. Chatterjee Management, a Delaware corporation that is managed and controlled by Dr. Chatterjee, serves as investment advisor to each of Winston LDC and Winston LLC pursuant to investment management contracts between Chatterjee Management, Chatterjee Advisors and each of Winston LDC and Winston LLC. As such, Chatterjee Management has full discretion and authority to make investments in securities (including the Shares) on behalf of each of Winston LDC and Winston LLC. The principal office of Chatterjee Management is located at 888 Seventh Avenue, 30th Floor, New York, New York 10106.

Pursuant to regulations promulgated under Section 13(d) of the Act, each of Chatterjee Advisors, as the manager of each of Winston LDC and Winston LLC, and by reason of its ability as manager to terminate the contractual relationship of Winston LDC and Winston LLC with Chatterjee Management within 60 days, and Chatterjee Management, by reason of its voting and dispositive power over securities held for the accounts of Winston LDC and Winston LLC, may be deemed to be the beneficial owner of securities (including the Shares) held for the account of each of Winston LDC and Winston LLC.

During the past five years, none of Winston L.P., CFM, Winston LDC, Winston Offshore, Winston LLC, Chatterjee Advisors, Chatterjee Fund Investors LDC, and Chatterjee Management has been: (a) convicted in a criminal proceeding; or (b) a party to any civil proceeding as a result of which any of them has been 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.

Dr. Chatterjee

The principal occupation of Dr. Chatterjee, a United States citizen, is as an investment manager. Dr. Chatterjee has his principal place of business at 888 Seventh Avenue, 30th Floor, New York, New York 10106. Pursuant to regulations promulgated under Section 13(d) of the Act, Dr. Chatterjee may be deemed (i) a beneficial owner of Shares held for the account of QIP (by virtue of his position as a sub-investment advisor to QIP with respect to the Shares), and (ii) the beneficial owner of securities (including the Shares) held for the account of Winston L.P. (as the sole general partner of CFM and the person ultimately in control of Winston L.P.), Winston II LDC (as manager and the person ultimately in control of Chatterjee Advisors and Chatterjee Management) and Winston II LLC (as manager and the person ultimately in control of Chatterjee Advisors and Chatterjee Management).

On January 13, 1993, the Securities and Exchange Commission (the "Commission") filed a civil complaint in the United States District Court for the District of Massachusetts against certain defendants, including Dr. Chatterjee, wherein the Commission alleged that Dr. Chatterjee engaged in conduct in violation of, or aided and abetted certain alleged violations of, Sections 10(b) and 14(e) of the Act and certain rules promulgated thereunder. Dr. Chatterjee settled the Commission's action on the same date it was filed without admitting or denying the allegations of the complaint. Dr. Chatterjee consented to the entry of a Final Judgment restraining and enjoining him from, inter alia, violating, or aiding and abetting violations of, Sections 10(b) and 14(e) of the Act and the rules promulgated thereunder. Dr. Chatterjee also agreed to pay a civil penalty of \$643,855. During the past five years, Dr. Chatterjee, has not been convicted in any criminal proceeding.

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

None of the Reporting Persons has expended any funds or other consideration within the last 60 days prior to the date hereof to purchase the Shares held for the accounts of the Reporting Persons.

The Shares held for the accounts of certain of the Reporting Persons may be held through margin accounts maintained with brokers, which extend margin credit as and when required to open or carry positions in their margin accounts, subject to applicable federal margin regulations, stock exchange rules and such firm's credit policies. The positions held in the margin accounts, including the Shares, are pledged as collateral security for the repayment of debit balances in the respective accounts.

ITEM 4. PURPOSE OF TRANSACTION.

All of the Shares reported herein as having been acquired for the accounts of certain of the Reporting Persons were acquired for investment purposes. Neither the Reporting Persons, nor, to the best knowledge of the Reporting Persons, any of the other individuals identified in response to Item 2, has any plans or proposals which relate to or would result in any of the transactions described in subparagraphs (a) through (j) of Item 4 of Schedule 13D. The Reporting Persons reserve the right to acquire additional securities of the Issuer, to dispose of such securities at any time or to formulate other purposes, plans, or proposals regarding the Issuer or any of its securities, to the extent deemed advisable in light of general investment and trading policies of the Reporting Persons and/or the SFM Clients, market conditions or other factors.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

(a) (i) Each of QIP, QIHMI, QIH Management, SFM LLC and Mr. Druckenmiller may be deemed the beneficial owner of the 652,050 Shares (approximately 3.63% of the total number of Shares outstanding assuming the exercise of all currently exercisable warrants held for the account of QIP). This number consists of (A) 483,000 Shares held for the account of QIP and (B) 169,050 Shares issuable upon exercise of the 169,050 currently exercisable warrants held for the account of QIP.

(ii) Mr. Soros may be deemed the beneficial owner of 1,043,280 Shares (approximately 5.78% of the outstanding Shares assuming the exercise of all currently exercisable warrants held for the account of Phoenix Holdings and QIP). This number consists of (A) 289,800 Shares held for the account of Phoenix Holdings (B) 101,430 Shares issuable upon the exercise of 101,430 currently exercisable warrants held for the account of Phoenix Holdings, (C) the 483,000 Shares held for the account of QIP, and (D) the 169,050 Shares issuable upon the exercise of the 169,050 currently exercisable warrants held for the account of QIP.

(iii) Phoenix Holdings may be deemed the beneficial owner of 391,230 Shares (approximately 2.19% of the total number of shares outstanding assuming the exercise of all currently exercisable warrants held for the account of Phoenix Holdings). This number consists of (A) 289,800 Shares held for its account and (B) the 101,430 Shares issuable upon exercise of the 101,430 currently exercisable warrants for its account.

(iv) Winston L.P. and CFM may be deemed the beneficial owner of 391,230 Shares (approximately 2.19% of the total number of Shares outstanding assuming the exercise of all currently exercisable warrants held for the account of Phoenix Holdings). This number consists of (A) 289,800 Shares held for the account of Phoenix Holdings and (B) 101,430 Shares issuable upon exercise of the 101,430 currently exercisable warrants held for the account of Phoenix Holdings.

(v) Winston LDC may be deemed the beneficial owner of the 179,313 Shares (approximately 1.01% of the total number of Shares outstanding assuming exercise of all of the warrants held for its account). This number consists of (A) 132,824 Shares held for its account, and (B) 46,489 Shares issuable upon exercise of the 46,489 currently exercisable warrants held for its account.

(vi) Winston LLC may be deemed the beneficial owner of the 81,506 Shares (approximately .46% of the total number of Shares outstanding assuming exercise of all of the currently exercisable warrants held for its account). This number consists of (A) 60,375 Shares held for its account and (B) 21,131 Shares issuable upon exercise of the 21,131 currently exercisable warrants held for its account.

(vii) Chatterjee Management and Chatterjee Advisors may be deemed the beneficial owner of 260,819 Shares (approximately 1.46% of the total number of Shares outstanding assuming the exercise of all the currently exercisable warrants held for the accounts of Winston LDC and Winston LLC). This number consists of (A) 179,313 Shares which Winston LDC may be deemed to own beneficially and (B) 81,506 Shares which Winston LLC may be deemed to own beneficially.

(viii) Dr. Chatterjee may be deemed the beneficial owner of 1,304,099 Shares (approximately 7.20% of the total number of Shares outstanding assuming exercise of all currently exercisable warrants held for the accounts of QIP, Phoenix Holdings, Winston LDC and Winston LLC). This number consists of (A) 260,819 Shares which Chatterjee Management and Chatterjee Advisors may be deemed to own beneficially, (B) 391,230 Shares which CFM and Winston L.P. may be deemed to own beneficially and (C) 652,050 Shares which QIP may be deemed to own beneficially.

(b) (i) Each of QIP, QIHMI, QIH Management, SFM LLC (by virtue of the QIP contract), Mr. Soros (as result of his position with SFM LLC), Mr. Druckenmiller (as a result of his position with SFM LLC) and Dr. Chatterjee (as

a result of his position as a sub-investment advisor to QIP with respect to the Shares) may be deemed to have the shared power to direct the voting and disposition of the 652,050 Shares held for the account of QIP (assuming exercise of all currently exercisable warrants held for the account of QIP).

(ii) Phoenix Holdings may be deemed to have the sole power to vote and dispose of the 391,230 Shares held for its account (assuming exercise of all the warrants held for the account of Phoenix Holdings). Mr. Soros and Winston L.P. (in their capacity as managing members of Phoenix Holdings) may be deemed to have shared power to direct the voting and disposition of such Shares. CFM (in its capacity as sole general partner of Winston L.P.) and Dr. Chatterjee (in its capacity as sole general partner of CFM) may be deemed to have the shared power to direct the voting and disposition of such Shares.

(iii) Each of Winston LDC, Chatterjee Advisors (in its capacity as manager of Winston LDC), Chatterjee Management (in its capacity as investment advisor to Winston LDC) and Dr. Chatterjee (as the person ultimately in control of both Chatterjee Advisors and Chatterjee Management) may be deemed to have the sole power to direct the voting and disposition of the 179,313 Shares held for the account of Winston LDC (assuming exercise of all currently exercisable warrants held for the account of Winston LDC).

(iv) Each of Winston LLC, Chatterjee Advisors (in its capacity as manager of Winston LLC), Chatterjee Management (in its capacity as investment advisor to Winston LLC) and Dr. Chatterjee (in its capacity as the person ultimately in control of both Chatterjee Advisors and Chatterjee Management) may be deemed to have the sole power to direct the voting and disposition of the 81,506 Shares held for the account of Winston LLC (assuming exercise of all the warrants held for the account of Winston LLC).

(c) Except as disclosed in Item 2 hereof, which is incorporated by reference in this Item 5, there have been no transactions effected with respect to the Shares since November 2, 1996 (60 days prior to the date hereof) by any of the Reporting Persons.

(d) (i) The shareholders of QIP, including Quantum Industrial Holdings Ltd., a British Virgin Islands international business company, have the right to participate in the receipt of dividends from, or proceeds from the sale of, the securities, including the Shares, held for the account of QIP in accordance with their ownership interests in QIP.

(ii) The members of Phoenix Holdings have the right to participate in the receipt of dividends from, or proceeds from the sale of, securities, including the Shares, held for the account of Phoenix Holdings in accordance with their ownership interests in Phoenix Holdings.

(iii) The shareholders of Winston LDC, including Winston Offshore, have the right to participate in the receipt of dividends from, or proceeds from the sale of, securities, including the Shares, held by Winston LDC in accordance with their ownership interests in Winston LDC.

(iv) The members of Winston LLC have the right to participate in the receipt of dividends from, or proceeds from the sale of, securities, including the Shares, held by Winston LLC in accordance with their ownership interests in Winston LLC.

(v) The partners of Winston L.P. have the right to participate in the receipt of dividends from, or proceeds from the sale of securities, including the Shares, held for the account of Winston L.P. in accordance with their partnership interests in Winston L.P.

(e) Not applicable.

Each of QIP, Phoenix Holdings, Winston LLC and Winston LDC also have the right, pursuant to Common Stock Purchase Warrants, forms of which are attached hereto as Exhibits J, K, L and M, on and after July 31, 1997, to acquire additional Shares, in the amounts and on the terms set forth in such Common Stock Purchase Warrants.

Each of QIP, QIHMI, QIH Management, SFM LLC and Mr. Druckenmiller expressly disclaims beneficial ownership of any Shares not held directly for the accounts of QIP. Mr. Soros expressly disclaims beneficial ownership of any Shares not held directly for the accounts of Phoenix Holdings and QIP. Each of Chatterjee Advisors and Chatterjee Management expressly disclaims beneficial ownership of any Shares not held directly for the accounts Winston LDC and Winston LLC. Winston LDC expressly disclaims beneficial ownership of any Shares not held for its account. Winston LLC expressly disclaims beneficial ownership of any Shares not held directly for its account. Each of Winston L.P. and CFM expressly disclaims beneficial ownership of any Shares not held directly for the account of Winston L.P. Phoenix Holdings expressly disclaims beneficial ownership of any Shares not held directly for its account.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS IN RELATIONSHIP WITH RESPECT TO SECURITIES OF THE ISSUER.

In connection with its acquisition of Shares, certain of the Reporting Persons entered into (i) a Securities Purchase Agreement dated July 31, 1996 attached hereto as Exhibit G and incorporated herein by reference, (ii)

a Securityholders' Agreement dated July 31, 1996 attached hereto as Exhibit H and incorporated herein by reference and (iii) a Registration Rights Agreement dated July 31, 1996 attached hereto as Exhibit I and incorporated herein by reference. In addition, QIP, Phoenix Holdings, Winston LLC and Winston LDC were issued Common Stock Purchase Warrants substantially in the forms attached hereto as Exhibit J, K, L and M, respectively, each of which is also incorporated herein by reference.

From time to time, each of the Reporting Persons and/or the SFM Clients may lend portfolio securities to brokers, banks or other financial institutions. These loans typically obligate the borrower to return the securities, or an equal amount of securities of the same class, to the lender and typically provide that the borrower is entitled to exercise voting rights and to retain dividends during the term of the loan. From time to time to the extent permitted by applicable laws, the Reporting Persons and/or the SFM Clients may borrow securities, including the Shares, for the purpose of effecting, and may effect, short sale transactions, and may purchase securities for the purpose of closing out short positions in such securities.

Except as disclosed herein, the Reporting Persons and the SFM Clients do not have any contracts, arrangements, understandings or relationships with respect to any securities of the Issuer.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

A. Power of Attorney, dated as of January 1, 1997, granted by Mr. Soros in favor of Mr. Sean C. Warren and Mr. Michael C. Neus.

B. Power of Attorney, dated as of January 1, 1997, granted by Mr. Druckenmiller in favor of Mr. Sean C. Warren and Michael C. Neus.

C. Joint Filing Agreement, dated as of January 1, 1997, by and among QIP, QIHMI, QIH Management, SFM LLC, Mr. Soros, Mr. Druckenmiller, Phoenix Holdings, Winston L.P., CFM, Winston LDC, Winston LLC, Chatterjee Advisory, Chatterjee Management and Dr. Chatterjee.

D. Power of Attorney, dated May 23, 1996, granted by QIP in favor of Mr. Gary Gladstein, Mr. Sean Warren and Mr. Michael Neus.

E. Power of Attorney, dated May 31, 1995, granted by Dr. Chatterjee in favor of Mr. Peter Hurwitz.

F. Power of Attorney, dated October 25, 1996, granted by Winston LDC in favor of Mr. Peter Hurwitz.

G. Securities Purchase Agreement dated July 31, 1996 among the Issuer, QIP, Phoenix Holdings, Winston LDC and Winston LLC (filed as Exhibit 10.15 to Amendment No. 2 to the Issuer's Form S-1 (Registration No. 33-10875) and incorporated herein by reference).

H. Securityholders Agreement dated July 31, 1996 by and among the Issuer, K. Paul Singh, QIP, Phoenix Holdings, Winston LDC and Winston LLC (filed as Exhibit 10.10 to the Issuer's Form S-1 Registration No. 33-10875) and incorporated herein by reference).

I. Registration Rights Agreement dated July 31, 1996 by and among the Issuer, QIP, Phoenix Holdings, Winston LDC and Winston LLC (filed as Exhibit 10.11 to the Issuer's Form S-1 (Registration No. 33-10875) and incorporated herein by reference).

J. Form of the Common Stock Purchase Warrant issued to QIP.

Holdings.

K. Form of the Common Stock Purchase Warrant issued to Phoenix

LLC.

L. Form of the Common Stock Purchase Warrant issued to Winston

LDC.

M. Form of the Common Stock Purchase Warrant issued to Winston

SIGNATURES

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

Date: January 1, 1997

QUANTUM INDUSTRIAL PARTNERS LDC

By: /S/ SEAN C. WARREN

Sean C. Warren
Attorney-in-Fact

QIH MANAGEMENT INVESTOR, L.P.

By: QIH Management, Inc.,
its General Partner

By: /S/ SEAN C. WARREN

Sean C. Warren
Vice President

QIH MANAGEMENT, INC.

By: /S/ SEAN C. WARREN

Sean C. Warren
Vice President

SOROS FUND MANAGEMENT LLC

By: /S/ SEAN C. WARREN

Sean C. Warren
Managing Director

GEORGE SOROS

By: /S/ SEAN C. WARREN

Sean C. Warren
Attorney-in-Fact

STANLEY F. DRUCKENMILLER

By: /S/ SEAN C. WARREN

Sean C. Warren
Attorney-in-Fact

S-C PHOENIX HOLDINGS, L.L.C.

By: George Soros,
its Manager

By: /S/ SEAN C. WARREN

Sean C. Warren
Attorney-in-Fact

WINSTON PARTNERS, L.P.

By: Chatterjee Fund Management,
its General Partner

By: Purnendu Chatterjee,
its General Partner

By: /S/ PETER HURWITZ

Peter Hurwitz
Attorney-in-Fact

CHATTERJEE FUND MANAGEMENT, L.P.

By: Purnendu Chatterjee,
its General Partner

By: /S/ PETER HURWITZ

Peter Hurwitz
Attorney-in-Fact

WINSTON PARTNERS II LDC

By: /S/ PETER HURWITZ

Peter Hurwitz
Attorney-in-Fact

WINSTON PARTNERS II LLC

By: Chatterjee Advisors LLC,
its Manager

By: /S/ PETER HURWITZ

Peter Hurwitz
Manager

CHATTERJEE ADVISORS LLC

By: /S/ PETER HURWITZ

Peter Hurwitz
Manager

CHATTERJEE MANAGEMENT COMPANY

By: /S/ PETER HURWITZ

Peter Hurwitz
Vice President

PURNENDU CHATTERJEE

By: /S/ PETER HURWITZ

Peter Hurwitz
Attorney-in-Fact

ANNEX A

DIRECTORS AND OFFICERS OF QUANTUM INDUSTRIAL PARTNERS LDC

Name/Title/Citizenship -----	Principal Occupation -----	Business Address -----
Curacao Corporation Company N.V. Managing Director Netherlands Antilles	Managing Director of Netherlands Antilles corporation	Kaya Flamboyan 9 Willemstad Curacao, Netherlands Antilles
Inter Caribbean Services Ltd Secretary British Virgin Islands)	Administrative services	Citco Building Wickhams Cay Road Town Tortola British Virgin Islands

ANNEX B

The following is a list of all of the persons (other than Stanley Druckenmiller) who serve as Managing Directors of SFM LLC:

Scott K. H. Bessent
Walter Burlock
Jeffrey L. Feinberg
Arminio Fraga
Gary Gladstein
Robert K. Jermain
David N. Kowitz
Alexander C. McAree
Paul McNulty
Gabriel S. Nechamkin
Steven Okin
Dale Precoda
Lief D. Rosenblatt
Mark D. Sonnino
Filiberto H. Verticelli
Sean C. Warren

Each of the above listed persons is a United States citizen whose principal occupation is serving as Managing Director of SFM LLC, and each has a business address c/o Soros Fund Management, 888 Seventh Avenue, New York, New York 10106. During the past five years, none of the above-listed persons has been (i) convicted in a criminal proceeding, or (ii) a party to any civil proceeding as a result of which any such persons has been 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 violations with respect to such laws.

INDEX OF EXHIBITS

	PAGE

A. Power of Attorney, dated as of January 1, 1997, granted by Mr. George Soros in favor of Mr. Sean C. Warren and Michael C. Neus.....	31
B. Power of Attorney, dated as of January 1, 1997, granted by Mr. Stanley Druckenmiller in favor of Mr. Sean C. Warren and Michael C. Neus.....	32
C. Joint Filing Agreement, dated as of January 1, 1997, by and among QIP, QIHMI, QIH Management, SFM LLC, Mr. Soros, Mr. Druckenmiller, Winston LDC, Winston LLC, Chatterjee Advisory, Chatterjee Management and Dr. Chatterjee.....	33
D. Power of Attorney, dated May 23, 1996, granted by QIP in favor of Mr. Gary Gladstein, Mr. Sean Warren and Mr. Michael Neus.....	36
E. Power of Attorney, dated May 31, 1995, granted by Dr. Chatterjee in favor of Mr. Peter Hurwitz.....	37
F. Power of Attorney, dated October 25, 1996, granted by Winston Partners II LDC in favor of Mr. Peter Hurwitz.....	38
J. Form of the Common Stock Purchase Warrant issued to QIP.....	39
K. Form of the Common Stock Purchase Warrant issued to S-C Phoenix Holdings, L.L.C.....	50
L. Form of the Common Stock Purchase Warrant issued to Winston Partners LLC.....	61
M. Form of the Common Stock Purchase Warrant issued to Winston Partners LDC.....	72

EXHIBIT A

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that I, GEORGE SOROS, hereby make, constitute and appoint each of SEAN C. WARREN and MICHAEL C. NEUS, acting individually, as my agent and attorney-in-fact for the purpose of executing in my name, (a) in my personal capacity or (b) in my capacity as Chairman of, member of or in other capacities with Soros Fund Management LLC, all documents, certificates, instruments, statements, filings and agreements ("documents") to be filed with or delivered to any foreign or domestic governmental or regulatory body or required or requested by any other person or entity pursuant to any legal or regulatory requirement relating to the acquisition, ownership, management or disposition of securities or other investments, and any other documents relating or ancillary thereto, including but not limited to, all documents relating to filings with the United States Securities and Exchange Commission (the "SEC") pursuant to the Securities Act of 1933 or the Securities Exchange Act of 1934 (the "Act") and the rules and regulations promulgated thereunder, including: (1) all documents relating to the beneficial ownership of securities required to be filed with the SEC pursuant to Section 13(d) or Section 16(a) of the Act including, without limitation: (a) any acquisition statements on Schedule 13D or Schedule 13G and any amendments thereto, (b) any joint filing agreements pursuant to Rule 13d-1(f) and (c) any initial statements of, or statements of changes in, beneficial ownership of securities on Form 3, Form 4 or Form 5 and (2) any information statements on Form 13F required to be filed with the SEC pursuant to Section 13(f) of the Act.

All past acts of the attorney-in-fact in furtherance of the foregoing are hereby ratified and confirmed.

This power of attorney shall be valid from the date hereof until revoked by me.

IN WITNESS WHEREOF, I have executed this instrument as of the 1st day of January, 1997.

/s/ George Soros

GEORGE SOROS

EXHIBIT B

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that I, STANLEY F. DRUCKENMILLER, hereby make, constitute and appoint each of SEAN C. WARREN and MICHAEL C. NEUS, acting individually, as my agent and attorney-in-fact for the purpose of executing in my name, (a) in my personal capacity or (b) in my capacity as Lead Portfolio Manager of, member of or in other capacities with Soros Fund Management LLC, all documents, certificates, instruments, statements, filings and agreements ("documents") to be filed with or delivered to any foreign or domestic governmental or regulatory body or required or requested by any other person or entity pursuant to any legal or regulatory requirement relating to the acquisition, ownership, management or disposition of securities or other investments, and any other documents relating or ancillary thereto, including but not limited to, all documents relating to filings with the United States Securities and Exchange Commission (the "SEC") pursuant to the Securities Act of 1933 or the Securities Exchange Act of 1934 (the "Act") and the rules and regulations promulgated thereunder, including: (1) all documents relating to the beneficial ownership of securities required to be filed with the SEC pursuant to Section 13(d) or Section 16(a) of the Act including, without limitation: (a) any acquisition statements on Schedule 13D or Schedule 13G and any amendments thereto, (b) any joint filing agreements pursuant to Rule 13d-1(f) and (c) any initial statements of, or statements of changes in, beneficial ownership of securities on Form 3, Form 4 or Form 5 and (2) any information statements on Form 13F required to be filed with the SEC pursuant to Section 13(f) of the Act.

All past acts of the attorney-in-fact in furtherance of the foregoing are hereby ratified and confirmed.

This power of attorney shall be valid from the date hereof until revoked by me.

IN WITNESS WHEREOF, I have executed this instrument as of the 1st day of January, 1997.

/s/ Stanley F. Druckenmiller

STANLEY F. DRUCKENMILLER

EXHIBIT C

JOINT FILING AGREEMENT

The undersigned hereby agree that the statement on Schedule 13D with respect to the Common Stock of Primus Telecommunications Group, Incorporated dated January 1, 1997 and any amendments thereto signed by each of the undersigned shall be filed on behalf of each of us pursuant to and in accordance with the provisions of Rule 13d-1(f) under the Securities Exchange Act of 1934.

Date: January 1, 1997

QUANTUM INDUSTRIAL PARTNERS LDC

By: /S/ SEAN C. WARREN

Sean C. Warren
Attorney-in-Fact

QIH MANAGEMENT INVESTOR, L.P.

By: QIH Management, Inc.,
its General Partner

By: /S/ SEAN C. WARREN

Sean C. Warren
Vice President

QIH MANAGEMENT, INC.

By: /S/ SEAN C. WARREN

Sean C. Warren
Vice President

SOROS FUND MANAGEMENT LLC

By: /S/ SEAN C. WARREN

Sean C. Warren
Managing Director

GEORGE SOROS

By: /S/ SEAN C. WARREN

Sean C. Warren
Attorney-in-Fact

STANLEY F. DRUCKENMILLER

By: /S/ SEAN C. WARREN

Sean C. Warren
Attorney-in-Fact

S-C PHOENIX HOLDINGS, L.L.C.

By: George Soros,
its Manager

By: /S/ SEAN C. WARREN

Sean C. Warren
Attorney-in-Fact

WINSTON PARTNERS, L.P.

By: Chatterjee Fund Management,
its General Partner

By: Purnendu Chatterjee,
its General Partner

By: /S/ PETER HURWITZ

Peter Hurwitz
Attorney-in-Fact

CHATTERJEE FUND MANAGEMENT, L.P.

By: Purnendu Chatterjee,
its General Partner

By: /S/ PETER HURWITZ

Peter Hurwitz
Attorney-in-Fact

WINSTON PARTNERS II LDC

By: /S/ PETER HURWITZ

Peter Hurwitz
Attorney-in-Fact

WINSTON PARTNERS II LLC

By: Chatterjee Advisors LLC,
its Manager

By: /S/ PETER HURWITZ

Peter Hurwitz
Manager

CHATTERJEE ADVISORS LLC

By: /S/ PETER HURWITZ

Peter Hurwitz
Manager

CHATTERJEE MANAGEMENT COMPANY

By: /S/ PETER HURWITZ

Peter Hurwitz
Vice President

PURNENDU CHATTERJEE

By: /S/ PETER HURWITZ

Peter Hurwitz
Attorney-in-Fact

EXHIBIT D

QUANTUM INDUSTRIAL PARTNERS LDC
POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENT, that the undersigned QUANTUM INDUSTRIAL PARTNERS LDC (the "Company"), an exempted limited duration company existing and operating under the laws of the Cayman Islands does, pursuant to a duly adopted resolution of its Managing Director, hereby designate, constitute and appoint:

GARY GLADSTEIN, SEAN WARREN and MICHAEL NEUS

acting, singly and not jointly, as its true and lawful agent and attorney in fact for the purpose of executing in its name, all documents, certificates, instruments, statements, filings and agreements ("documents") to be filed with or delivered to any foreign or domestic governmental or regulatory body or required or requested by any other person or entity pursuant to any legal or regulatory requirement relating to the acquisition, ownership, management or disposition of securities or other investments, and any other documents relating or ancillary thereto, including but not limited to, all documents relating to filings with the United States Securities and Exchange Commission (the "SEC") pursuant to the Securities Act of 1933 or the Securities Exchange Act of 1934 (the "Act") and the rules and regulations promulgated thereunder, including: (1) all documents relating to the beneficial ownership of securities required to be filed with the SEC pursuant to Section 13(d) or Section 16(a) of the Act including, without limitation: (a) any acquisition statements on Schedule 13D or Schedule 13G and any amendments thereto, (b) any joint filing agreements pursuant to Rule 13d-1(f) and (c) any initial statements of, or statements of changes in, beneficial ownership of securities on Form 3, Form 4 or Form 5 and (2) any information statements on Form 13F required to be filed with the SEC pursuant to Section 13(f) of the Act.

Each attorney-in-fact is hereby authorized and empowered to perform all other acts and deeds, which he or she in his or her sole discretion deems necessary or appropriate to carry out to the fullest extent the terms and the intent of the foregoing. All prior acts of each attorney-in-fact in furtherance of the foregoing are hereby ratified and confirmed.

IN WITNESS WHEREOF, the Company has caused this document to be execute this 23rd day of May, 1996.

QUANTUM INDUSTRIAL PARTNERS LDC

Curacao Corporation Company N.V.
Managing Director

EXHIBIT E

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENT, that I, PURNENDU CHATTERJEE, hereby make, constitute and appoint PETER HURWITZ as my agent and attorney in fact for the purpose of executing in my name or in my personal capacity all documents, certificates, instruments, statements, filings and agreements ("documents") to be filed with or delivered to any foreign or domestic governmental or regulatory body or required or requested by any other person or entity pursuant to any legal or regulatory requirement relating to the acquisition, ownership, management or disposition of securities or other investments, and any other documents relating or ancillary thereto, including but not limited to, all documents relating to filings with the Securities and Exchange Commission (the "SEC") pursuant to the Securities Act of 1933 or the Securities Exchange Act of 1934 (the "Act") and the rules and regulations promulgated thereunder, including: (1) all documents relating to the beneficial ownership of securities required to be filed with the SEC pursuant to Section 13(d) or Section 16(a) of the Act including, without limitation: (a) any acquisition statements on Schedule 13D or Schedule 13G and any amendments thereto, (b) any joint filing agreements pursuant to Rule 13(d)-1(f) and (c) any initial statements of, or statements of changes in, beneficial ownership of securities on Form 3, Form 4 or Form 5 and (2) any information statements on Form 13F required to be filed with the SEC pursuant to Section 13(f) of the Act.

All past acts of the attorney-in-fact in furtherance of the foregoing are hereby ratified and confirmed.

This power of attorney shall be valid from the date hereof until revoked by me.

IN WITNESS WHEREOF, I have executed this instrument this 31st day of May, 1995.

/s/ Purnendu Chatterjee

PURNENDU CHATTERJEE

EXHIBIT F

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENT, that the undersigned, Winston Partners II LDC (the "Company"), a Cayman Islands exempted limited duration company, hereby makes, constitutes and appoints PETER A. HURWITZ as the Company's agent and attorney in fact for the purpose of executing on behalf of the Company, all documents, certificates, instruments, statements, filings and agreements ("documents") to be filed with or delivered to any foreign or domestic governmental or regulatory body or required or requested by any other person or entity pursuant to any legal or regulatory requirement relating to the acquisition, ownership, management or disposition of securities or other investments, and any other documents relating or ancillary thereto, including but not limited to, all documents relating to filings with the United States Securities and Exchange Commission (the "SEC") pursuant to the Securities Act of 1933 or the Securities Exchange Act of 1934 (the "Act") and the rules and regulations promulgated thereunder, including: (1) all documents relating to the beneficial ownership of securities required to be filed with the SEC pursuant to Section 13(d) or Section 16(a) of the Act including, without limitation: (a) any acquisition statements on Schedule 13D or Schedule 13G and any amendments thereto, (b) any joint filing agreements pursuant to Rule 13d-1(f) and (c) any initial statements of, or statements of changes in, beneficial ownership of securities on Form 3, Form 4 or Form 5 and (2) any information statements on Form 13F required to be filed with the SEC pursuant to Section 13(f) of the Act. All past acts of the attorney-in-fact in furtherance of the foregoing are hereby ratified and confirmed.

This power of attorney shall be valid from the date hereof until revoked by the Company.

IN WITNESS WHEREOF, the Company has executed this instrument this 25th day of October, 1996.

WINSTON PARTNERS II LDC

By: /s/ Kieran Conroy /s/ Wiekert Weber

 Name: Kieran Conroy / Wiekert Weber

EXHIBIT J

The security represented by this Certificate has not been registered under the Securities Act of 1933, as amended, or applicable state securities laws, and may not be transferred or otherwise disposed of unless it has been registered under that act or an exemption from registration is available. The transfer of such security is additionally subject to the conditions specified in the Securityholders' Agreement, dated as of July 31, 1996 (as amended and modified from time to time), between the issuer hereof and certain investors (including the initial holder hereof). The Corporation reserves the right to refuse the transfer of such security until such conditions have been fulfilled with respect to such transfer.

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

COMMON STOCK PURCHASE WARRANT

Certificate No. PW-1

FOR VALUE RECEIVED, Primus Telecommunications Group, Incorporated, a Delaware corporation (the "Corporation"), hereby grants to Quantum Industrial Partners LDC or its registered assigns (the "Registered Holder" or "Holder") this warrant (the "Warrant") to purchase, in accordance with the terms set forth herein, shares of the Corporation's Common Stock, par value \$.01 per share (the "Common Stock"). This Warrant is issued pursuant to the Securities Purchase Agreement, dated as of the date hereof (the "Purchase Agreement"), between, among others, the Corporation and the Holder. Each capitalized term used in this Warrant which is defined in the Purchase Agreement but not otherwise defined herein has the meaning given such term in the Purchase Agreement.

This Warrant is subject to the following provisions:

Section 1. Warrant Terms.

(a) The Warrant is for the purchase of:

(1) 50,000 shares of Common Stock (the "Warrant A Amount") at a price equal to the Warrant A Exercise Price. The "Warrant A Exercise Price" shall be \$.01 per share; and

(2) shares of Common Stock (the "Warrant B Amount") totalling (A) that number of shares having a Market Price of \$5,000,000 at the time of exercise of this Warrant with respect to the Warrant B Amount and (B) either, at the Holder's option, (x) 42,857 shares (the "Warrant B Fixed Share Amount") or (y)

39.138943 shares of Common Stock (the "Warrant B Variable Share Amount") times the number of days from and including the date

hereof until and including the date of exercise of this Warrant with respect to the Warrant B Amount. If the Holder elects to receive the Warrant B Variable Share Amount as part of its exercise of this Warrant with respect to the Warrant B Amount, then the exercise price (the "Warrant B Exercise Price") to be

paid by the Holder to the Corporation shall be \$.01 per share of the applicable Warrant B Amount. If the Holder elects to receive the Warrant B Fixed Share Amount as part of its exercise of this Warrant with respect to the Warrant B Amount, then the Warrant B Exercise Price to be paid by the Holder to the Corporation shall be the greater of (A) an amount equal to \$.01 per share multiplied by the number of shares comprising the Warrant B Amount and (B) an amount (the "Warrant B Alternative Exercise

Price") equal to \$1,095.89 multiplied by the number of days

remaining from and after the date of exercise of this Warrant with respect to the Warrant B Amount until and including the third anniversary of the date hereof (the "Expiration Date").

Section 2. Anti-dilution Provisions. In order to prevent dilution

of the purchase rights granted under Section 1 of this Warrant, the Warrant A Amount, the Warrant B Fixed Share Amount and the Warrant B Variable Share Amount shall be subject to adjustment from time to time pursuant to this Section 2. For the avoidance of doubt and notwithstanding anything contained in this Section 2 to the contrary, in no event shall the Warrant B Exercise Price be reduced to an amount less than \$.01 per share.

(a) Subdivision or Combination of Common Stock. If the

Corporation at any time subdivides or combines (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock or makes a distribution on its Common Stock in shares of its stock other than Common Stock, then the number and kind of shares of capital stock of the Corporation issuable upon exercise of this Warrant (as in effect immediately prior to such action) shall be adjusted so, and provisions shall be made to insure, that the Holder may receive, upon exercise of this Warrant, the aggregate number and kind of shares of capital stock of the Corporation which such Holder would have received immediately following such action if this Warrant had been exercised immediately prior to such action.

(b) Reorganization, Reclassification, Consolidation, Merger or

Sale. Any recapitalization, reorganization, reclassification, consolidation,

merger, sale of all or substantially all of the Corporation's assets or other transaction, in each case which is effected in such a manner that the holders of Common Stock are entitled to receive (either directly or upon subsequent liquidation) stock, securities or assets with respect to or in exchange for Common Stock, is referred to herein as an "Organic Change." Prior to the

consummation of any Organic Change, the Corporation shall make appropriate provisions (in form and substance reasonably satisfactory to the Holder) to insure that the Holder shall thereafter have the right to acquire and receive,

in lieu of or in addition to (as the case may be) the shares of Common Stock immediately theretofore acquirable and receivable upon the exercise of this Warrant, such shares of stock, securities or assets as such Holder would have received in connection with such Organic Change if such Holder had exercised this Warrant immediately prior to such Organic Change. In each such case, the Corporation shall also make appropriate provisions (in form and substance reasonably satisfactory to the Holder) to insure that the provisions of this Section 2 shall thereafter be applicable to this Warrant. The Corporation shall not effect any such Organic Change unless prior to the consummation thereof, the successor entity (if other than the Corporation) resulting from any such Organic Change or the entity purchasing such assets assumes by written instrument (in form and substance reasonably satisfactory to the Holder), the obligation to deliver to the Holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, the Holder may be entitled to acquire. Notwithstanding the above provisions of this paragraph (b), the successor entity (if other than the Corporation) resulting from any such Organic Change or the entity purchasing such assets (the "Acquiring Entity") may require that this

Warrant be fully exercised as of the date of the consummation of such Organic Change with the Holder having full rights to receive the consideration offered to the other securityholders of the Corporation on the basis of such fully exercised amount as of such date; provided, that if, as a result of such

acceleration of exercise the Holder would have short swing profits under Section 16 of the Securities Exchange Act of 1934, as amended, such acceleration of exercise shall be postponed until such liability of the Holder no longer exists.

(c) Certain Events. The Corporation shall not take any action(s)

as a result of which the Holder would be required to pay an aggregate Exercise Price greater than the aggregate Exercise Price which such Holder would have had to pay immediately prior to such action(s).

(d) Notices. Immediately upon any adjustment required pursuant to

the terms of this Section 2, the Corporation shall give written notice thereof to the Holder, setting forth in reasonable detail and certifying the calculation of such adjustment. The Corporation shall give written notice to the Holder at least 20 days prior to the date on which the Corporation closes its books or establishes a record date (A) with respect to any dividend or distribution upon Common Stock or (B) for determining rights to vote with respect to any Organic Change, dissolution or liquidation.

(e) Definitions.

"Business Day" means any day other than a Saturday, Sunday or

other day on which banking institutions are authorized or required by law or executive order to close in New York, New York.

"Exercise Price" means the Warrant A Exercise Price and the

Warrant B Exercise Price, or the Warrant B Alternative Exercise Price, as the case may be.

"Market Price" means the volume-weighted average sales price per

share of Common Stock as reported by Bloomberg Information Systems, Inc. during a period of 21 days consisting of the day as of which "Market Price" is being determined and the 20 consecutive Business Days prior to such day. If at any time shares of the Common Stock are not listed on any securities exchange or quoted in the NASDAQ System or the over-the-counter market, the "Market Price" shall be the fair value thereof determined by an investment bank mutually agreed between the parties. If such parties are unable to reach agreement within a reasonable period of time, each party will choose and bear the expense of an investment bank to value the shares of Common Stock and the average of the two valuations shall be the value.

"Qualified Public Offering" means an underwritten public offering

of Common Stock pursuant to an effective Registration Statement under the Securities Act of 1933, as then in effect or any comparable statement under any similar federal statute then in force or effect, pursuant to which at least 1,000,000 shares of Common Stock are sold at a price per share of at least \$35 (before underwriting commissions).

Section 3. Expiration of Warrant; Exercise of Warrant.

(a) If a Qualified Public Offering has not occurred prior to the first anniversary of the date hereof (the "First Anniversary"), the portion of

this Warrant with respect to the Warrant B Amount only shall be automatically exercised in full; provided, that, with respect to such automatic exercise, the

Holder has the right to elect to receive either the Warrant B Fixed Share Amount or the Warrant B Variable Share Amount in accordance with Section 1(a)(2).

(b) Subject to paragraph (a) above, the Holder shall have the right to (A) exercise all or any portion of this Warrant with respect to the Warrant A Amount at any time and from time to time on or prior to the Expiration Date and (B) exercise all but not less than all of this Warrant with respect to the Warrant B Amount at any time during the period commencing on the First Anniversary and ending on the Expiration Date.

(c) Subject to paragraph (b) above, the Holder shall have the right to exercise this Warrant with respect to (A) the Warrant A Amount and (B) the Warrant B Amount (only to the extent that the Warrant B Exercise Price paid by the Holder is not the Warrant B Alternative Exercise Price), in any and all such cases, by surrendering at the principal office of the Corporation this Warrant and a completed Exercise Agreement (in the form of Exhibit I hereto) and:

(i) paying the applicable Exercise Price by check or wire transfer to an account designated by the Corporation as to the number of shares of Common Stock as to which the Warrant is being exercised (the "Exercise

Amount") and receiving in exchange therefor the number of shares of Common Stock

equal to the Exercise Amount;

(ii) receiving in exchange therefor the number of shares equal to the product of the Exercise Amount multiplied by a fraction, the numerator of which is the Market Price less the applicable Exercise Price and the denominator of which is such Market Price; and/or

(iii) surrendering shares of Common Stock of the Corporation (valued at the Market Price) equal to the applicable Exercise Price and receiving in exchange therefor the number of shares of Common Stock equal to the Exercise Amount.

(d) Subject to paragraph (b) above, the Holder shall have the right to exercise this Warrant with respect to the Warrant B Amount (to the extent that the Warrant B Exercise Price paid by the Holder is the Warrant B Alternative Exercise Price) by surrendering at the principal office of the Corporation this Warrant and a completed Exercise Agreement (in the form of Exhibit I hereto) and by paying the Warrant B Alternative Exercise Price by check or wire transfer to an account designated by the Corporation as to the Exercise Amount and receiving in exchange therefor the number of shares of Common Stock equal to the Exercise Amount.

(e) A Holder may use one or more of the methods of exercise outlined in Section 3(c) when exercising this Warrant so long as the completed Exercise Agreement accurately states which method or methods such Holder intends to use and the number of shares as to which each such method will be used.

(f) Certificates for shares of Common Stock acquired through exercise of this Warrant shall be delivered by the Corporation to the Holder within five (5) Business Days after receipt by the Corporation of the items required by Sections 3(c) and 3(d) for the respective method or methods of exercise. Unless this Warrant has expired or all of the purchase rights represented hereby have been exercised, the Corporation shall prepare a new warrant substantially identical hereto, representing the rights formerly represented by this Warrant which have not expired or been exercised and shall, within such five-day period, deliver such new Warrant to the Holder.

(g) The Common Stock issuable upon exercise of this Warrant shall be deemed to have been issued to the Holder on the date on which the Corporation receives the completed Exercise Agreement and payment of the Exercise Price, if any, and such Holder shall be deemed for all purposes to have become the record holder of such Common Stock on such date.

(h) The issuance of certificates for shares of Common Stock upon exercise of this Warrant shall be made without charge to the Holder for any issuance tax in respect thereof or other cost incurred by the Corporation in connection with such exercise and the related issuance of shares of Common Stock.

(i) The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of issuance upon exercise of this Warrant, such number of shares of Common Stock as are issuable upon exercise of this Warrant. All such shares of Common Stock shall, when issued, be duly and validly issued, fully paid and nonassessable and free from all taxes, liens and charges. The Corporation shall take all such actions as may be necessary to assure that all such shares of Common Stock may be so issued without violation of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon which shares of Common Stock may be listed (except for official notice of issuance which shall be immediately delivered by the Corporation upon each such issuance). In addition, prior to the issuance of any Common Stock upon an exercise of this Warrant, the Corporation shall at its expense use its reasonable best efforts to procure the listing of such Common Stock which shall be issued upon exercise of this Warrant as then may be required on all stock exchanges or interdealer quotation systems on which the Common Stock is then listed and shall maintain such listing if and so long as any shares of the Common Stock shall be listed on such stock exchanges or interdealer quotation systems.

(j) The Corporation shall not be required to issue fractional shares of Common Stock on the exercise of this Warrant. In the event that the number of shares of Common Stock calculated pursuant to Section 1 above results in a fraction, such number shall be rounded down to the nearest whole number. Notwithstanding the above, fractional shares shall be issued to the extent that not to do so would result in a material diminution in the aggregate value of the shares of Common Stock to be received by the Holder in the absence of the issuance of such fractional shares.

Section 4. Certain Distributions. If, from the date hereof to and

including the First Anniversary, the Corporation makes any dividend or other distribution on its shares of Common Stock or establishes a record date in respect of any such dividend or distribution (other than a dividend or distribution covered by Section 2(a) or Section 2(b)), the Holder shall be entitled to receive, upon exercise of this Warrant, that amount of such dividend or other distribution which such Holder would have received if this Warrant had been exercised immediately prior to such record date or dividend or other distribution, as applicable, and the Corporation shall take all necessary action to ensure that such amounts are available to be so distributed.

Section 5. Warrant Transferable. Subject to the transfer

conditions referred to in the legend endorsed hereon, this Warrant and all rights hereunder are transferable, in whole or in part, without charge to the Holder, upon surrender of this Warrant with a properly executed Assignment (in the form of Exhibit II hereto) at the principal office of the Corporation.

Section 6. Warrant Exchangeable for Different Denominations. This

Warrant is exchangeable, upon the surrender hereof by the Holder at the principal office of the Corporation, for new Warrants ("New Warrants"),

substantially identical hereto, representing in the aggregate the rights formerly represented by this Warrant, and each of such New Warrants shall represent such portion of such rights as is designated by the Holder at the time of such surrender. The date the Corporation initially issues this Warrant shall be the date of issuance of such New Warrants regardless of the number of times new certificates representing the unexpired and unexercised rights formerly represented by this Warrant shall be issued.

Section 7. Replacement. Upon receipt of an affidavit of the

Holder as to the ownership and the loss, theft, destruction or mutilation of any certificate evidencing this Warrant, and in the case of any such loss, theft or destruction, upon receipt of indemnity provided by the Holder, or, in the case of any such mutilation upon surrender of such certificate, the Corporation shall (at its expense) execute and deliver in lieu of such certificate a new certificate, substantially identical hereto, representing the rights represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

Section 8. Successors and Assigns. This instrument is intended to

bind and inure to the benefit of and be enforceable by the Holder and its respective heirs, successors and assigns.

Section 9. Amendment and Waiver. Except as otherwise provided

herein, the provisions of this Warrant may be amended only if the Corporation has obtained the written consent of the Holder.

Section 10. Descriptive Headings; Governing Law. The descriptive

headings of this Warrant are inserted for convenience only and do not constitute a part of this Warrant. The laws of the State of New York will govern this Agreement without giving effect to any choice of law or conflict of law provision or rule.

Section 11. Complete Agreement; Severability. Except as otherwise

expressly set forth herein, this Warrant, the Purchase Agreement and any other agreement executed by the parties and contemplated by the Purchase Agreement embodies the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way. Whenever possible, each provision of this Warrant will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Warrant will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 12. Notices. Except as otherwise expressly provided

herein, all notices referred to in this Warrant shall be in writing and shall be delivered personally, sent by reputable overnight courier service (charges prepaid) or sent by registered or certified mail, return receipt requested, postage prepaid and shall be deemed to have been given when so delivered, sent or deposited in the U.S. mail (i) to the Corporation, at its principal executive offices and (ii) to the Holder, at the address set forth in the Purchase Agreement with copies to such persons as are indicated therein.

* * * *

IN WITNESS WHEREOF, the Corporation has caused this Warrant to be signed and attested by its duly authorized officers and to be dated the date of issuance hereof.

PRIMUS TELECOMMUNICATIONS GROUP,
INCORPORATED

Date: July 31, 1996

By: /S/ K. PAUL SINGH

K. Paul Singh
President, Chief Executive Officer

Attest:

Secretary

EXHIBIT I

EXERCISE AGREEMENT

To: PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

The undersigned, pursuant to the provisions set forth in the attached Warrant (Certificate No. PW-___), hereby agrees to exercise the Warrant as to _____ shares of Common Stock covered by such Warrant (the "Exercise Amount") at the Exercise Price provided by such Warrant. The following methods of exercise will be used respectively for the following number of shares:

Method of Exercise -----	Warrant A Amount being exercised -----	Warrant B Amount being exercised -----
-----------------------------	----------------------------------------------	----------------------------------------------

Section 3(c)(i)		
Section 3(c)(ii)		
Section 3(c)(iii)		
Section 3(d)		

Dated: Signature -----

Address -----

EXHIBIT K

The security represented by this Certificate has not been registered under the Securities Act of 1933, as amended, or applicable state securities laws, and may not be transferred or otherwise disposed of unless it has been registered under that act or an exemption from registration is available. The transfer of such security is additionally subject to the conditions specified in the Securityholders' Agreement, dated as of July 31, 1996 (as amended and modified from time to time), between the issuer hereof and certain investors (including the initial holder hereof). The Corporation reserves the right to refuse the transfer of such security until such conditions have been fulfilled with respect to such transfer.

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

COMMON STOCK PURCHASE WARRANT

Certificate No. PW-2

FOR VALUE RECEIVED, Primus Telecommunications Group, Incorporated, a Delaware corporation (the "Corporation"), hereby grants to S-C

Phoenix Holdings, L.L.C. or its registered assigns (the "Registered Holder" or

"Holder") this warrant (the "Warrant") to purchase, in accordance with the terms

set forth herein, shares of the Corporation's Common Stock, par value \$.01 per share (the "Common Stock"). This Warrant is issued pursuant to the Securities

Purchase Agreement, dated as of the date hereof (the "Purchase Agreement"),

between, among others, the Corporation and the Holder. Each capitalized term used in this Warrant which is defined in the Purchase Agreement but not otherwise defined herein has the meaning given such term in the Purchase Agreement.

This Warrant is subject to the following provisions:

Section 1. Warrant Terms.

(a) The Warrant is for the purchase of:

(1) 30,000 shares of Common Stock (the "Warrant A Amount") at a price equal to the Warrant A Exercise Price. The "Warrant A Exercise Price" shall be \$.01 per share; and

(2) shares of Common Stock (the "Warrant B Amount") totalling (A) that number of shares having a Market Price of

\$3,000,000 at the time of exercise of this Warrant with respect to the Warrant B Amount and (B) either, at the Holder's option, (x) 25,714 shares (the "Warrant B Fixed Share Amount") or (y)

23.483366 shares of Common Stock (the "Warrant B Variable Share Amount") times the number of days from and including the date

hereof until and including the date of exercise of this Warrant with respect to the Warrant B Amount. If the Holder elects to receive the Warrant B Variable Share Amount as part of its

exercise of this Warrant with respect to the Warrant B Amount, then the exercise price (the "Warrant B Exercise Price") to be

paid by the Holder to the Corporation shall be \$.01 per share of the applicable Warrant B Amount. If the Holder elects to receive the Warrant B Fixed Share Amount as part of its exercise of this Warrant with respect to the Warrant B Amount, then the Warrant B Exercise Price to be paid by the Holder to the Corporation shall be the greater of (A) an amount equal to \$.01 per share multiplied by the number of shares comprising the Warrant B Amount and (B) an amount (the "Warrant B Alternative Exercise Price") equal to \$657.53 multiplied by the number of days

remaining from and after the date of exercise of this Warrant with respect to the Warrant B Amount until and including the third anniversary of the date hereof (the "Expiration Date").

Section 2. Anti-dilution Provisions. In order to prevent dilution

of the purchase rights granted under Section 1 of this Warrant, the Warrant A Amount, the Warrant B Fixed Share Amount and the Warrant B Variable Share Amount shall be subject to adjustment from time to time pursuant to this Section 2. For the avoidance of doubt and notwithstanding anything contained in this Section 2 to the contrary, in no event shall the Warrant B Exercise Price be reduced to an amount less than \$.01 per share.

(a) Subdivision or Combination of Common Stock. If the

Corporation at any time subdivides or combines (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock or makes a distribution on its Common Stock in shares of its stock other than Common Stock, then the number and kind of shares of capital stock of the Corporation issuable upon exercise of this Warrant (as in effect immediately prior to such action) shall be adjusted so, and provisions shall be made to insure, that the Holder may receive, upon exercise of this Warrant, the aggregate number and kind of shares of capital stock of the Corporation which such Holder would have received immediately following such action if this Warrant had been exercised immediately prior to such action.

(b) Reorganization, Reclassification, Consolidation, Merger or

Sale. Any recapitalization, reorganization, reclassification, consolidation, merger, sale of all or substantially all of the Corporation's assets or other transaction, in each case which is effected in such a manner that the holders of Common Stock are entitled to receive (either directly or upon subsequent liquidation) stock, securities or assets with respect to or in exchange for Common Stock, is referred to herein as an "Organic Change." Prior to the

consummation of any Organic Change, the Corporation shall make appropriate provisions (in form and substance reasonably satisfactory to the Holder) to insure that the Holder shall thereafter have the right to acquire and receive, in lieu of or in addition to (as the case may be) the shares of Common Stock immediately theretofore acquirable and receivable upon the exercise of this Warrant, such shares of stock, securities or assets as such Holder would have received in connection with such Organic Change if such Holder had exercised this Warrant immediately prior to such Organic Change. In each such case, the Corporation shall also make appropriate provisions (in form and substance reasonably satisfactory to the Holder) to insure that the provisions of this Section 2 shall thereafter be applicable to this Warrant. The Corporation shall not effect any such Organic Change unless prior to the consummation thereof, the successor entity (if other than the Corporation) resulting from any such Organic Change or the entity purchasing such assets assumes by written instrument (in form and substance reasonably satisfactory to the Holder), the obligation to deliver to the Holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, the Holder may be entitled to acquire. Notwithstanding the above provisions of this paragraph (b), the successor entity (if other than the Corporation) resulting from any such Organic Change or the entity purchasing such assets (the "Acquiring Entity") may require that this

Warrant be fully exercised as of the date of the consummation of such Organic Change with the Holder having full rights to receive the consideration offered to the other securityholders of the Corporation on the basis of such fully exercised amount as of such date; provided, that if, as a result of such

acceleration of exercise the Holder would have short swing profits under Section 16 of the Securities Exchange Act of 1934, as amended, such acceleration of exercise shall be postponed until such liability of the Holder no longer exists.

(c) Certain Events. The Corporation shall not take any action(s)

as a result of which the Holder would be required to pay an aggregate Exercise Price greater than the aggregate Exercise Price which such Holder would have had to pay immediately prior to such action(s).

(d) Notices. Immediately upon any adjustment required pursuant to

the terms of this Section 2, the Corporation shall give written notice thereof to the Holder, setting forth in reasonable detail and certifying the calculation of such adjustment. The Corporation shall give written notice to the Holder at least 20 days prior to the date on which the Corporation closes its books or establishes a record date (A) with respect to any dividend or distribution upon Common Stock or (B) for determining rights to vote with respect to any Organic Change, dissolution or liquidation.

(e) Definitions.

"Business Day" means any day other than a Saturday, Sunday or

other day on which banking institutions are authorized or required by law or executive order to close in New York, New York.

"Exercise Price" means the Warrant A Exercise Price and the

Warrant B Exercise Price, or the Warrant B Alternative Exercise Price, as the case may be.

"Market Price" means the volume-weighted average sales price per

share of Common Stock as reported by Bloomberg Information Systems, Inc. during a period of 21 days consisting of the day as of which "Market Price" is being determined and the 20 consecutive Business Days prior to such day. If at any time shares of the Common Stock are not listed on any securities exchange or quoted in the NASDAQ System or the over-the-counter market, the "Market Price" shall be the fair value thereof determined by an investment bank mutually agreed between the parties. If such parties are unable to reach agreement within a reasonable period of time, each party will choose and bear the expense of an investment bank to value the shares of Common Stock and the average of the two valuations shall be the value.

"Qualified Public Offering" means an underwritten public offering

of Common Stock pursuant to an effective Registration Statement under the Securities Act of 1933, as then in effect or any comparable statement under any similar federal statute then in force or effect, pursuant to which at least 1,000,000 shares of Common Stock are sold at a price per share of at least \$35 (before underwriting commissions).

Section 3. Expiration of Warrant; Exercise of Warrant.

(a) If a Qualified Public Offering has not occurred prior to the first anniversary of the date hereof (the "First Anniversary"), the portion of

this Warrant with respect to the Warrant B Amount only shall be automatically exercised in full; provided, that, with respect to such automatic exercise, the Holder has the right to elect to receive either the Warrant B Fixed Share Amount or the Warrant B Variable Share Amount in accordance with Section 1(a)(2).

(b) Subject to paragraph (a) above, the Holder shall have the right to (A) exercise all or any portion of this Warrant with respect to the Warrant A Amount at any time and from time to time on or prior to the Expiration Date and (B) exercise all but not less than all of this Warrant with respect to the Warrant B Amount at any time during the period commencing on the First Anniversary and ending on the Expiration Date.

(c) Subject to paragraph (b) above, the Holder shall have the right to exercise this Warrant with respect to (A) the Warrant A Amount and (B) the Warrant B Amount (only to the extent that the Warrant B Exercise Price paid by the Holder is not the Warrant B Alternative Exercise Price), in any and all such cases, by surrendering at the principal office of the Corporation this Warrant and a completed Exercise Agreement (in the form of Exhibit I hereto)

and:

(i) paying the applicable Exercise Price by check or wire transfer to an account designated by the Corporation as to the number of shares of Common Stock as to which the Warrant is being exercised (the "Exercise Amount") and receiving in exchange therefor the number of shares of Common Stock equal to the Exercise Amount;

(ii) receiving in exchange therefor the number of shares equal to the product of the Exercise Amount multiplied by a fraction, the numerator of which is the Market Price less the applicable Exercise Price and the denominator of which is such Market Price; and/or

(iii) surrendering shares of Common Stock of the Corporation (valued at the Market Price) equal to the applicable Exercise Price and receiving in exchange therefor the number of shares of Common Stock equal to the Exercise Amount.

(d) Subject to paragraph (b) above, the Holder shall have the right to exercise this Warrant with respect to the Warrant B Amount (to the extent that the Warrant B Exercise Price paid by the Holder is the Warrant B Alternative Exercise Price) by surrendering at the principal office of the Corporation this Warrant and a completed Exercise Agreement (in the form of Exhibit I hereto) and by paying the Warrant B Alternative Exercise Price by check or wire transfer to an account designated by the Corporation as to the Exercise Amount and receiving in exchange therefor the number of shares of Common Stock equal to the Exercise Amount.

(e) A Holder may use one or more of the methods of exercise outlined in Section 3(c) when exercising this Warrant so long as the completed Exercise Agreement accurately states which method or methods such Holder intends to use and the number of shares as to which each such method will be used.

(f) Certificates for shares of Common Stock acquired through exercise of this Warrant shall be delivered by the Corporation to the Holder within five (5) Business Days after receipt by the Corporation of the items required by Sections 3(c) and 3(d) for the respective method or methods of exercise. Unless this Warrant has expired or all of the purchase rights represented hereby have been exercised, the Corporation shall prepare a new warrant substantially identical hereto, representing the rights formerly represented by this Warrant which have not expired or been exercised and shall, within such five-day period, deliver such new Warrant to the Holder.

(g) The Common Stock issuable upon exercise of this Warrant shall be deemed to have been issued to the Holder on the date on which the Corporation receives the completed Exercise Agreement and payment of the Exercise Price, if any, and such Holder shall be deemed for all purposes to have become the record holder of such Common Stock on such date.

(h) The issuance of certificates for shares of Common Stock upon exercise of this Warrant shall be made without charge to the Holder for any issuance tax in respect thereof or other cost incurred by the Corporation in connection with such exercise and the related issuance of shares of Common Stock.

(i) The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of issuance upon exercise of this Warrant, such number of shares of Common Stock as are issuable upon exercise of this Warrant. All such shares of Common Stock shall, when issued, be duly and validly issued, fully paid and nonassessable and free from all taxes, liens and charges. The Corporation shall take all such actions as may be necessary to assure that all such shares of Common Stock may be so issued without violation of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon which shares of Common Stock may be listed (except for official notice of issuance which shall be immediately delivered by the Corporation upon each such issuance). In addition, prior to the issuance of any Common Stock upon an exercise of this Warrant, the Corporation shall at its expense use its reasonable best efforts to procure the listing of such Common Stock which shall be issued upon exercise of this Warrant as then may be required on all stock exchanges or interdealer quotation systems on which the Common Stock is then listed and shall maintain such listing if and so long as any shares of the Common Stock shall be listed on such stock exchanges or interdealer quotation systems.

(j) The Corporation shall not be required to issue fractional shares of Common Stock on the exercise of this Warrant. In the event that the number of shares of Common Stock calculated pursuant to Section 1 above results in a fraction, such number shall be rounded down to the nearest whole number. Notwithstanding the above, fractional shares shall be issued to the extent that not to do so would result in a material diminution in the aggregate value of the shares of Common Stock to be received by the Holder in the absence of the issuance of such fractional shares.

Section 4. Certain Distributions. If, from the date hereof to and

including the First Anniversary, the Corporation makes any dividend or other distribution on its shares of Common Stock or establishes a record date in respect of any such dividend or distribution (other than a dividend or distribution covered by Section 2(a) or Section 2(b)), the Holder shall be entitled to receive, upon exercise of this Warrant, that amount of such dividend or other distribution which such Holder would have received if this Warrant had been exercised immediately prior to such record date or dividend or other distribution, as applicable, and the Corporation shall take all necessary action to ensure that such amounts are available to be so distributed.

Section 5. Warrant Transferable. Subject to the transfer

conditions referred to in the legend endorsed hereon, this Warrant and all rights hereunder are transferable, in whole or in part, without charge to the

Holder, upon surrender of this Warrant with a properly executed Assignment (in the form of Exhibit II hereto) at the principal office of the Corporation.

Section 6. Warrant Exchangeable for Different Denominations. This

Warrant is exchangeable, upon the surrender hereof by the Holder at the principal office of the Corporation, for new Warrants ("New Warrants"),

substantially identical hereto, representing in the aggregate the rights formerly represented by this Warrant, and each of such New Warrants shall represent such portion of such rights as is designated by the Holder at the time of such surrender. The date the Corporation initially issues this Warrant shall be the date of issuance of such New Warrants regardless of the number of times new certificates representing the unexpired and unexercised rights formerly represented by this Warrant shall be issued.

Section 7. Replacement. Upon receipt of an affidavit of the

Holder as to the ownership and the loss, theft, destruction or mutilation of any certificate evidencing this Warrant, and in the case of any such loss, theft or destruction, upon receipt of indemnity provided by the Holder, or, in the case of any such mutilation upon surrender of such certificate, the Corporation shall (at its expense) execute and deliver in lieu of such certificate a new certificate, substantially identical hereto, representing the rights represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

Section 8. Successors and Assigns. This instrument is intended to

bind and inure to the benefit of and be enforceable by the Holder and its respective heirs, successors and assigns.

Section 9. Amendment and Waiver. Except as otherwise provided

herein, the provisions of this Warrant may be amended only if the Corporation has obtained the written consent of the Holder.

Section 10. Descriptive Headings; Governing Law. The descriptive

headings of this Warrant are inserted for convenience only and do not constitute a part of this Warrant. The laws of the State of New York will govern this Agreement without giving effect to any choice of law or conflict of law provision or rule.

Section 11. Complete Agreement; Severability. Except as otherwise

expressly set forth herein, this Warrant, the Purchase Agreement and any other agreement executed by the parties and contemplated by the Purchase Agreement embodies the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way. Whenever possible, each provision of this Warrant will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant is held to be invalid, illegal or unenforceable in any respect

under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Warrant will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 12. Notices. Except as otherwise expressly provided herein, all notices referred to in this Warrant shall be in writing and shall be delivered personally, sent by reputable overnight courier service (charges prepaid) or sent by registered or certified mail, return receipt requested, postage prepaid and shall be deemed to have been given when so delivered, sent or deposited in the U.S. mail (i) to the Corporation, at its principal executive offices and (ii) to the Holder, at the address set forth in the Purchase Agreement with copies to such persons as are indicated therein.

* * * *

IN WITNESS WHEREOF, the Corporation has caused this Warrant to be signed and attested by its duly authorized officers and to be dated the date of issuance hereof.

PRIMUS TELECOMMUNICATIONS GROUP,
INCORPORATED

Date: July 31, 1996

By: /S/ K. PAUL SINGH

K. Paul Singh
President, Chief Executive Officer

Attest:

Secretary

EXHIBIT L

The security represented by this Certificate has not been registered under the Securities Act of 1933, as amended, or applicable state securities laws, and may not be transferred or otherwise disposed of unless it has been registered under that act or an exemption from registration is available. The transfer of such security is additionally subject to the conditions specified in the Securityholders' Agreement, dated as of July 31, 1996 (as amended and modified from time to time), between the issuer hereof and certain investors (including the initial holder hereof). The Corporation reserves the right to refuse the transfer of such security until such conditions have been fulfilled with respect to such transfer.

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

COMMON STOCK PURCHASE WARRANT

Certificate No. PW-3

FOR VALUE RECEIVED, Primus Telecommunications Group, Incorporated, a Delaware corporation (the "Corporation"), hereby grants to

Winston Partners II LLC or its registered assigns (the "Registered Holder" or "Holder") this warrant (the "Warrant") to purchase, in accordance with the terms

set forth herein, shares of the Corporation's Common Stock, par value \$.01 per share (the "Common Stock"). This Warrant is issued pursuant to the Securities

Purchase Agreement, dated as of the date hereof (the "Purchase Agreement"),

between, among others, the Corporation and the Holder. Each capitalized term used in this Warrant which is defined in the Purchase Agreement but not otherwise defined herein has the meaning given such term in the Purchase Agreement.

This Warrant is subject to the following provisions:

Section 1. Warrant Terms.

(a) The Warrant is for the purchase of:

(1) 6,250 shares of Common Stock (the "Warrant A Amount") at a price equal to the Warrant A Exercise Price. The "Warrant A Exercise Price" shall be \$.01 per share; and

(2) shares of Common Stock (the "Warrant B Amount") totalling (A) that number of shares having a Market Price of

\$625,000 at the time of exercise of this Warrant with respect to the Warrant B Amount and (B) either, at the Holder's option, (x) 5,357 shares (the "Warrant B Fixed Share Amount") or (y) 4.892368

shares of Common Stock (the "Warrant B Variable Share Amount")

times the number of days from and including the date hereof until and including the date of exercise of this Warrant with respect to the Warrant B Amount. If the Holder elects to receive the Warrant B Variable Share Amount as part of its exercise of this warrant with respect to the Warrant B Amount, then the exercise

price (the "Warrant B Exercise Price") to be paid by the Holder

to the Corporation shall be \$.01 per share of the applicable Warrant B Amount. If the Holder elects to receive the Warrant B Fixed Share Amount as part of its exercise of this Warrant with respect to the Warrant B Amount, then the Warrant B Exercise Price to be paid by the Holder to the Corporation shall be the greater of (A) an amount equal to \$.01 per share multiplied by the number of shares comprising the Warrant B Amount and (B) an amount (the "Warrant B Alternative Exercise Price") equal to

\$136.99 multiplied by the number of days remaining from and after the date of exercise of this Warrant with respect to the Warrant B Amount until and including the third anniversary of the date hereof (the "Expiration Date").

Section 2. Anti-dilution Provisions. In order to prevent dilution

of the purchase rights granted under Section 1 of this Warrant, the Warrant A Amount, the Warrant B Fixed Share Amount and the Warrant B Variable Share Amount shall be subject to adjustment from time to time pursuant to this Section 2. For the avoidance of doubt and notwithstanding anything contained in this Section 2 to the contrary, in no event shall the Warrant B Exercise Price be reduced to an amount less than \$.01 per share.

(a) Subdivision or Combination of Common Stock. If the

Corporation at any time subdivides or combines (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock or makes a distribution on its Common Stock in shares of its stock other than Common Stock, then the number and kind of shares of capital stock of the Corporation issuable upon exercise of this Warrant (as in effect immediately prior to such action) shall be adjusted so, and provisions shall be made to insure, that the Holder may receive, upon exercise of this Warrant, the aggregate number and kind of shares of capital stock of the Corporation which such Holder would have received immediately following such action if this Warrant had been exercised immediately prior to such action.

(b) Reorganization, Reclassification, Consolidation, Merger or

Sale. Any recapitalization, reorganization, reclassification, consolidation, merger, sale of all or substantially all of the Corporation's assets or other transaction, in each case which is effected in such a manner that the holders of Common Stock are entitled to receive (either directly or upon subsequent liquidation) stock, securities or assets with respect to or in exchange for Common Stock, is referred to herein as an "Organic Change." Prior to the

consummation of any Organic Change, the Corporation shall make appropriate provisions (in form and substance reasonably satisfactory to the Holder) to insure that the Holder shall thereafter have the right to acquire and receive, in lieu of or in addition to (as the case may be) the shares of Common Stock immediately theretofore acquirable and receivable upon the exercise of this Warrant, such shares of stock, securities or assets as such Holder would have received in connection with such Organic Change if such Holder had exercised this Warrant immediately prior to such Organic Change. In each such case, the Corporation shall also make appropriate provisions (in form and substance reasonably satisfactory to the Holder) to insure that the provisions of this Section 2 shall thereafter be applicable to this Warrant. The Corporation shall not effect any such Organic Change unless prior to the consummation thereof, the successor entity (if other than the Corporation) resulting from any such Organic Change or the entity purchasing such assets assumes by written instrument (in form and substance reasonably satisfactory to the Holder), the obligation to deliver to the Holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, the Holder may be entitled to acquire. Notwithstanding the above provisions of this paragraph (b), the successor entity (if other than the Corporation) resulting from any such Organic Change or the entity purchasing such assets (the "Acquiring Entity") may require that this

Warrant be fully exercised as of the date of the consummation of such Organic Change with the Holder having full rights to receive the consideration offered to the other securityholders of the Corporation on the basis of such fully exercised amount as of such date; provided, that if, as a result of such

acceleration of exercise the Holder would have short swing profits under Section 16 of the Securities Exchange Act of 1934, as amended, such acceleration of exercise shall be postponed until such liability of the Holder no longer exists.

(c) Certain Events. The Corporation shall not take any action(s)

as a result of which the Holder would be required to pay an aggregate Exercise Price greater than the aggregate Exercise Price which such Holder would have had to pay immediately prior to such action(s).

(d) Notices. Immediately upon any adjustment required pursuant to

the terms of this Section 2, the Corporation shall give written notice thereof to the Holder, setting forth in reasonable detail and certifying the calculation of such adjustment. The Corporation shall give written notice to the Holder at least 20 days prior to the date on which the Corporation closes its books or establishes a record date (A) with respect to any dividend or distribution upon Common Stock or (B) for determining rights to vote with respect to any Organic Change, dissolution or liquidation.

(e) Definitions.

"Business Day" means any day other than a Saturday, Sunday or

other day on which banking institutions are authorized or required by law or executive order to close in New York, New York.

"Exercise Price" means the Warrant A Exercise Price and the

Warrant B Exercise Price, or the Warrant B Alternative Exercise Price, as the case may be.

"Market Price" means the volume-weighted average sales price per

share of Common Stock as reported by Bloomberg Information Systems, Inc. during a period of 21 days consisting of the day as of which "Market Price" is being determined and the 20 consecutive Business Days prior to such day. If at any time shares of the Common Stock are not listed on any securities exchange or quoted in the NASDAQ System or the over-the-counter market, the "Market Price" shall be the fair value thereof determined by an investment bank mutually agreed between the parties. If such parties are unable to reach agreement within a reasonable period of time, each party will choose and bear the expense of an investment bank to value the shares of Common Stock and the average of the two valuations shall be the value.

"Qualified Public Offering" means an underwritten public offering

of Common Stock pursuant to an effective Registration Statement under the Securities Act of 1933, as then in effect or any comparable statement under any similar federal statute then in force or effect, pursuant to which at least 1,000,000 shares of Common Stock are sold at a price per share of at least \$35 (before underwriting commissions).

Section 3. Expiration of Warrant; Exercise of Warrant.

(a) If a Qualified Public Offering has not occurred prior to the first anniversary of the date hereof (the "First Anniversary"), the portion of

this Warrant with respect to the Warrant B Amount only shall be automatically exercised in full; provided, that, with respect to such automatic exercise, the

Holder has the right to elect to receive either the Warrant B Fixed Share Amount or the Warrant B Variable Share Amount in accordance with Section 1(a)(2).

(b) Subject to paragraph (a) above, the Holder shall have the right to (A) exercise all or any portion of this Warrant with respect to the Warrant A Amount at any time and from time to time on or prior to the Expiration Date and (B) exercise all but not less than all of this Warrant with respect to the Warrant B Amount at any time during the period commencing on the First Anniversary and ending on the Expiration Date.

(c) Subject to paragraph (b) above, the Holder shall have the right to exercise this Warrant with respect to (A) the Warrant A Amount and (B) the Warrant B Amount (only to the extent that the Warrant B Exercise Price paid by the Holder is not the Warrant B Alternative Exercise Price), in any and all such cases, by surrendering at the principal office of the Corporation this

Warrant and a completed Exercise Agreement (in the form of Exhibit I hereto) and:

(i) paying the applicable Exercise Price by check or wire transfer to an account designated by the Corporation as to the number of shares of Common Stock as to which the Warrant is being exercised (the "Exercise Amount") and receiving in exchange therefor the number of shares of Common Stock equal to the Exercise Amount;

(ii) receiving in exchange therefor the number of shares equal to the product of the Exercise Amount multiplied by a fraction, the numerator of which is the Market Price less the applicable Exercise Price and the denominator of which is such Market Price; and/or

(iii) surrendering shares of Common Stock of the Corporation (valued at the Market Price) equal to the applicable Exercise Price and receiving in exchange therefor the number of shares of Common Stock equal to the Exercise Amount.

(d) Subject to paragraph (b) above, the Holder shall have the right to exercise this Warrant with respect to the Warrant B Amount (to the extent that the Warrant B Exercise Price paid by the Holder is the Warrant B Alternative Exercise Price) by surrendering at the principal office of the Corporation this Warrant and a completed Exercise Agreement (in the form of Exhibit I hereto) and by paying the Warrant B Alternative Exercise Price by check or wire transfer to an account designated by the Corporation as to the Exercise Amount and receiving in exchange therefor the number of shares of Common Stock equal to the Exercise Amount.

(e) A Holder may use one or more of the methods of exercise outlined in Section 3(c) when exercising this Warrant so long as the completed Exercise Agreement accurately states which method or methods such Holder intends to use and the number of shares as to which each such method will be used.

(f) Certificates for shares of Common Stock acquired through exercise of this Warrant shall be delivered by the Corporation to the Holder within five (5) Business Days after receipt by the Corporation of the items required by Sections 3(c) and 3(d) for the respective method or methods of exercise. Unless this Warrant has expired or all of the purchase rights represented hereby have been exercised, the Corporation shall prepare a new warrant substantially identical hereto, representing the rights formerly represented by this Warrant which have not expired or been exercised and shall, within such five-day period, deliver such new Warrant to the Holder.

(g) The Common Stock issuable upon exercise of this Warrant shall be deemed to have been issued to the Holder on the date on which the Corporation

receives the completed Exercise Agreement and payment of the Exercise Price, if any, and such Holder shall be deemed for all purposes to have become the record holder of such Common Stock on such date.

(h) The issuance of certificates for shares of Common Stock upon exercise of this Warrant shall be made without charge to the Holder for any issuance tax in respect thereof or other cost incurred by the Corporation in connection with such exercise and the related issuance of shares of Common Stock.

(i) The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of issuance upon exercise of this Warrant, such number of shares of Common Stock as are issuable upon exercise of this Warrant. All such shares of Common Stock shall, when issued, be duly and validly issued, fully paid and nonassessable and free from all taxes, liens and charges. The Corporation shall take all such actions as may be necessary to assure that all such shares of Common Stock may be so issued without violation of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon which shares of Common Stock may be listed (except for official notice of issuance which shall be immediately delivered by the Corporation upon each such issuance). In addition, prior to the issuance of any Common Stock upon an exercise of this Warrant, the Corporation shall at its expense use its reasonable best efforts to procure the listing of such Common Stock which shall be issued upon exercise of this Warrant as then may be required on all stock exchanges or interdealer quotation systems on which the Common Stock is then listed and shall maintain such listing if and so long as any shares of the Common Stock shall be listed on such stock exchanges or interdealer quotation systems.

(j) The Corporation shall not be required to issue fractional shares of Common Stock on the exercise of this Warrant. In the event that the number of shares of Common Stock calculated pursuant to Section 1 above results in a fraction, such number shall be rounded down to the nearest whole number. Notwithstanding the above, fractional shares shall be issued to the extent that not to do so would result in a material diminution in the aggregate value of the shares of Common Stock to be received by the Holder in the absence of the issuance of such fractional shares.

Section 4. Certain Distributions. If, from the date hereof to and

including the First Anniversary, the Corporation makes any dividend or other distribution on its shares of Common Stock or establishes a record date in respect of any such dividend or distribution (other than a dividend or distribution covered by Section 2(a) or Section 2(b)), the Holder shall be entitled to receive, upon exercise of this Warrant, that amount of such dividend or other distribution which such Holder would have received if this Warrant had been exercised immediately prior to such record date or dividend or other distribution, as applicable, and the Corporation shall take all necessary action to ensure that such amounts are available to be so distributed.

Section 5. Warrant Transferable. Subject to the transfer

conditions referred to in the legend endorsed hereon, this Warrant and all rights hereunder are transferable, in whole or in part, without charge to the Holder, upon surrender of this Warrant with a properly executed Assignment (in the form of Exhibit II hereto) at the principal office of the Corporation.

Section 6. Warrant Exchangeable for Different Denominations. This

Warrant is exchangeable, upon the surrender hereof by the Holder at the principal office of the Corporation, for new Warrants ("New Warrants"),

substantially identical hereto, representing in the aggregate the rights formerly represented by this Warrant, and each of such New Warrants shall represent such portion of such rights as is designated by the Holder at the time of such surrender. The date the Corporation initially issues this Warrant shall be the date of issuance of such New Warrants regardless of the number of times new certificates representing the unexpired and unexercised rights formerly represented by this Warrant shall be issued.

Section 7. Replacement. Upon receipt of an affidavit of the

Holder as to the ownership and the loss, theft, destruction or mutilation of any certificate evidencing this Warrant, and in the case of any such loss, theft or destruction, upon receipt of indemnity provided by the Holder, or, in the case of any such mutilation upon surrender of such certificate, the Corporation shall (at its expense) execute and deliver in lieu of such certificate a new certificate, substantially identical hereto, representing the rights represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

Section 8. Successors and Assigns. This instrument is intended to

bind and inure to the benefit of and be enforceable by the Holder and its respective heirs, successors and assigns.

Section 9. Amendment and Waiver. Except as otherwise provided

herein, the provisions of this Warrant may be amended only if the Corporation has obtained the written consent of the Holder.

Section 10. Descriptive Headings; Governing Law. The descriptive

headings of this Warrant are inserted for convenience only and do not constitute a part of this Warrant. The laws of the State of New York will govern this Agreement without giving effect to any choice of law or conflict of law provision or rule.

Section 11. Complete Agreement; Severability. Except as otherwise

expressly set forth herein, this Warrant, the Purchase Agreement and any other agreement executed by the parties and contemplated by the Purchase Agreement embodies the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way. Whenever possible, each provision of this Warrant will be interpreted in such

manner as to be effective and valid under applicable law, but if any provision of this Warrant is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Warrant will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 12. Notices. Except as otherwise expressly provided

herein, all notices referred to in this Warrant shall be in writing and shall be delivered personally, sent by reputable overnight courier service (charges prepaid) or sent by registered or certified mail, return receipt requested, postage prepaid and shall be deemed to have been given when so delivered, sent or deposited in the U.S. mail (i) to the Corporation, at its principal executive offices and (ii) to the Holder, at the address set forth in the Purchase Agreement with copies to such persons as are indicated therein.

* * * *

IN WITNESS WHEREOF, the Corporation has caused this Warrant to be signed and attested by its duly authorized officers and to be dated the date of issuance hereof.

PRIMUS TELECOMMUNICATIONS GROUP,
INCORPORATED

Date: July 31, 1996

By: /S/ K. PAUL SINGH

K. Paul Singh
President, Chief Executive Officer

Attest:

Secretary

EXHIBIT I

EXERCISE AGREEMENT

To: PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

The undersigned, pursuant to the provisions set forth in the attached Warrant (Certificate No. PW-___), hereby agrees to exercise the Warrant as to _____ shares of Common Stock covered by such Warrant (the "Exercise Amount") at the Exercise Price provided by such Warrant. The following methods of exercise will be used respectively for the following number of shares:

Method of Exercise	Warrant A Amount being exercised	Warrant B Amount being exercised
--------------------	-------------------------------------	-------------------------------------

Section 3(c)(i)		
Section 3(c)(ii)		
Section 3(c)(iii)		
Section 3(d)		

Dated: Signature -----

Address -----

EXHIBIT II

ASSIGNMENT

FOR VALUE RECEIVED, _____ hereby
sells, assigns and transfers all of the rights of the undersigned under the
attached Warrant (Certificate No. PW-__) with respect to the number of shares of
the Common Stock covered thereby set forth below, unto:

Names of Assignee	Address	No. of Shares
-----	-----	-----

Dated: _____

Signature _____

Address _____

Witness _____

EXHIBIT M

The security represented by this Certificate has not been registered under the Securities Act of 1933, as amended, or applicable state securities laws, and may not be transferred or otherwise disposed of unless it has been registered under that act or an exemption from registration is available. The transfer of such security is additionally subject to the conditions specified in the Securityholders' Agreement, dated as of July 31, 1996 (as amended and modified from time to time), between the issuer hereof and certain investors (including the initial holder hereof). The Corporation reserves the right to refuse the transfer of such security until such conditions have been fulfilled with respect to such transfer.

PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

COMMON STOCK PURCHASE WARRANT

Certificate No. PW-4

FOR VALUE RECEIVED, Primus Telecommunications Group, Incorporated, a Delaware corporation (the "Corporation"), hereby grants to

Winston Partners II LDC or its registered assigns (the "Registered Holder" or "Holder") this warrant (the "Warrant") to purchase, in accordance with the terms

set forth herein, shares of the Corporation's Common Stock, par value \$.01 per share (the "Common Stock"). This Warrant is issued pursuant to the Securities

Purchase Agreement, dated as of the date hereof (the "Purchase Agreement"),

between, among others, the Corporation and the Holder. Each capitalized term used in this Warrant which is defined in the Purchase Agreement but not otherwise defined herein has the meaning given such term in the Purchase Agreement.

This Warrant is subject to the following provisions:

Section 1. Warrant Terms.

(a) The Warrant is for the purchase of:

(1) 13,750 shares of Common Stock (the "Warrant A Amount") at a price equal to the Warrant A Exercise Price. The "Warrant A Exercise Price" shall be \$.01 per share; and

(2) shares of Common Stock (the "Warrant B Amount") totalling (A) that number of shares having a Market Price of

\$1,375,000 at the time of exercise of this Warrant with respect to the Warrant B Amount and (B) either, at the Holder's option, (x) 10,714 shares (the "Warrant B Fixed Share Amount") or (y)

10.763209 shares of Common Stock (the "Warrant B Variable Share Amount") times the number of days from and including the date

hereof until and including the date of exercise of this Warrant with respect to the Warrant B Amount. If the Holder elects to receive the Warrant B Variable Share Amount as part of its exercise of this Warrant with respect to the Warrant B Amount, then the exercise price (the "Warrant B Exercise Price") to be

paid by the Holder to the Corporation shall be \$.01 per share of the applicable Warrant B Amount. If the Holder elects to receive the Warrant B Fixed Share Amount as part of its exercise of this Warrant with respect to the Warrant B Amount, then the Warrant B Exercise Price to be paid by the Holder to the Corporation shall be the greater of (A) an amount equal to \$.01 per share multiplied by the number of shares comprising the Warrant B Amount and (B) an amount (the "Warrant B Alternative Exercise

Price") equal to \$301.37 multiplied by the number of days

remaining from and after the date of exercise of this Warrant with respect to the Warrant B Amount until and including the third anniversary of the date hereof (the "Expiration Date").

Section 2. Anti-dilution Provisions. In order to prevent dilution

of the purchase rights granted under Section 1 of this Warrant, the Warrant A Amount, the Warrant B Fixed Share Amount and the Warrant B Variable Share Amount shall be subject to adjustment from time to time pursuant to this Section 2. For the avoidance of doubt and notwithstanding anything contained in this Section 2 to the contrary, in no event shall the Warrant B Exercise Price be reduced to an amount less than \$.01 per share.

(a) Subdivision or Combination of Common Stock. If the

Corporation at any time subdivides or combines (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock or makes a distribution on its Common Stock in shares of its stock other than Common Stock, then the number and kind of shares of capital stock of the Corporation issuable upon exercise of this Warrant (as in effect immediately prior to such action) shall be adjusted so, and provisions shall be made to insure, that the Holder may receive, upon exercise of this Warrant, the aggregate number and kind of shares of capital stock of the Corporation which such Holder would have received immediately following such action if this Warrant had been exercised immediately prior to such action.

(b) Reorganization, Reclassification, Consolidation, Merger or

Sale. Any recapitalization, reorganization, reclassification, consolidation, merger, sale of all or substantially all of the Corporation's assets or other transaction, in each case which is effected in such a manner that the holders of Common Stock are entitled to receive (either directly or upon subsequent liquidation) stock, securities or assets with respect to or in exchange for Common Stock, is referred to herein as an "Organic Change." Prior to the

consummation of any Organic Change, the Corporation shall make appropriate provisions (in form and substance reasonably satisfactory to the Holder) to insure that the Holder shall thereafter have the right to acquire and receive, in lieu of or in addition to (as the case may be) the shares of Common Stock immediately theretofore acquirable and receivable upon the exercise of this Warrant, such shares of stock, securities or assets as such Holder would have received in connection with such Organic Change if such Holder had exercised this Warrant immediately prior to such Organic Change. In each such case, the Corporation shall also make appropriate provisions (in form and substance reasonably satisfactory to the Holder) to insure that the provisions of this Section 2 shall thereafter be applicable to this Warrant. The Corporation shall not effect any such Organic Change unless prior to the consummation thereof, the successor entity (if other than the Corporation) resulting from any such Organic Change or the entity purchasing such assets assumes by written instrument (in form and substance reasonably satisfactory to the Holder), the obligation to deliver to the Holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, the Holder may be entitled to acquire. Notwithstanding the above provisions of this paragraph (b), the successor entity (if other than the Corporation) resulting from any such Organic Change or the entity purchasing such assets (the "Acquiring Entity") may require that this

Warrant be fully exercised as of the date of the consummation of such Organic Change with the Holder having full rights to receive the consideration offered to the other securityholders of the Corporation on the basis of such fully exercised amount as of such date; provided, that if, as a result of such

acceleration of exercise the Holder would have short swing profits under Section 16 of the Securities Exchange Act of 1934, as amended, such acceleration of exercise shall be postponed until such liability of the Holder no longer exists.

(c) Certain Events. The Corporation shall not take any action(s)

as a result of which the Holder would be required to pay an aggregate Exercise Price greater than the aggregate Exercise Price which such Holder would have had to pay immediately prior to such action(s).

(d) Notices. Immediately upon any adjustment required pursuant to

the terms of this Section 2, the Corporation shall give written notice thereof to the Holder, setting forth in reasonable detail and certifying the calculation of such adjustment. The Corporation shall give written notice to the Holder at least 20 days prior to the date on which the Corporation closes its books or establishes a record date (A) with respect to any dividend or distribution upon Common Stock or (B) for determining rights to vote with respect to any Organic Change, dissolution or liquidation.

(e) Definitions.

"Business Day" means any day other than a Saturday, Sunday or

other day on which banking institutions are authorized or required by law or executive order to close in New York, New York.

"Exercise Price" means the Warrant A Exercise Price and the

Warrant B Exercise Price, or the Warrant B Alternative Exercise Price, as the case may be.

"Market Price" means the volume-weighted average sales price per

share of Common Stock as reported by Bloomberg Information Systems, Inc. during a period of 21 days consisting of the day as of which "Market Price" is being determined and the 20 consecutive Business Days prior to such day. If at any time shares of the Common Stock are not listed on any securities exchange or quoted in the NASDAQ System or the over-the-counter market, the "Market Price" shall be the fair value thereof determined by an investment bank mutually agreed between the parties. If such parties are unable to reach agreement within a reasonable period of time, each party will choose and bear the expense of an investment bank to value the shares of Common Stock and the average of the two valuations shall be the value.

"Qualified Public Offering" means an underwritten public offering

of Common Stock pursuant to an effective Registration Statement under the Securities Act of 1933, as then in effect or any comparable statement under any similar federal statute then in force or effect, pursuant to which at least 1,000,000 shares of Common Stock are sold at a price per share of at least \$35 (before underwriting commissions).

Section 3. Expiration of Warrant; Exercise of Warrant.

(a) If a Qualified Public Offering has not occurred prior to the first anniversary of the date hereof (the "First Anniversary"), the portion of

this Warrant with respect to the Warrant B Amount only shall be automatically exercised in full; provided, that, with respect to such automatic exercise, the Holder has the right to elect to receive either the Warrant B Fixed Share Amount or the Warrant B Variable Share Amount in accordance with Section 1(a)(2).

(b) Subject to paragraph (a) above, the Holder shall have the right to (A) exercise all or any portion of this Warrant with respect to the Warrant A Amount at any time and from time to time on or prior to the Expiration Date and (B) exercise all but not less than all of this Warrant with respect to the Warrant B Amount at any time during the period commencing on the First Anniversary and ending on the Expiration Date.

(c) Subject to paragraph (b) above, the Holder shall have the right to exercise this Warrant with respect to (A) the Warrant A Amount and (B) the Warrant B Amount (only to the extent that the Warrant B Exercise Price paid by the Holder is not the Warrant B Alternative Exercise Price), in any and all such cases, by surrendering at the principal office of the Corporation this Warrant and a completed Exercise Agreement (in the form of Exhibit I hereto)

and:

(i) paying the applicable Exercise Price by check or wire transfer to an account designated by the Corporation as to the number of shares of Common Stock as to which the Warrant is being exercised (the "Exercise Amount") and receiving in exchange therefor the number of shares of Common Stock equal to the Exercise Amount;

(ii) receiving in exchange therefor the number of shares equal to the product of the Exercise Amount multiplied by a fraction, the numerator of which is the Market Price less the applicable Exercise Price and the denominator of which is such Market Price; and/or

(iii) surrendering shares of Common Stock of the Corporation (valued at the Market Price) equal to the applicable Exercise Price and receiving in exchange therefor the number of shares of Common Stock equal to the Exercise Amount.

(d) Subject to paragraph (b) above, the Holder shall have the right to exercise this Warrant with respect to the Warrant B Amount (to the extent that the Warrant B Exercise Price paid by the Holder is the Warrant B Alternative Exercise Price) by surrendering at the principal office of the Corporation this Warrant and a completed Exercise Agreement (in the form of Exhibit I hereto) and by paying the Warrant B Alternative Exercise Price by check or wire transfer to an account designated by the Corporation as to the Exercise Amount and receiving in exchange therefor the number of shares of Common Stock equal to the Exercise Amount.

(e) A Holder may use one or more of the methods of exercise outlined in Section 3(c) when exercising this Warrant so long as the completed Exercise Agreement accurately states which method or methods such Holder intends to use and the number of shares as to which each such method will be used.

(f) Certificates for shares of Common Stock acquired through exercise of this Warrant shall be delivered by the Corporation to the Holder within five (5) Business Days after receipt by the Corporation of the items required by Sections 3(c) and 3(d) for the respective method or methods of exercise. Unless this Warrant has expired or all of the purchase rights represented hereby have been exercised, the Corporation shall prepare a new warrant substantially identical hereto, representing the rights formerly represented by this Warrant which have not expired or been exercised and shall, within such five-day period, deliver such new Warrant to the Holder.

(g) The Common Stock issuable upon exercise of this Warrant shall be deemed to have been issued to the Holder on the date on which the Corporation receives the completed Exercise Agreement and payment of the Exercise Price, if any, and such Holder shall be deemed for all purposes to have become the record holder of such Common Stock on such date.

(h) The issuance of certificates for shares of Common Stock upon exercise of this Warrant shall be made without charge to the Holder for any issuance tax in respect thereof or other cost incurred by the Corporation in connection with such exercise and the related issuance of shares of Common Stock.

(i) The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of issuance upon exercise of this Warrant, such number of shares of Common Stock as are issuable upon exercise of this Warrant. All such shares of Common Stock shall, when issued, be duly and validly issued, fully paid and nonassessable and free from all taxes, liens and charges. The Corporation shall take all such actions as may be necessary to assure that all such shares of Common Stock may be so issued without violation of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon which shares of Common Stock may be listed (except for official notice of issuance which shall be immediately delivered by the Corporation upon each such issuance). In addition, prior to the issuance of any Common Stock upon an exercise of this Warrant, the Corporation shall at its expense use its reasonable best efforts to procure the listing of such Common Stock which shall be issued upon exercise of this Warrant as then may be required on all stock exchanges or interdealer quotation systems on which the Common Stock is then listed and shall maintain such listing if and so long as any shares of the Common Stock shall be listed on such stock exchanges or interdealer quotation systems.

(j) The Corporation shall not be required to issue fractional shares of Common Stock on the exercise of this Warrant. In the event that the number of shares of Common Stock calculated pursuant to Section 1 above results in a fraction, such number shall be rounded down to the nearest whole number. Notwithstanding the above, fractional shares shall be issued to the extent that not to do so would result in a material diminution in the aggregate value of the shares of Common Stock to be received by the Holder in the absence of the issuance of such fractional shares.

Section 4. Certain Distributions. If, from the date hereof to and

including the First Anniversary, the Corporation makes any dividend or other distribution on its shares of Common Stock or establishes a record date in respect of any such dividend or distribution (other than a dividend or distribution covered by Section 2(a) or Section 2(b)), the Holder shall be entitled to receive, upon exercise of this Warrant, that amount of such dividend or other distribution which such Holder would have received if this Warrant had been exercised immediately prior to such record date or dividend or other distribution, as applicable, and the Corporation shall take all necessary action to ensure that such amounts are available to be so distributed.

Section 5. Warrant Transferable. Subject to the transfer

conditions referred to in the legend endorsed hereon, this Warrant and all

rights hereunder are transferable, in whole or in part, without charge to the Holder, upon surrender of this Warrant with a properly executed Assignment (in the form of Exhibit II hereto) at the principal office of the Corporation.

Section 6. Warrant Exchangeable for Different Denominations. This

Warrant is exchangeable, upon the surrender hereof by the Holder at the principal office of the Corporation, for new Warrants ("New Warrants"), substantially identical hereto, representing in the aggregate the rights formerly represented by this Warrant, and each of such New Warrants shall represent such portion of such rights as is designated by the Holder at the time of such surrender. The date the Corporation initially issues this Warrant shall be the date of issuance of such New Warrants regardless of the number of times new certificates representing the unexpired and unexercised rights formerly represented by this Warrant shall be issued.

Section 7. Replacement. Upon receipt of an affidavit of the

Holder as to the ownership and the loss, theft, destruction or mutilation of any certificate evidencing this Warrant, and in the case of any such loss, theft or destruction, upon receipt of indemnity provided by the Holder, or, in the case of any such mutilation upon surrender of such certificate, the Corporation shall (at its expense) execute and deliver in lieu of such certificate a new certificate, substantially identical hereto, representing the rights represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

Section 8. Successors and Assigns. This instrument is intended to

bind and inure to the benefit of and be enforceable by the Holder and its respective heirs, successors and assigns.

Section 9. Amendment and Waiver. Except as otherwise provided

herein, the provisions of this Warrant may be amended only if the Corporation has obtained the written consent of the Holder.

Section 10. Descriptive Headings; Governing Law. The descriptive

headings of this Warrant are inserted for convenience only and do not constitute a part of this Warrant. The laws of the State of New York will govern this Agreement without giving effect to any choice of law or conflict of law provision or rule.

Section 11. Complete Agreement; Severability. Except as otherwise

expressly set forth herein, this Warrant, the Purchase Agreement and any other agreement executed by the parties and contemplated by the Purchase Agreement embodies the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way. Whenever possible, each provision of this Warrant will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant is held to be invalid, illegal or unenforceable in any respect

under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Warrant will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 12. Notices. Except as otherwise expressly provided

herein, all notices referred to in this Warrant shall be in writing and shall be delivered personally, sent by reputable overnight courier service (charges prepaid) or sent by registered or certified mail, return receipt requested, postage prepaid and shall be deemed to have been given when so delivered, sent or deposited in the U.S. mail (i) to the Corporation, at its principal executive offices and (ii) to the Holder, at the address set forth in the Purchase Agreement with copies to such persons as are indicated therein.

* * * *

IN WITNESS WHEREOF, the Corporation has caused this Warrant to be signed and attested by its duly authorized officers and to be dated the date of issuance hereof.

PRIMUS TELECOMMUNICATIONS GROUP,
INCORPORATED

Date: July 31, 1996

By: /S/ K. PAUL SINGH

K. Paul Singh
President, Chief Executive Officer

Attest:

Secretary

EXHIBIT I

EXERCISE AGREEMENT

To: PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

The undersigned, pursuant to the provisions set forth in the attached Warrant (Certificate No. PW-___), hereby agrees to exercise the Warrant as to _____ shares of Common Stock covered by such Warrant (the "Exercise Amount") at the Exercise Price provided by such Warrant. The following methods of exercise will be used respectively for the following number of shares:

Method of Exercise	Warrant A Amount being exercised	Warrant B Amount being exercised
Section 3(c)(i)		
Section 3(c)(ii)		
Section 3(c)(iii)		
Section 3(d)		

Dated: Signature _____

Address _____

