

iPRIMUS USA, Inc.  
Form S-4/A  
July 25, 2007  
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As filed with the Securities and Exchange Commission on July 25, 2007

Registration No. 333-144033

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# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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## FORM S-4

### PRE-EFFECTIVE AMENDMENT No. 1

TO

### REGISTRATION STATEMENT

*UNDER*

*THE SECURITIES ACT OF 1933*

### **Primus Telecommunications IHC, Inc.**

Delaware  
(State or other jurisdiction of  
incorporation or organization)

48133  
(Primary Standard Industrial  
Classification Code Number)

57-1172147  
(I.R.S. Employer Identification No.)

### **Primus Telecommunications Group, Incorporated**

Delaware  
(State or other jurisdiction of  
incorporation or organization)

48133  
(Primary Standard Industrial  
Classification Code Number)

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

### **Primus Telecommunications Holding, Inc.**

Delaware  
(State or other jurisdiction of  
incorporation or organization)

48133  
(Primary Standard Industrial  
Classification Code Number)

20-0346064  
(I.R.S. Employer Identification No.)

## **Primus Telecommunications, Inc.**

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**48133**  
(Primary Standard Industrial  
Classification Code Number)

**54-1744563**  
(I.R.S. Employer Identification No.)

## **TresCom International, Inc.**

**Florida**  
(State or other jurisdiction of  
incorporation or organization)

**48133**  
(Primary Standard Industrial  
Classification Code Number)

**65-045471**  
(I.R.S. Employer Identification No.)

## **Least Cost Routing, Inc.**

**Florida**  
(State or other jurisdiction of  
incorporation or organization)

**48133**  
(Primary Standard Industrial  
Classification Code Number)

**59-3266693**  
(I.R.S. Employer Identification No.)

## **TresCom U.S.A., Inc.**

**Florida**  
(State or other jurisdiction of  
incorporation or organization)

**48133**  
(Primary Standard Industrial  
Classification Code Number)

**65-0497000**  
(I.R.S. Employer Identification No.)

## **iPRIMUS USA, Inc.**

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**48133**  
(Primary Standard Industrial  
Classification Code Number)

**04-1675485**  
(I.R.S. Employer Identification No.)

## **iPRIMUS.com, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**48133**  
(Primary Standard Industrial  
Classification Code Number)

**31-1675485**  
(I.R.S. Employer Identification No.)

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**7901 Jones Branch Drive**

**McLean, Virginia 22102**

**(703) 902-2800**

**(Address, including zip code, and telephone number, including area code, of co-registrant's principal executive offices)**

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**K. PAUL SINGH**

**PRESIDENT, PRIMUS TELECOMMUNICATIONS IHC, INC.**

**CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER,**

**PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED**

**7901 Jones Branch Drive**

**McLean, Virginia 22102**

**(703) 902-2800**

*Copies of Correspondence to:*

**Brian J. Lynch**

**Hogan & Hartson L.L.P.**

**8300 Greensboro Drive**

**McLean, Virginia 22102**

**Tel: (703) 610-6100**

**Fax: (703) 610-6200**

**Approximate date of commencement of proposed sale of the securities to the public:**

**As soon as practicable after the effective date of this registration statement.**

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

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**The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in**

accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion Dated July , 2007

PROSPECTUS

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**PRIMUS TELECOMMUNICATIONS IHC, INC.**

**OFFER TO EXCHANGE**

**\$108,210,000 principal amount of its**

**14 1/4% Senior Secured Notes due 2011,**

**which have been registered under the Securities Act,**

**for any and all of its outstanding**

**14 1/4% Senior Secured Notes due 2011**

**GUARANTEED BY:**

**PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED**

**PRIMUS TELECOMMUNICATIONS HOLDING, INC.**

**PRIMUS TELECOMMUNICATIONS, INC.**

**TRESCOM INTERNATIONAL, INC.**

**LEAST COST ROUTING, INC.**

**TRESCOM U.S.A., INC.**

**IPRIMUS USA, INC.**

**IPRIMUS.COM, INC.**

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We are offering to exchange all of our outstanding 14 1/4% Senior Secured Notes due 2011 that were issued on February 26 and March 28, 2007, which we refer to as the outstanding notes, for our registered 1/4% Senior Secured Notes due 2011, which we refer to as the exchange notes. We refer to the outstanding notes and the exchange notes collectively as the notes. The terms of the exchange notes are identical to the terms of the outstanding notes, except that the exchange notes have been registered under the Securities Act of 1933, as amended, and, therefore, registration rights provisions relating to our making an exchange offer for the outstanding notes will not apply to the exchange notes. The exchange notes will represent the same debt as the outstanding notes, and will be issued under the same indenture.

Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act of 1933, as amended. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for outstanding notes where such outstanding notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 90 days after the expiration date for the exchange offer, we will make this prospectus available to any broker-dealer for use in connection with any such resale.

### **Please consider the following:**

Our offer to exchange the outstanding notes for exchange notes will be open until 5:00 p.m., New York City time, on August 22, 2007, unless we extend the offer.

You should carefully review the procedures for tendering the outstanding notes beginning on page 14 of this prospectus.

If you fail to tender your outstanding notes, you will continue to hold unregistered securities and your ability to transfer them could be adversely affected.

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Tenders of outstanding notes may be withdrawn at any time prior to the expiration of the exchange offer.

The exchange offer is not subject to any minimum tender condition, but is subject to the terms of the registration rights agreement that we entered into with the initial purchasers of the outstanding notes and is being made pursuant to that agreement.

All outstanding notes that are validly tendered and not validly withdrawn will be exchanged for an equal principal amount of exchange notes which are registered under the Securities Act of 1933, as amended.

No public market currently exists for the notes. We do not intend to list the exchange notes on any securities exchange, and therefore, no active public market is anticipated.

We will not receive any proceeds from the exchange offer. We will pay the expenses of the exchange offer.

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**Information About the Notes:**

The notes will mature on May 20, 2011.

We will pay interest on the notes semi-annually in arrears on May 31 and November 30 at the rate of 14 <sup>1</sup>/<sub>4</sub>% per annum. The first scheduled interest payment date for the outstanding notes was May 31, 2007. Interest on the exchange notes will accrue from the later of:

the last payment date on which interest was paid on the outstanding notes; or

if the exchange offer is consummated on a date after the record date for an interest payment date to occur on or after the date of such exchange as to which interest will be paid, the date of such interest payment. No additional interest will be paid on the outstanding notes tendered and accepted for exchange.

We may redeem the notes, in whole or in part, on or after February 26, 2008 at the redemption prices set forth in this prospectus, plus accrued and unpaid interest and liquidated damages, if any.

The notes are direct, secured and unsubordinated obligations that rank behind an existing First Lien Term Loan due February 18, 2011 and the guarantees are subordinated in right of payment to the guarantees of the First Lien Term Loan.

At any time prior to February 26, 2008, the Issuer may on any one or more occasions redeem up to 35% of the original principal amount of notes at a redemption price of 100% of the principal amount thereof, plus applicable accrued and unpaid interest with the net cash proceeds of certain equity offerings subject to certain conditions set forth in this prospectus.

Upon a change of control, we will be required to make an offer to purchase the notes at a price equal to 101% of their principal amount plus accrued and unpaid interest and liquidated damages, if any, to the date of repurchase.

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**YOU SHOULD CAREFULLY REVIEW THE RISK FACTORS BEGINNING ON PAGE 16 OF THIS PROSPECTUS.**

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Neither the U.S. Securities and Exchange Commission (SEC) nor any state securities commission has approved or disapproved of the exchange notes passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is \_\_\_\_\_, 2007.



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We have not authorized anyone to give you any information or to make any representations about the transactions we discuss in this prospectus other than the information or representations contained or incorporated by reference in this prospectus. If you are given any information or representations about these matters that are different from the information or representations contained or incorporated by reference in this prospectus, you must not rely on that information or those representations. This prospectus is not an offer to sell or a solicitation of an offer to buy securities anywhere or to anyone where or to whom we are not permitted to offer or sell securities under applicable law. The information contained in this prospectus or incorporated by reference in this prospectus is current only as of the date on the cover page of this prospectus or the date of the document incorporated by reference, and may change after that date. The delivery of this prospectus does not, under any circumstances, mean that there has not been a change in our affairs since the date hereof. It also does not mean that the information contained in this prospectus is correct after the date hereof, or that the information incorporated by reference in this prospectus is correct after the date of the document in which it is contained that is incorporated by reference in this prospectus.

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**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and special reports, proxy statements and other information with the SEC, which are available at our website at [www.primustel.com/docs/aboutus.html](http://www.primustel.com/docs/aboutus.html) under Corporate Governance. You may read and copy any reports, statements or other information filed by us at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. You can request copies of these documents by contacting the SEC and paying a fee for the copying costs. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. You also may inspect copies of these materials at the reading room of the library of the National Association of Securities Dealers, Inc., 1735 K Street, N.W., Washington, D.C. 20006. Our SEC filings are also available to the public from commercial document retrieval services and at the SEC's web site at <http://www.sec.gov>.

We incorporate by reference into this prospectus certain information we file with the SEC, which means that we can disclose important information to you by referring you to another document we filed with the SEC. The information incorporated by reference is considered to be a part of, and is in fact an important part of, this prospectus, and information that we file later with the SEC will automatically update and supersede the information filed earlier. We incorporate by reference the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, until the offering of securities covered by this prospectus is completed, except that we do not incorporate by reference any additional documents or information furnished and not filed with SEC (the "Incorporated SEC Filings"):

Current Reports on Form 8-K, filed with the SEC on April 2, 2007, May 3, 2007, May 24, 2007, June 1, 2007 (the "June 1 8-K"), June 8, 2007, June 25, 2007 (the "June 25 8-K"), June 29, 2007 and July 5, 2007;

Quarterly Report on Form 10-Q for the quarter ended March 31, 2007, filed on May 15, 2007, as amended and superseded in part by the June 1 8-K, excluding Part I, Item 1 as superseded by the June 25 8-K;

Definitive Proxy Statement on Schedule 14A as filed with the SEC on April 30, 2007, excluding the information contained in such proxy statement under the captions "Compensation Committee Report on Executive Compensation," "Compensation Discussion and Analysis" and "Report of the Audit Committee," which are not incorporated by reference in this prospectus; and

PRIMUS Annual Report on Form 10-K for the year ended December 31, 2006, as amended and superseded in part by the June 1 8-K, excluding Part II, Items 8 and 9A as superseded by the June 25 8-K, and excluding the information contained in such filing under the caption "Stock Price Performance Graph," which is not incorporated by reference in this prospectus.

We will furnish without charge to you, upon written or oral request, a copy of any or all of the documents described above, except for exhibits, unless the exhibits are specifically incorporated by reference into the prospectus. You should direct your requests to: Primus Telecommunications Group, Incorporated, 7901 Jones Branch Drive, Suite 900, McLean, VA 22102, Attn: SEC Reporting.

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**FORWARD-LOOKING STATEMENTS**

Certain statements included or incorporated by reference into this prospectus and elsewhere concerning PRIMUS constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such statements are based on current expectations, and are not strictly historical statements. Forward-looking statements include, without limitation, statements set forth in this prospectus and elsewhere regarding, among other things:

expectations of future growth, creation of shareholder value, revenue, foreign revenue contributions and net income, as well as income from operations, margins, earnings per share, cash flow and cash sufficiency levels, working capital, network development, customer migration and related costs, spending on and success with new product initiatives, including the development of broadband Internet, VOIP, wireless, local, data and hosting services, traffic development, capital expenditures, selling, general and administrative expenses, income tax expense, fixed asset and goodwill impairment charges, service introductions and cash requirements;

increased competitive pressures, declining usage patterns, and our new product initiatives, bundled service offerings, the pace and cost of customer migration onto our networks, the effectiveness and profitability of the new products;

financing, refinancing, de-leveraging and/or debt repurchase, restructuring, exchange or tender plans or initiatives, and potential dilution of existing equity holders from such initiatives;

liquidity and debt service forecasts;

assumptions regarding currency exchange rates;

timing, extent and effectiveness of cost reduction initiatives and management's ability to moderate or control discretionary spending;

management's plans, goals, expectations, guidance, objectives, strategies, and timing for future operations, acquisitions, product plans, performance and results;

management's assessment of market factors and competitive developments, including pricing actions and regulatory rulings; and

ability to generate net cash proceeds over the next eighteen months from the disposition of selective assets without material impairment to profitability.

Factors and risks that could cause actual results or circumstances to differ materially from those set forth or contemplated in forward looking statements include those set forth in Risk Factors as well as, without limitation:

changes in business conditions causing changes in the business direction and strategy by management;

heightened competitive pricing and bundling pressures in the markets in which PRIMUS operates;

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accelerated decrease in minutes of use on wireline phones;

fluctuations in the exchange rates of currencies, particularly of the USD relative to foreign currencies of the countries where PRIMUS conducts its foreign operations;

adverse interest rate developments affecting our variable interest rate debt;

difficulty in maintaining or increasing customer revenues and margins through our new product initiatives and bundled service offerings, and difficulties in migrating and provisioning broadband and local customers to DSL networks;

inadequate financial resources to promote and to market the new product initiatives;

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fluctuations in prevailing trade credit terms or revenues due to the adverse impact of, among other things, further telecommunications carrier bankruptcies or adverse bankruptcy related developments affecting our large carrier customers;

the possible inability to raise additional capital when needed, on attractive terms, or at all;

possible claims under our existing debt instruments which could impose constraints and limit our flexibility;

the inability to reduce, repurchase, refinance, exchange, tender for or restructure debt significantly, or in amounts sufficient to conduct regular ongoing operations;

the impact of the delisting of our common stock from the Nasdaq Capital Market which may impair our ability to raise capital;

further changes in the telecommunications or Internet industry, including rapid technological changes, regulatory and pricing changes in our principal markets and the nature and degree of competitive pressure that we may face;

adverse tax or regulatory rulings from applicable authorities;

enhanced broadband, DSL, Internet, wireless, VOIP, data and hosting and local and long distance voice telecommunications competition;

changes in financial, capital market and economic conditions;

changes in service offerings or business strategies, including the need to modify business models if performance is below expectations;

difficulty in retaining existing long distance wireline and dial-up ISP customers;

difficulty in migrating or retaining customers associated with acquisitions of customer bases, or integrating other assets;

difficulty in selling new services in the marketplace;

difficulty in providing broadband, DSL, local, VOIP, data and hosting or wireless services;

changes in the regulatory schemes or requirements and regulatory enforcement in the markets in which we operate;

restrictions on our ability to execute certain strategies or complete certain transactions as a result of our inexperience with new product initiatives, or limitations imposed by available cash resources, our capital structure or debt covenants;

risks associated with our limited DSL, Internet, VOIP, data and hosting and wireless experience and expertise, including effectively utilizing new marketing channels such as interactive marketing employing the Internet;

entry into developing markets;

aggregate margin contribution from the new products are not sufficient in amount or timing to offset the margin decline in our legacy long distance voice and dial-up ISP businesses;

the possible inability to hire and/or retain qualified executive management, sales, technical and other personnel;

risks associated with international operations;

dependence on effective information systems;

possible claims for patent infringement on products or processes employed in providing our services;

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dependence on third parties for access to their networks to enable us to expand and manage our global network and operations and to offer broadband, DSL, local, VOIP and wireless services, including dependence upon the cooperation of incumbent carriers relating to the migration of customers;

dependence on the performance of our global standard asynchronous transfer mode and Internet-based protocol (ATM+IP) communications network;

adverse regulatory rulings or actions affecting our operations, including the imposition of taxes and fees, the imposition of obligations upon VOIP providers to provide enhanced 911 (E911) services and restricting access to broadband networks owned and operated by others; and

the potential further elimination or limitation of a substantial amount or all of our United States or foreign operating loss carryforwards due to future significant issuances of equity securities, changes in ownership or other circumstances, which carryforwards would otherwise be available to reduce future taxable income.

As such, actual results or circumstances may vary materially from such forward-looking statements or expectations. Readers are also cautioned not to place undue reliance on these forward-looking statements which speak only as of the date these statements were made. We are not necessarily obligated to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

You are advised, however, to consult the discussion of risks and uncertainties under **Risk Factors** in this prospectus and under **Management's Discussion and Analysis of Financial Condition and Results of Operations**, **Liquidity and Capital Resources**, **Short- and Long-Term Liquidity Considerations and Risks** and **Business Legal Proceedings** in our Form 10-K and Form 10-Q (or the Incorporated SEC Filings) filed with the SEC. See **Where You Can Find More Information**. These are the principal factors that we think could cause our actual results to differ materially from expected results, but other factors could also adversely affect our business and the value of your investment in our securities.

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**PROSPECTUS SUMMARY**

*The following summary is provided solely for your convenience. This summary is not intended to be complete and may not contain all of the information that you should consider before exchanging your outstanding notes for exchange notes. It is qualified in its entirety by the more detailed information and consolidated financial statements, including the notes to the consolidated financial statements, included elsewhere or incorporated by reference in this prospectus. You should read carefully the full text and more specific details contained elsewhere or incorporated by reference in this prospectus, including the Risk Factors section and our consolidated financial statements and the notes thereto, before exchanging your outstanding notes for exchange notes. For a more detailed description of the exchange notes and the exchange offer, see Description of the Exchange Notes and The Exchange Offer.*

*In this prospectus, (i) Primus Telecommunications IHC, Inc., the issuer of the notes and an indirect, wholly owned subsidiary of Primus Telecommunications Group, Incorporated (or Parent), is referred to as the Issuer and (ii) references to Primus, PRIMUS, the Company, we, us, or our are references to Parent and its subsidiaries collectively, including the Issuer, unless it is clear from the context or expressly stated that the reference is only to Parent or the Issuer or any particular subsidiary of Parent.*

**The Issuer**

The exchange notes will be issued by the Issuer.

**The Parent**

Primus is an integrated telecommunications services provider offering a portfolio of international and domestic voice, wireless, Internet, voice-over-Internet protocol (VOIP), data and hosting services to business and residential retail customers and other carriers located primarily in the United States, Australia, Canada, the United Kingdom and western Europe. Our focus is to service the demand for high quality, competitively priced communications services that is being driven by the globalization of the world's economies, the worldwide trend toward telecommunications deregulation and the growth of broadband, Internet, VOIP, wireless and data traffic.

We target customers with significant telecommunications needs, including small- and medium-sized enterprises (SMEs), multinational corporations, residential customers, and other telecommunications carriers and resellers. We provide services over our global network, which consists of:

15 carrier-grade international gateway and domestic switching systems (the hardware/software devices that direct the voice traffic across the network) in the United States, Canada, Australia, Europe and Japan;

approximately 350 interconnection points to the Company's network, or points of presence (POPs), within its service regions and other markets;

undersea and land-based fiber optic transmission line systems that PRIMUS owns or leases and that carry voice and data traffic across the network; and

global network and data centers that use a high-bandwidth network standard (asynchronous transfer mode) and Internet-based protocol (ATM+IP) to connect with the network. The global VOIP network is based on routers and gateways with an open network architecture which connects the Company's partners in over 150 countries.

The services Primus offers can be classified into three main product categories: voice, data/Internet and VOIP services. Within these three main product categories, Primus offers its customers a wide range of services, including:

international and domestic long distance services;



wholesale and retail VOIP services;

wireless services;

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prepaid services, toll-free services and reorigination services;

dial-up, dedicated and high-speed Internet access;

local voice services;

ATM+IP broadband services; and

managed and shared Web hosting services and applications.

Generally, Primus prices its services competitively or at a discount with the major carriers and service providers operating in its principal service regions. Primus seeks to continue to generate net revenue through sales and marketing efforts focused on customers with significant communications needs (international and domestic voice, wireless, VOIP, high speed and dial-up Internet and data), including SMEs, multinational corporations, residential customers, and other telecommunications carriers and resellers. PRIMUS also seeks growth opportunities through acquisitions.

Since 2005, we have selectively targeted opportunities to participate in growth areas for telecommunications local, wireless, broadband, and VOIP, which we call our new products or new product initiatives. Our approach in these areas has common elements: focus on bundling services to end-user customers; leverage our existing global voice, data and Internet network; and utilize established distribution channels and back-office systems.

## **Holding**

Primus Telecommunications Holding, Inc. (or Holding ) is a wholly owned subsidiary of Parent. Holding owns, directly or indirectly, all of the common stock of the operating subsidiaries of the Primus group.

## **Recent Developments**

On June 6, 2007, Parent issued 6,000,000 shares of its common stock in exchange for \$5.0 million principal amount of our Step Up Convertible Subordinated Debentures due August 2009 (the Exchange ). On July 3, 2007 Parent sold 22,500,000 shares of common stock pursuant to an effective registration statement at \$0.915 per share for approximately \$18.9 million in net proceeds after fees and expenses (the Common Offering ). After giving effect to the Exchange and the Common Offering, a June 2010 maturity date was established for Holding s 5% Exchangeable Senior Notes.

## **Other Information**

Issuer was incorporated in Delaware in 2003. Parent was incorporated in Delaware in 1994. Holding was incorporated in Delaware in 2003. The principal executive offices of each of the Issuer, Parent and Holding are located at 7901 Jones Branch Drive, Suite 900, McLean, Virginia 22102, and the telephone number at that address is (703) 902-2800.

## **The Guarantors**

The guarantors of the outstanding notes as of the date of this Prospectus are Parent, Holding and the following direct or indirect subsidiaries of Holding: Primus Telecommunications, Inc.; TresCom International, Inc.; Least Cost Routing, Inc.; TresCom U.S.A., Inc.; iPRIMUS USA, Inc.; and iPRIMUS.com, Inc. (and the foregoing entities, together with any additional future guarantor of obligations under the First Lien Term Loan are referred to collectively as the Guarantors ). The Guarantors will guarantee the exchange notes issued in the exchange offer.

## **Risk Factors**

You should carefully consider all of the information contained in this prospectus prior to exchanging your outstanding notes for exchange notes. In particular, we urge you to carefully consider the information set forth under Risk Factors beginning on page 18 for a discussion of risks and

uncertainties relating to us, our subsidiaries, our business and an investment in the exchange notes.

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**Summary of the Terms of the Exchange Offer**

For additional information regarding the exchange offer, see The Exchange Offer.

**The Exchange Offer**

Up to \$108,210,000 aggregate principal amount of exchange notes registered under the Securities Act are being offered in exchange for the same principal amount of outstanding notes. The terms of the exchange notes and outstanding notes are identical, except that the exchange notes have been registered under the Securities Act and, therefore, registration rights provisions relating to our making an exchange offer for the outstanding notes will not apply to the exchange notes. Outstanding notes may be tendered for exchange notes in whole or in part in any integral multiple of \$1,000. We are making the exchange offer in order to satisfy our obligations under the registration rights agreement relating to the outstanding notes. For a description of the procedures for tendering the outstanding notes, see The Exchange Offer Procedures for Tendering Outstanding Notes.

Based on interpretations by the staff of the SEC, as set forth in no-action letters issued to certain third parties unrelated to us, we believe that exchange notes issued pursuant to the exchange offer in exchange for outstanding notes may be offered for resale, resold or otherwise transferred by you without compliance with the registration and prospectus delivery requirements of the Securities Act, unless you:

are an affiliate of ours within the meaning of Rule 405 under the Securities Act;

are a broker-dealer who purchased outstanding notes directly from us for resale, under Rule 144A or Regulation S under the Securities Act or any other available exemption under the Securities Act;

are a broker-dealer that receives exchange notes for your own account in exchange for outstanding notes which were acquired by you as a result of market-making or other trading activities;

acquired the exchange notes other than in the ordinary course of your business; or

have an arrangement with any person to engage in the distribution of exchange notes.

However, the SEC has not considered our exchange offer in the context of a no-action letter and we cannot be sure that the staff of the SEC would make a similar determination with respect to the exchange offer as in such other circumstances. Furthermore, in order to participate in the exchange offer, you must make the representations set forth in the letter of transmittal that we are sending you with this prospectus.

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If our belief is not accurate and you transfer an exchange note without delivering a prospectus meeting the requirements of the federal securities laws or without an exemption from these laws, you may incur liability under the federal securities laws. We do not and will not assume, or indemnify you against, this liability.

Each broker-dealer that receives exchange notes for its own account in exchange for outstanding notes which were acquired by the broker-dealer as a result of market-making or other trading activities must agree to deliver a prospectus meeting the requirements of the federal securities laws in connection with any resale of the exchange notes. See The Exchange Offer Purpose and Effect and Plan of Distribution.

**Registration Rights Agreement**

We sold the outstanding notes on February 26, 2007 and March 28, 2007, in exempt transactions under the Securities Act. At the same time of such closings, we entered into a registration rights agreement with the initial purchasers requiring us to make the exchange offer. Under the registration rights agreement, we will have to pay liquidated damages to the holders of the notes if:

the registration statement of which this prospectus is a part has not been filed on or before June 26, 2007 or is not declared effective by November 27, 2007;

the exchange offer is not consummated within 35 business days of the effective date of the related registration statement; or

we are required to file a shelf registration statement for the resale of the notes and fail to file such shelf registration statement or have such shelf registration statement declared effective within specified time periods.

**Expiration Date**

The exchange offer will expire at 5:00 p.m., August 22, 2007, New York City time, or a later date and time if we extend it.

**Withdrawal**

The tender of the outstanding notes pursuant to the exchange offer may be withdrawn at any time prior to the expiration date by delivering a written notice of withdrawal to the exchange agent in conformity with the procedures discussed under The Exchange Offer Withdrawal Rights. Any outstanding notes not accepted for exchange for any reason will be returned without expense as soon as practicable after the expiration or termination of the exchange offer.

**Interest on the Exchange Notes**

Interest on the exchange notes will accrue from the later of:

the last interest payment date on which interest was paid on the outstanding notes; or

if the exchange offer is consummated on a date after the record date for an interest payment date to occur on or after the date of such exchange and as to which interest will be paid, the date of such interest payment date. No additional interest will be paid on the outstanding notes tendered and accepted for exchange.



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**Conditions to the Exchange Offer**

The exchange offer is subject to customary conditions, which may be waived by us. See The Exchange Offer Conditions to the Exchange Offer.

The exchange offer is not conditioned upon any minimum principal amount of outstanding notes being tendered. We reserve the right in our sole and absolute discretion, subject to applicable law, at any time and from time to time:

to delay the acceptance of the outstanding notes for exchange;

to terminate the exchange offer if one or more specific conditions have not been satisfied;

to extend the expiration date of the exchange offer and retain all outstanding notes tendered pursuant to the exchange offer, subject, however, to the right of holders of outstanding notes to withdraw their tendered outstanding notes; or

to waive any condition or otherwise amend the terms of the exchange offer in any respect. See The Exchange Offer Expiration Date; Extensions; Amendments.

**Procedures for Tendering Outstanding Notes**

If you wish to accept the exchange offer, you must complete, sign and date the letter of transmittal, or a copy of the letter of transmittal, in accordance with the instructions contained in this prospectus and in the letter of transmittal, and mail or otherwise deliver the letter of transmittal, or the copy, together with the outstanding notes and any other required documentation, to the exchange agent at the address set forth in this prospectus. If your outstanding notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, we urge you to contact your nominee holder promptly if you wish to tender outstanding notes pursuant to the exchange offer. If you are a person holding the outstanding notes through the Depository Trust Company and wish to accept the exchange offer, you must do so through the Depository Trust Company's Automated Tender Offer Program, by which you will agree to be bound by the letter of transmittal. By executing or agreeing to be bound by the letter of transmittal, you will be making a number of important representations to us, as set forth in the letter of transmittal and described under The Exchange Offer Purpose and Effect.

Letters of transmittal and certificates representing outstanding notes should not be sent to us. Those documents should be sent only to the exchange agent. The address, and telephone and facsimile numbers, of the exchange agent are set forth in The Exchange Offer Exchange Agent and in the letter of transmittal.

Upon consummation of the exchange offer, we will accept for exchange any and all outstanding notes that are properly tendered in the exchange offer and not withdrawn prior to the expiration date. The exchange notes issued in the exchange offer will be delivered promptly following the expiration date. See The Exchange Offer Terms of the Exchange Offer.





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**Exchange Agent**

U.S. Bank National Association, is serving as exchange agent in connection with the exchange offer. The address, and telephone and facsimile numbers, of the exchange agent are set forth in The Exchange Offer Exchange Agent and in the letter of transmittal.

**Federal Tax Considerations**

The exchange of outstanding notes for exchange notes by tendering holders will not be a taxable exchange for U.S. federal income tax purposes, and such holders will not recognize any taxable gain or loss or any interest income for U.S. federal income tax purposes as a result of the exchange. See Material United States Federal Income Tax Consequences.

**Use of Proceeds**

We will not receive any cash proceeds from the issuance of the exchange notes offered hereby.

**Effect of Not Tendering**

Outstanding notes that are not tendered or that are tendered but not accepted will, following the completion of the exchange offer, continue to accrue interest and be subject to their existing transfer restrictions.

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**Summary of the Terms of the Exchange Notes**

For additional information regarding the exchange notes, see Description of the Exchange Notes.

<b>Issuer</b>	Primus Telecommunications IHC, Inc.
<b>Exchange Notes Offered</b>	\$108,210,000 aggregate principal amount of 14 <sup>1</sup> / <sub>4</sub> % Senior Secured Notes due 2011.
<b>Maturity</b>	May 20, 2011.
<b>Interest</b>	Interest will be payable semi-annually in arrears on May 31 and November 30 of each year, commencing May 31, 2007.
<b>Guarantee</b>	The notes will be fully and unconditionally guaranteed by each Guarantor as a primary obligor. If the Issuer cannot make payments on the notes when they are due, the Guarantors must make them instead.
<b>Optional Redemption</b>	The notes will be subject to redemption at the option of the Issuer, in whole or in part, at any time or from time to time on or after February 26, 2008, at the redemption prices set forth herein. At any time prior to February 26, 2008, the Issuer may on any one or more occasions redeem up to 35% of the original principal amount of notes at a redemption price of 100% of the principal amount thereof, plus applicable accrued and unpaid interest with the net cash proceeds of certain equity offerings subject to certain conditions set forth in this prospectus.
<b>Mandatory Offer to Repurchase</b>	If Parent experiences specific kinds of changes in control or fails to own 100% of the voting stock of Holding, or Holding fails to own 100% of the voting stock of Issuer, the Issuer must offer to repurchase the notes at the redemption price set forth under Description of Notes Repurchase of Notes upon a Change of Control.
<b>Ranking</b>	<p>The notes will be direct, secured and unsubordinated obligations of the Issuer that will rank behind an existing First Lien Term Loan to the extent of the value of the collateral securing such obligations and will rank senior to all of the Issuer's future subordinated obligations.</p> <p>The guarantees will rank <i>pari passu</i> with all other existing and future senior unsecured obligations of Parent and the Other Guarantors, including trade payables, and will rank senior to any existing and future obligations of Parent and the Other Guarantors that are expressly subordinated in right of payment to such guarantees. The guarantees will be effectively subordinated to all of Parent's and the Other Guarantors existing and future priority secured debt to the extent of the value of the collateral securing such debt.</p>

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**Issuer Certificate of Incorporation Provisions** The Issuer's Certificate of Incorporation provides that when a compromise or arrangement is proposed between the Issuer and its creditors or any class of them or between the Issuer and its shareholders or any class of them, a court of equity jurisdiction within the state, on application of the Issuer or of a creditor or shareholder thereof, or on application of a receiver appointed for the Issuer pursuant to the provisions of Section 291 of Title 8 of the Delaware Code or on application of trustees in dissolution or of any receiver or receivers appointed for the Issuer pursuant to provisions of Section 279 of Title 8 of the Delaware Code may order a meeting of the creditors or class of creditors or of the shareholders or class of shareholders to be affected by the proposed compromise or arrangement or reorganization, to be summoned in such manner as the court directs. If a majority in number representing  $\frac{3}{4}$  in value of the creditors or class of creditors, or of the shareholders or class of shareholders to be affected by the proposed compromise or arrangement or a reorganization, agree to a compromise or arrangement or a reorganization of the Issuer as a consequence of the compromise or arrangement, the compromise or arrangement and the reorganization, if sanctioned by the court to which the application has been made, shall be binding on all the creditors or class of creditors, or on all the shareholders or class of shareholders and also on the Issuer.

**Covenants**

The notes will be issued under an indenture among the Issuer, the Guarantors and U.S. Bank National Association, as trustee. The indenture will, among other things, restrict the ability of Parent and the ability of Parent's restricted subsidiaries, including the Issuer, to:

make investments;

incur or guarantee additional indebtedness;

pay dividends or make other distributions on capital stock or redeem or repurchase capital stock or subordinated indebtedness;

create liens;

place dividend or other payment restrictions on subsidiaries;

sell assets;

merge or consolidate with other entities;

enter into transactions with affiliates; and

engage in certain business activities.

These covenants are subject to a number of important exceptions and qualifications.

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Due to covenants contained in the indentures governing outstanding PRIMUS notes, the indenture governing the notes contains no restrictions on the Issuer's ability to dividend, distribute, loan or otherwise transfer assets, including cash, to Parent and Holding.

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**RISK FACTORS**

*Any investment in the notes or common stock involves a high degree of risk. You should consider carefully the following information about these risks, together with the information under the caption "Forward-Looking Information" and the other information contained in or incorporated by reference to this prospectus before electing to purchase notes or common stock.*

**Risks Related to PRIMUS's Business**

*Our disclosure controls and procedures and internal control over financial reporting were determined not to be effective as of December 31, 2006, which condition still exists as of March 31, 2007, due to the material weaknesses that existed in our internal control over accounting for income taxes. Our disclosure controls and procedures and internal control over financial reporting may not be effective in future periods, as a result of existing or newly identified material weaknesses in internal control over financial reporting.*

In performing an internal control assessment at the end of 2006, our management identified a material weakness in our internal control over financial reporting, which condition still exists as of March 31, 2007. A material weakness is a deficiency, or a combination of deficiencies, that adversely affects a company's ability to initiate, authorize, record, process, or report external financial data reliably in accordance with generally accepted accounting principles such that there is a more than remote likelihood that a material misstatement of the annual or interim financial statements will not be prevented or detected. For a discussion of the material weakness identified by our management, see "Controls and Procedures." To address the material weakness, we performed additional analysis and other post-closing procedures in order to prepare our consolidated financial statements in accordance with generally accepted accounting principles. These additional procedures were costly, time consuming and required us to dedicate a significant amount of our resources, including the time and attention of our senior management, toward the correction of these problems. Performing these additional procedures in the future, could cause delays in the filing of our periodic and annual reports to the SEC.

The delay in the filing of our periodic and annual reports could have other adverse effects on our business, including, but not limited to: (1) civil litigation or an investigation by the SEC or other regulatory authorities, which could require us to incur significant legal expenses and other costs or to pay damages, fines or other penalties; (2) covenant defaults, and potentially events of default, under our senior secured credit facilities and the indentures governing our outstanding debt securities, resulting from our failure to file timely our financial statements; (3) negative publicity; or (4) the loss or impairment of investor confidence in our Company.

*If competitive pressures continue or intensify and/or the success of our new products is not adequate in amount or timing to offset the decline in results from our legacy businesses, we may not be able to service our debt or other obligations.*

There are substantial risks and uncertainties in our future operating results, particularly as aggressive pricing and bundling strategies by certain incumbent carriers and ILECs have intensified competitive pressures in the markets where we operate, and/or if we have insufficient financial resources to market our services. The aggregate anticipated margin contribution from our new products may not be adequate in amount or timing to offset the declines in margin from our legacy long distance voice and dial-up ISP business. In addition, regulatory decisions could have a material adverse impact on our operations and outlook. See also information under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Short- and Long-Term Liquidity Considerations and Risks" incorporated by reference in this prospectus from Incorporated SEC Filings and in these Risk Factors. If adverse events referenced or described herein or therein were to occur, we may not be able to service our debt or other obligations and could, among other things, be required to seek protection under the bankruptcy laws of the United States or other similar laws in other countries.

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### ***Our high level of debt and liquidity needs may adversely affect our financial and operating flexibility.***

We currently have substantial indebtedness and may incur additional indebtedness in the future. As of March 31, 2007, our total consolidated indebtedness (including obligations under capital leases and equipment financings) was \$699 million. The terms of the notes and our other indebtedness limit, but do not prohibit, the incurrence of additional indebtedness.

The level of our indebtedness:

could make it difficult for us to make required payments of principal and interest on our outstanding debt and future debt, including the notes;

could limit our ability to obtain any necessary financing in the future for working capital, capital expenditures, debt service requirements or other purposes;

requires that a substantial portion of our cash flow, if any, be dedicated to the payment of principal and interest on outstanding indebtedness and other obligations and, accordingly, such cash flow will not be available for use in our business;

could limit our flexibility in planning for, or reacting to, changes in our business;

results in our being more highly leveraged than many of our competitors, which may place us at a competitive disadvantage;

will make us more vulnerable in the event of a downturn in our business; and

could limit our ability to sell assets partially or fund our operations due to covenant restrictions.

***We have experienced significant historical, and may experience significant future, operating losses and net losses which may hinder our ability to meet our debt service or working capital requirements.***

As of December 31, 2006, we had an accumulated deficit of \$(1,088.0) million. We incurred net losses of \$(34.6) million in 2002, \$(10.6) million in 2004, \$(154.4) million in 2005, and \$(238.0) million in 2006. During the year ended December 31, 2003, we recognized net income of \$54.8 million, of which \$39.4 million is the positive impact of foreign currency transaction gains. We cannot assure you that we will recognize net income, or reverse net revenue declines, in future periods. If we cannot generate net income or operating profitability, we may not be able to meet our debt service or working capital requirements.

***Given our limited experience in delivering our new products and in providing bundled local, wireless, broadband, DSL, Internet, data and hosting and VOIP services, we may not be able to operate successfully or expand these parts of our business.***

During the third quarter of 2004, we accelerated initiatives to become an integrated wireline, wireless and broadband service provider in order to counter competitive pricing pressures initiated by large incumbent providers in certain of the principal markets where we operate and to stem the loss of certain of our wireline and dial-up ISP customers to our competitors' bundled wireless, wireline and broadband service offerings. Our experience in providing these new products in certain markets and in providing these bundled service offerings is limited. Our primary competitors include incumbent telecommunications providers, cable companies and other ISPs that have a significant national or international presence. Many of these operators have substantially greater resources, capital and operational experience than we do. We also expect that we will experience increased competition from traditional telecommunications carriers and cable companies and other new entrants that expand into the market for broadband, VOIP, Internet services, data and hosting, and traditional voice services, and regulatory developments may impair our ability to compete. Future operations involving these individual or bundled services may not succeed in this new competitive environment.

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Therefore, we may not be able to operate or expand successfully; we may experience margin pressure; we may face quarterly revenue and operating results variability; we may have limited resources to develop and to market the new services; and we may have

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heightened difficulty in establishing future revenues or results. As a result, there can be no assurance that we will reverse recent revenue declines or maintain or increase revenues or be able to generate income from operations or net income in the future or on any predictable or timely basis.

*We may be exposed to significant liability resulting from our noncompliance with FCC directives regarding enhanced 911 (E911) services.*

In June 2005, the FCC adopted new rules requiring VOIP providers interconnected to the public switched telephone network (PSTN) to provide E911 service in a manner similar to traditional wireline carriers by November 2005. LINGO, a subsidiary of ours which sells VOIP services, was unable to meet this deadline for all of its customers. We sought a waiver from the FCC asking for additional time to complete deploying our E911 service, and the FCC has not yet addressed our waiver petition. As of April 19, 2007, approximately 10% of our LINGO customers were without E911 service. We also participated in a legal challenge to these rules, but the U.S. Court of Appeals for the District of Columbia Circuit denied our petition for review of the FCC's rules on December 15, 2006.

LINGO's current services are more limited than the E911 services offered by traditional wireline telephone companies. These limitations may cause significant delays, or even failures, in callers' receipt of the emergency assistance they need as required by the FCC. We have notified our customers of the differences between our Emergency Calling Service and E911 services and those available through traditional telephony providers and have received affirmative acknowledgement from substantially all of our customers. Nevertheless, injured customers may attempt to hold us responsible for any loss, damage, personal injury or death suffered as a result of our failure to comply with the FCC mandated E911 service. Our resulting liability could be significant.

In addition, if and to the extent that we are determined to be out of compliance with the FCC order regarding E911 services, we may be subject to fines or penalties or injunctions prohibiting LINGO from providing service in some markets.

*We are substantially smaller than our major competitors, whose marketing and pricing decisions, and relative size advantage, could adversely affect our ability to attract and retain customers and are likely to continue to cause significant pricing pressures that could adversely affect our net revenues, results of operations and financial condition.*

The long distance telecommunications, Internet, broadband, DSL, data and hosting, and wireless industry is significantly influenced by the marketing and pricing decisions of the larger long distance, Internet access, broadband, DSL, data and hosting, and wireless business participants. Prices in the long distance industry have continued to decline in recent years, and as competition continues to increase within each of our service segments and each of our product lines, we believe that prices are likely to continue to decrease. Competitors in our core markets include, among others: AT&T, the regional bell operating companies (RBOCs) and the major wireless carriers in the United States; Telstra, SingTel Optus and Telecom New Zealand in Australia; Telus, BCE, Allstream (formerly AT&T Canada) and the major wireless and cable companies in Canada; and BT, Cable & Wireless United Kingdom, Colt Telecom, Energis and the major wireless carriers in the United Kingdom. Customers frequently change long distance, wireless and broadband providers, and ISPs in response to the offering of lower rates or promotional incentives, increasingly as a result of bundling of various services by competitors. Moreover, competitors' VOIP and broadband product rollouts have added further customer choice and pricing pressure. As a result, generally, customers can switch carriers and service offerings at any time. Competition in all of our markets is likely to remain intense, or even increase in intensity and, as deregulatory influences are experienced in markets outside the United States, competition in non-United States markets is becoming similar to the intense competition in the United States. Many of our competitors are significantly larger than us and have substantially greater financial, technical and marketing resources, larger networks, a broader portfolio of service offerings, greater control over network and transmission lines, stronger name recognition and customer loyalty, long-standing relationships with our target customers, and lower debt leverage ratios. As a



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result, our ability to attract and retain customers may be adversely affected. Many of our competitors enjoy economies of scale that result in low cost structures for transmission and related costs that could cause significant pricing pressures within the industry. Several long distance carriers in the United States, Canada and Australia and the major wireless carriers and cable companies, have introduced pricing and product bundling strategies that provide for fixed, low rates for calls. This strategy of our competitors could have a material adverse effect on our net revenue per minute, results of operations and financial condition if our pricing, set to remain competitive, is not offset by similar declines in our costs. Companies emerging out of bankruptcy might benefit from a lower cost structure and might apply pricing pressure within the industry to gain market share. We compete on the basis of price, particularly with respect to our sales to other carriers, and also on the basis of customer service and our ability to provide a variety of telecommunications products and services. If such price pressures and bundling strategies intensify, we may not be able to compete successfully in the future, may face quarterly revenue and operating results variability, and may have heightened difficulty in estimating future revenues or results.

***Our repositioning in the marketplace places a significant strain on our resources, and if not managed effectively, could result in operational inefficiencies and other difficulties.***

Our repositioning in the marketplace may place a significant strain on our management, operational and financial resources, and increase demand on our systems and controls. To manage this change effectively, we must continue to implement and improve our operational and financial systems and controls, invest in critical network infrastructure to maintain or improve our service quality levels, purchase and utilize other transmission facilities, and train and manage our employee base. If we inaccurately forecast the movement of traffic onto our network, we could have insufficient or excessive transmission facilities and disproportionate fixed expenses. As we proceed with our development, operational difficulties could arise from additional demand placed on customer provisioning and support, billing and management information systems, product delivery and fulfillment, on our support, sales and marketing and administrative resources and on our network infrastructure. For instance, we may encounter delays or cost-overruns or suffer other adverse consequences in implementing new systems when required. In addition, our operating and financial control systems and infrastructure could be inadequate to ensure timely and accurate financial reporting.

***Integration of acquisitions ultimately may not provide the benefits originally anticipated by management and may distract the attention of our personnel from the operation of our business.***

We strive to increase the volume of voice and data traffic that we carry over our existing global network in order to reduce transmission costs and other operating costs as a percentage of net revenue, improve margins, improve service quality and enhance our ability to introduce new products and services. We may pursue acquisitions in the future to further our strategic objectives. Acquisitions of businesses and customer lists, a key element of our historical growth strategy, involve operational risks, including the possibility that an acquisition does not ultimately provide the benefits originally anticipated by management. Moreover, there can be no assurance that we will be successful in identifying attractive acquisition candidates, completing and financing additional acquisitions on favorable terms, or integrating the acquired business or assets into our own. There may be difficulty in migrating the customer base and in integrating the service offerings, distribution channels and networks gained through acquisitions with our own. Successful integration of operations and technologies requires the dedication of management and other personnel, which may distract their attention from the day-to-day business, the development or acquisition of new technologies, and the pursuit of other business acquisition opportunities, and there can be no assurance that successful integration will occur in light of these factors.

***We experience intense domestic and international competition which may adversely affect our results of operations and financial condition.***

The local and long distance telecommunications, data, broadband, Internet, VOIP, data and hosting, and wireless industries are intensely competitive with relatively limited barriers to entry in the more deregulated countries in which we operate and with numerous entities competing for the same customers. Recent and pending

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deregulation in various countries may encourage new entrants to compete, including ISPs, wireless companies, cable television companies, who would offer voice, broadband, Internet access and television, and electric power utilities who would offer voice and broadband Internet access. For example, the United States and many other countries have committed to open their telecommunications markets to competition pursuant to an agreement under the World Trade Organization which began on January 1, 1998. Further, in the United States, as certain conditions have been met under the Telecommunications Act of 1996, the RBOCs have been allowed to enter the long distance market, and other long distance carriers have been allowed to enter the local telephone services market (although judicial and regulatory developments have diminished the attractiveness of this opportunity), and many entities, including cable television companies and utilities, have been allowed to enter both the local service and long distance telecommunications markets. Moreover, the rapid enhancement of VOIP technology may result in increasing levels of traditional domestic and international voice long distance traffic being transmitted over the Internet, as opposed to traditional telecommunication networks. Currently, there are significant capital investment savings and cost savings associated with carrying voice traffic employing VOIP technology, as compared to carrying calls over traditional networks. Thus, there exists the possibility that the price of traditional long distance voice services will decrease in order to be competitive with VOIP. Additionally, competition is expected to be intense to switch customers to VOIP product offerings, as is evidenced by numerous recent market announcements in the United States and internationally from industry leaders and competitive carriers concerning significant VOIP initiatives. Our ability effectively to retain our existing customer base and generate new customers, either through our traditional network or our own VOIP offerings, may be adversely affected by accelerated competition arising as a result of VOIP initiatives, as well as regulatory developments that may impede our ability to compete, such as restrictions on access to broadband networks owned and operated by others and the requirements to provide E911 services. As competition intensifies as a result of deregulatory, market or technological developments, our results of operations and financial condition could be adversely affected.

***A deterioration in our relationships with facilities-based carriers could have a material adverse effect upon our cost structure, service quality and network diversity.***

We primarily connect our customers' telephone calls and data/Internet needs through transmission lines that we lease under a variety of arrangements with other facilities-based long distance carriers. Many of these carriers are, or may become, our competitors. Our ability to maintain and expand our business depends on our ability to maintain favorable relationships with the facilities-based carriers from which we lease transmission lines. If our relationship with one or more of these carriers were to deteriorate or terminate, it could have a material adverse effect upon our cost structure, service quality, network diversity, results of operations and financial condition.

***Uncertainties and risks associated with international markets could adversely impact our international operations.***

We have significant international operations and, for the quarter ended March 31, 2007, derived 80% of our net revenues by providing services outside of the United States. In international markets, we are smaller than the principal or incumbent telecommunications carrier that operates in each of the foreign jurisdictions where we operate. In these markets, incumbent carriers are likely to control access to, and pricing of, the local networks; enjoy better brand recognition and brand and customer loyalty; generally offer a wider range of product and services; and have significant operational economies of scale, including a larger backbone network and more correspondent agreements. Moreover, the incumbent carrier may take many months to allow competitors, including us, to interconnect to our switches within our territory, and we are dependent upon their cooperation in migrating customers onto our network. There can be no assurance that we will be able to obtain the permits and operating licenses required for us to operate; obtain access to local transmission facilities on economically acceptable terms; or market services in international markets. In addition, operating in international markets generally involves additional risks, including unexpected changes in regulatory requirements, taxes, tariffs, customs, duties and other trade barriers, difficulties in staffing and managing foreign operations, problems in collecting accounts receivable, political risks, fluctuations in currency exchange rates, restrictions associated with the repatriation of funds, technology export and import restrictions, and seasonal reductions in business activity.

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Our ability to operate and grow our international operations successfully could be adversely impacted by these risks and uncertainties particularly in light of the fact that we derive such a large percentage of our revenues from outside of the United States.

***Because a significant portion of our business is conducted outside the United States, fluctuations in foreign currency exchange rates could adversely affect our results of operations.***

A significant portion of our net revenue is derived from sales and operations outside the United States. The reporting currency for our consolidated financial statements is the United States dollar (USD). The local currency of each country is the functional currency for each of our respective entities operating in that country. In the future, we expect to continue to derive a significant portion of our net revenue and incur a significant portion of our operating costs outside the United States, and changes in exchange rates have had and may have a significant, and potentially adverse, effect on our results of operations. Our primary risk of loss regarding foreign currency exchange rate risk is caused by fluctuations in the following exchange rates: USD/Australian dollar (AUD), USD/Canadian dollar (CAD), USD/British pound (GBP), and USD/Euro (EUR). See Quantitative and Qualitative Disclosures about Market Risk incorporated by reference in this prospectus from the Incorporated SEC Filings. Due to the large percentage of our operations conducted outside of the United States, strengthening or weakening of the USD relative to one or more of the foregoing currencies could have an adverse impact on future results of operations. We historically have not engaged in hedging transactions and, except for the forward currency exchange contract required by the new Canadian credit facility in the second quarter of 2007, do not currently contemplate engaging in hedging transactions to mitigate foreign exchange risks. In addition, the operations of affiliates and subsidiaries in foreign countries have been funded with investments and other advances denominated in foreign currencies. Historically, such investments and advances have been long-term in nature, and we accounted for any adjustments resulting from currency translation as a charge or credit to accumulated other comprehensive loss within the stockholders' deficit section of our consolidated balance sheets. In 2002, agreements with certain subsidiaries were put in place for repayment of a portion of the investments and advances made to those subsidiaries. As we anticipate repayment in the foreseeable future of these amounts, we recognize the unrealized gains and losses in foreign currency transaction gain (loss) on the consolidated statements of operations, and depending upon changes in future currency rates, such gains or losses could have a significant, and potentially adverse, effect on our results of operations.

***The telecommunications industry is rapidly changing, and if we are not able to adjust our strategy and resources effectively in the future to meet changing market conditions, we may not be able to compete effectively.***

The telecommunications industry is changing rapidly due to deregulation, privatization, consolidation, technological improvements, availability of alternative services such as wireless, broadband, DSL, Internet, VOIP, and wireless DSL through use of the fixed wireless spectrum, and the globalization of the world's economies. In addition, alternative services to traditional fixed wireline services, such as wireless, broadband, Internet and VOIP services, are a substantial competitive threat. If we do not adjust our contemplated plan of development to meet changing market conditions and if we do not have adequate resources, we may not be able to compete effectively. The telecommunications industry is marked by the introduction of new product and service offerings and technological improvements. Achieving successful financial results will depend on our ability to anticipate, assess and adapt to rapid technological changes, and offer, on a timely and cost-effective basis, services including the bundling of multiple services that meet evolving industry standards. If we do not anticipate, assess or adapt to such technological changes at a competitive price, maintain competitive services or obtain new technologies on a timely basis or on satisfactory terms, our financial results may be materially and adversely affected.

***If we are not able to operate a cost-effective network, we may not be able to grow our business successfully.***

Our long-term success depends on our ability to design, implement, operate, manage and maintain a reliable and cost-effective network. In addition, we rely on third parties to enable us to expand and manage our global network and to provide local, broadband Internet, data and hosting, and wireless services. If we fail to generate

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additional traffic on our network, if we experience technical or logistical impediments to our ability to develop necessary network or to migrate traffic and customers onto our network, or if we experience difficulties with our third-party providers, we may not achieve desired economies of scale or otherwise be successful in growing our business.

*If we are not able to use and protect intellectual property domestically and internationally, it could have a material adverse effect on our business.*

Our ability to compete depends, in part, on our ability to use intellectual property in the United States and internationally. We rely on a combination of trade secrets, trademarks and licenses to protect our intellectual property. We are also subject to the risks of claims and litigation alleging infringement of the intellectual property rights of others. The telecommunications industry is subject to frequent litigation regarding patent and other intellectual property rights. We rely upon certain technology, including hardware and software, licensed from third parties. There can be no assurance that the technology licensed by us will continue to provide competitive features and functionality or that licenses for technology currently used by us or other technology that we may seek to license in the future will be available to us on commercially reasonable terms or at all. Although our existing intellectual property are on standard commercial terms made generally available by the companies providing the licenses and, individually, their costs and terms are not material to our business, the loss of, or our inability to maintain existing licenses, could result in shipment delays or reductions until equivalent technology or suitable alternative products could be developed, identified, licensed and integrated. Such delays or reductions in the aggregate could harm our business. We also generally rely on indemnification provisions in licensing contracts to protect against claims of infringement regarding the licensed technology, which indemnification could be affected by, among other things, the financial strength of the licensor.

*The loss of key personnel could have a material adverse effect on our business.*

The loss of the services of K. Paul Singh, our Chairman and Chief Executive Officer, or the services of our other key personnel, or our inability to attract and retain additional key management, technical and sales personnel, could have a material adverse effect upon us.

*We are subject to potential adverse effects of regulation which may have a material adverse impact on our competitive position, growth and financial performance.*

Our operations are subject to constantly changing regulation. There can be no assurance that future regulatory changes will not have a material adverse effect on us, or that regulators or third parties will not raise material issues with regard to our compliance or noncompliance with applicable regulations, any of which could have a material adverse effect upon us. As a multinational telecommunications company, we are subject to varying degrees of regulation in each of the jurisdictions in which we provide our services. Local laws and regulations, and the interpretation of such laws and regulations, differ significantly among the jurisdictions in which we operate. Enforcement and interpretations of these laws and regulations can be unpredictable and are often subject to the informal views of government officials. Potential future regulatory, judicial, legislative, and government policy changes in jurisdictions where we operate could have a material adverse effect on us. Domestic or international regulators or third parties may raise material issues with regard to our compliance or noncompliance with applicable regulations, and therefore may have a material adverse impact on our competitive position, growth and financial performance. Regulatory considerations that affect or limit our business include (1) United States common carrier requirements not to discriminate unreasonably among customers and to charge just and reasonable rates; (2) general uncertainty regarding the future regulatory classification of and taxation of VOIP telephony, the need to provide VOIP emergency calling services in a manner required by the FCC that is not yet available commercially on a nation-wide basis and the ability to access broadband networks owned and operated by others; if regulators decide that VOIP is a regulated telecommunications service, our VOIP services may be subject to burdensome regulatory requirements and fees, we may be obligated to pay carriers additional interconnection fees and operating costs may increase; (3) general changes in access charges, universal service and regulatory fee payments would affect our cost of providing long distance services; (4) the ultimate regulatory

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resolution regarding efforts by Telstra in Australia to increase prices and charges and to build a new broadband network that could adversely impact our current DSL network; and (5) general changes in access charges and contribution payments could adversely affect our cost of providing long distance, wireless, broadband, VOIP, local and other services. Any adverse developments implicating the foregoing could materially adversely affect our business, financial condition, result of operations and prospects.

*Natural disasters may affect the markets in which we operate, our operations and our profitability.*

Many of the geographic areas where we conduct our business may be affected by natural disasters, including hurricanes and tropical storms. Hurricanes, tropical storms and other natural disasters could have a material adverse effect on the business by damaging the network facilities or curtailing voice or data traffic as a result of the effects of such events, such as destruction of homes and businesses.

### **Risks Related to an Investment in the Senior Notes; Control and Anti-Takeover Risks**

*Our holding company structure may limit your recourse to our subsidiaries' assets.*

Creditors of a holding company, such as the holders of senior notes offered under this prospectus, and the holding company itself generally will have subordinate claims against the assets of a particular subsidiary as compared to the creditors of that subsidiary. Accordingly, the senior notes offered under this prospectus will be structurally subordinated to all existing and future debt and other liabilities of our subsidiaries (other than the Issuer), including trade payables. As of March 31, 2007, PRIMUS's subsidiaries had outstanding debt and other liabilities (including trade payables, but excluding intercompany loans) of \$775 million. The right to receive assets of any subsidiary upon the liquidation or reorganization of that subsidiary (and the consequent rights of the holders of the notes to participate in those assets) will be subject to existing liens and security obligations and will be structurally subordinated to the claims of that subsidiary's creditors. Even if recognized as a creditor of that subsidiary as a result of an intercompany loan, such claims would be subordinate to any secured indebtedness of such subsidiary and any indebtedness of such subsidiary that is senior to such claims. The Issuer has no significant assets other than the right to receive intercompany payments payable to it by subsidiaries of Holding. In addition, each of PRIMUS and Holding has no significant assets other than cash and the stock of, and intercompany loans payable by, their respective subsidiaries. Moreover, PRIMUS's subsidiaries (and PRIMUS) are party to credit facility and indenture arrangements whereby the stock of most of its subsidiaries are pledged to secure such credit facility and indenture obligations and any claims you may have as a debtholder against the stock of the subsidiaries would be subordinate to claims of the lenders under such credit facility or indenture arrangements.

*We may not be able to pay interest and principal on the senior notes offered under this prospectus if we do not receive distributions from our subsidiaries.*

The Issuer has no independent operations and no significant assets other than rights to receive intercompany payment amounts from subsidiaries of Holding. In addition, each of PRIMUS and Holding has no independent operations and no significant assets other than the stock of, and intercompany loans payable by, our operating subsidiaries, and cash. Dividends, intercompany loans and other permitted payments from direct and indirect subsidiaries or Primus and its subsidiaries, and credit arrangements, are our sources of funds to meet our cash needs, including the payment of expenses and principal and interest on senior notes under this prospectus. PRIMUS's subsidiaries are legally distinct from the Issuer and have no obligations to pay amounts due with respect to the senior notes under this prospectus or to otherwise make funds available to us, except to the extent of guarantee obligations under the notes. Many of PRIMUS's subsidiaries are organized in jurisdictions outside the United States. Their ability to pay dividends, repay intercompany loans or make other distributions may be restricted by, among other things, the availability of funds, the terms of various credit arrangements entered into by them, as well as statutory and other legal restrictions. Additionally, payments due to us from PRIMUS's subsidiaries may result in adverse tax consequences. If we do not receive payments from PRIMUS's subsidiaries, we would be restricted in our ability to pay interest and principal on the notes offered under this prospectus.

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### ***The Issuer's ability to repurchase notes with cash upon a change of control may be limited.***

In certain circumstances involving a Change of Control (as defined below under *Description of the Notes* *Certain Definitions* ), the holders of the notes may require the Issuer to repurchase some or all of the holders' notes. No assurances can be made that the Issuer will have sufficient financial resources at such time or would be able to arrange financing to pay the repurchase price of the notes in cash, and any ability to repurchase the notes in cash in such event may be limited by law, by the indenture or by the terms of other agreements. In addition, a Change of Control may trigger repayment obligations under the terms of other indebtedness. The Issuer may not have, or be able to raise, sufficient funds to satisfy all of their repayment or repurchase obligations.

### ***If an active trading market for the notes does not develop, then the market price of the notes may decline or you may not be able to sell your notes.***

No assurances can be made that any liquid market will develop for the notes or that holders of the notes will be able to sell their notes, and no assurances can be made concerning the price at which the holders will be able to sell their notes. Before this offering, there has been no trading market for the notes. Accordingly, no market for the notes may develop, and any market that develops may not last. The Issuer does not intend to apply for listing of the notes on any securities exchange or other stock market. The liquidity of the trading market and the trading price of the notes may be adversely affected by declines in the trading price of PRIMUS's common stock and its other public debt securities, by changes in our financial performance or prospects and by changes in the financial performance of or prospects for companies in our industry generally.

### ***A small group of our stockholders could exercise influence over our affairs.***

As of March 31, 2007, funds affiliated with American International Group, Incorporated (AIG Entities) beneficially owned approximately 14.5% of our outstanding common stock, which was acquired through the conversion of their Series C Preferred Stock. As a result of such share ownership, these holders (who we refer to as the *Former Series C Holders* ) can exercise influence over our affairs through the provisions of a certain Governance Agreement between such holders and us, dated November 4, 2003, that, among other things, provide for their right to nominate a candidate for election by our stockholders to the board of directors and nominate one non-voting board observer, in each case subject to the maintenance of certain minimum ownership levels of our common stock and the board's right to exercise its fiduciary duties.

In addition, these holders' significant ownership levels could have an influence on: amendments to our certificate of incorporation; other fundamental corporate transactions such as mergers and asset sales; and the general direction of our business and affairs.

Also, the applicable triggering provisions of our rights agreement with StockTrans, Inc., as Rights Agent, dated December 23, 1998 (as amended, the *Rights Agreement* ) contain exceptions with respect to the acquisition of beneficial ownership of our shares by such holders and the other former holders of Series C Preferred Stock. As a result, such holders could gain additional control over our affairs without triggering the provisions of the Rights Agreement.

Finally, other stockholders that have acquired or will acquire a significant portion of our common stock such as three shareholders (excluding the AIG Entities) that have acquired 30.9 million shares, in aggregate, as of December 31, 2006, could potentially exercise influence over our affairs.

### ***Anti-takeover provisions could impede or discourage a third party acquisition.***

We are a Delaware corporation and the anti-takeover provisions of Delaware law impose various impediments to the ability of a third party to acquire control of our company, even if a change in control would be beneficial to our existing stockholders. In addition, our board of directors has the power, without stockholder approval, to designate the terms of one or more series of preferred stock and issue shares of preferred stock,

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which could be used defensively if a takeover is threatened. We also have adopted a Rights Agreement, commonly known as a poison pill, that entitles our stockholders to acquire additional shares of our common stock, or a potential acquirer of our company, at a substantial discount from their market value in the event of an attempted takeover, unless such stockholders' rights are earlier redeemed or exchanged by us in the discretion of our board of directors. Our by-laws provide for a classified board of directors serving staggered three-year terms and restrictions on who may call a special meeting of stockholders, and our certificate of incorporation prohibits stockholder action by written consent. The indentures governing our outstanding notes and public debt require that we offer to repurchase such debt or notes upon a change of control. Lastly, all options issued under our stock option plans automatically vest upon a change of control. Our incorporation under Delaware law, our board of directors' ability to create and issue a new series of preferred stock, the acceleration of the vesting of options, the existence of our Rights Agreement, the requirement to repurchase senior notes and the notes, and certain provisions of our certificate of incorporation or by-laws could impede a merger, takeover or other business combination involving our company or discourage a potential acquirer from making a tender offer for our common stock, which, under certain circumstances, could reduce the market value of our common stock.

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**THE EXCHANGE OFFER**

On February 26, 2007 and March 28, 2007, we sold \$108,210,000 aggregate principal amount of outstanding notes in private placement transactions to either existing holders of outstanding debt securities previously issued by Parent or its subsidiaries, or to the initial purchasers. In connection with the sale by us of the outstanding notes, we entered into and are party to a registration rights agreement, which requires that we file a registration statement under the Securities Act with respect to the exchange notes and, upon the effectiveness of that registration statement, offer to the holders of the outstanding notes the opportunity to exchange their outstanding notes for a like principal amount of exchange notes. The exchange notes will be issued without a restrictive legend and, subject to certain exceptions, generally may be reoffered and resold without registration under the Securities Act.

Except as described below, upon the completion of the exchange offer, our obligations with respect to the registration of the outstanding notes and the exchange notes will terminate. A copy of the registration rights agreement has been filed as an exhibit to the registration statement of which this prospectus is a part, and this summary of the material provisions of the registration rights agreement does not purport to be complete and is qualified in its entirety by reference to the complete registration rights agreement. As a result of the timely consummation of the exchange offer, we will not have to pay certain liquidated damages on the outstanding notes as provided for in the registration rights agreement. We have agreed that in the event that the registration statement of which this prospectus is a part has not been filed on or before June 26, 2007 or been declared effective by the SEC as of a date (the Effectiveness Date) on or before November 27, 2007, or the exchange offer has not been consummated within 35 business days of the Effectiveness Date, or the shelf registration statement described below has not been filed within 120 days of certain specified notices or declared effective within 270 days from certain prescribed events concerning the obligation to file the shelf registration statement, or any effective registration statement concerning the notes ceases to be effective or fails to be usable during certain specified periods, we will have to pay to the holders of outstanding notes liquidated damages in the amount of 0.25% per annum per \$1,000 in principal amount of outstanding notes held by each holder while our failure to meet the applicable foregoing condition continues. If after 90 days, we still have not met the applicable foregoing condition, the rate at which we must pay liquidated damages increases by an additional 0.25% per annum per \$1,000 in principal amount of outstanding notes with respect to each subsequent 90 day period until we have met the applicable foregoing condition, up to a maximum amount of liquidated damages of 1.0% per annum per \$1,000 in principal amount of outstanding notes. Following the completion of the exchange offer, holders of outstanding notes not tendered will not have any further registration rights other than as set forth in the paragraphs below, and those outstanding notes will continue to be subject to certain restrictions on transfer. Accordingly, the liquidity of the market for the outstanding notes could be adversely affected upon consummation of the exchange offer.

In order to participate in the exchange offer, a holder must represent to us, among other things, that:

the exchange notes acquired pursuant to the exchange offer are being obtained in the ordinary course of business of the holder;

the holder is not engaging in and does not intend to engage in a distribution of the exchange notes;

the holder does not have an arrangement or understanding with any person to participate in the distribution of the exchange notes;  
and

the holder is not an affiliate, as defined under Rule 405 under the Securities Act, of ours.

Under certain circumstances specified in the registration rights agreement, we may be required to file a shelf registration statement for a continuous offering in connection with the outstanding notes pursuant to Rule 415 under the Securities Act.



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Based on an interpretation by the SEC's staff set forth in no-action letters issued to third parties unrelated to us, we believe that, with the exceptions set forth below, exchange notes issued in the exchange offer may be offered for resale, resold and otherwise transferred by the holder of exchange notes without compliance with the registration and prospectus delivery requirements of the Securities Act, unless the holder:

is an affiliate of ours within the meaning of Rule 405 under the Securities Act;

is a broker-dealer who purchased outstanding notes directly from us for resale under Rule 144A or Regulation S or any other available exemption under the Securities Act;

is a broker-dealer that receives exchange notes for its own account in exchange for outstanding notes which were acquired by the broker-dealer as a result of market-making or other trading activities;

acquired the exchange notes other than in the ordinary course of the holder's business; or

the holder has an arrangement with any person to engage in the distribution of exchange notes.

Any holder who tenders in the exchange offer for the purpose of participating in a distribution of the exchange notes cannot rely on this interpretation by the SEC's staff and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction. Each broker-dealer that receives exchange notes for its own account in exchange for outstanding notes, where such outstanding notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. See Plan of Distribution. Broker-dealers who acquired outstanding notes directly from us and not as a result of market-making activities or other trading activities may not rely on the SEC staff's interpretations discussed above or participate in the exchange offer and must comply with the prospectus delivery requirements of the Securities Act in order to sell the outstanding notes.

In the event that our belief regarding resales is inaccurate, those who transfer exchange notes in violation of the prospectus delivery provisions of the Securities Act and without an exemption from registration under the federal securities laws may incur liability under these laws. We do not assume, nor will we indemnify you against, this liability. The exchange offer is not being made to, nor will we accept surrenders for exchange from, holders of outstanding notes in any jurisdiction in which the exchange offer or the acceptance thereof would not be in compliance with the securities or blue sky laws of the particular jurisdiction.

### **Terms of the Exchange Offer**

Upon the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal, we will accept any and all outstanding notes validly tendered and not withdrawn prior to 5:00 p.m., New York City time, on August 22, 2007 or such date and time to which we extend the offer. We will issue \$1,000 in principal amount of exchange notes in exchange for each \$1,000 principal amount of outstanding notes accepted in the exchange offer. Holders may tender some or all of their outstanding notes pursuant to the exchange offer. However, outstanding notes may be tendered only in integral multiples of \$1,000 in principal amount.

The exchange notes will evidence the same debt as the outstanding notes and will be issued under the terms of, and entitled to the benefits of, the indenture relating to the outstanding notes.

As of the date of this prospectus, outstanding notes representing \$108,210,000 in aggregate principal amount were outstanding and there was one registered holder, a nominee of the Depository Trust Company. This prospectus, together with the letter of transmittal, is being sent to the registered holder and to others believed to have beneficial interests in the outstanding notes. We intend to conduct the exchange offer in accordance with the applicable requirements of the Exchange Act and the rules and regulations of the SEC promulgated under the Exchange Act.

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We will be deemed to have accepted validly tendered outstanding notes when, as, and if we have given oral or written notice thereof to U.S. Bank National Association, the exchange agent. The exchange agent will act as agent for the tendering holders for the purpose of receiving the exchange notes from us. If any tendered outstanding notes are not accepted for exchange because of an invalid tender, the occurrence of certain other events set forth under the heading **Conditions to the Exchange Offer** or otherwise, certificates for any such unaccepted outstanding notes will be returned, without expense, to the tendering holder of those outstanding notes as promptly as practicable after the expiration date unless the exchange offer is extended.

Holders who tender outstanding notes in the exchange offer will not be required to pay brokerage commissions or fees or, subject to the instructions in the letter of transmittal, transfer taxes with respect to the exchange of outstanding notes in the exchange offer. We will pay all charges and expenses, other than certain applicable taxes, applicable to the exchange offer. See **Fees and Expenses**.

### **Expiration Date; Extensions; Amendments**

The expiration date shall be 5:00 p.m., New York City time, on August 22, 2007, unless we, in our sole discretion, extend the exchange offer, in which case the expiration date shall be the latest date and time to which the exchange offer is extended. In order to extend the exchange offer, we will notify the exchange agent and each registered holder of any extension by oral or written notice prior to 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date. We reserve the right, in our sole discretion:

(A) to delay accepting any outstanding notes, to extend the exchange offer or, if any of the conditions set forth under **Conditions to Exchange Offer** shall not have been satisfied, to terminate the exchange offer, by giving oral or written notice of that delay, extension or termination to the exchange agent, or

(B) to amend the terms of the exchange offer in any manner.

In the event that we make a fundamental change to the terms of the exchange offer, we will file a post-effective amendment to the registration statement.

### **Procedures for Tendering Outstanding Notes**

Only a holder of outstanding notes may tender the outstanding notes in the exchange offer. Except as set forth under **Book Entry Transfer**, to tender in the exchange offer a holder must complete, sign, and date the letter of transmittal, or a copy of the letter of transmittal, have the signatures on the letter of transmittal guaranteed if required by the letter of transmittal, and mail or otherwise deliver the letter of transmittal or copy to the exchange agent prior to the expiration date. In addition:

certificates for the outstanding notes must be received by the exchange agent along with the letter of transmittal prior to the expiration date;

a timely confirmation of a book-entry transfer, or book-entry confirmation, of the outstanding notes, if that procedure is available, into the exchange agent's account at the Depository Trust Company, or the book-entry transfer facility, following the procedure for book-entry transfer described below, must be received by the exchange agent prior to the expiration date; or

you must comply with the guaranteed delivery procedures described below.

To be tendered effectively, the letter of transmittal and other required documents must be received by the exchange agent at the address set forth under **Exchange Agent** prior to the expiration date.

Your tender, if not withdrawn before the expiration date, will constitute an agreement between you and us in accordance with the terms and subject to the conditions set forth herein and in the letter of transmittal.



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**THE METHOD OF DELIVERY OF OUTSTANDING NOTES AND THE LETTER OF TRANSMITTAL AND ALL OTHER REQUIRED DOCUMENTS TO THE EXCHANGE AGENT IS AT YOUR ELECTION AND RISK. INSTEAD OF DELIVERY BY MAIL, IT IS RECOMMENDED THAT YOU USE AN OVERNIGHT OR HAND DELIVERY SERVICE. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ASSURE DELIVERY TO THE EXCHANGE AGENT BEFORE THE EXPIRATION DATE. NO LETTER OF TRANSMITTAL OR OUTSTANDING NOTES SHOULD BE SENT TO US. YOU MAY REQUEST YOUR BROKERS, DEALERS, COMMERCIAL BANKS, TRUST COMPANIES OR NOMINEES TO EFFECT THESE TRANSACTIONS FOR YOU.**

Any beneficial owner whose outstanding notes are registered in the name of a broker, dealer, commercial bank, trust company, or other nominee and who wishes to tender should contact the registered holder promptly and instruct the registered holder to tender on the beneficial owner's behalf. If the beneficial owner wishes to tender on the owner's own behalf, the owner must, prior to completing and executing the letter of transmittal and delivering the owner's outstanding notes, either make appropriate arrangements to register ownership of the outstanding notes in the beneficial owner's name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time.

Signatures on a letter of transmittal or a notice of withdrawal, as the case may be, must be guaranteed by an eligible guarantor institution within the meaning of Rule 17Ad-15 under the Exchange Act, or eligible institution, unless outstanding notes tendered pursuant thereto are tendered:

(A) by a registered holder who has not completed the box entitled Special Registration Instruction or Special Delivery Instructions on the letter of transmittal; or

(B) for the account of an eligible institution.

If signatures on a letter of transmittal or a notice of withdrawal, as the case may be, are required to be guaranteed, the guarantee must be by any eligible guarantor institution that is a member of or participant in the Securities Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Program or an eligible institution.

If the letter of transmittal is signed by a person other than the registered holder of any outstanding notes listed in the letter of transmittal, the outstanding notes must be endorsed or accompanied by a properly completed bond power, signed by the registered holder as that registered holder's name appears on the outstanding notes.

If the letter of transmittal or any outstanding notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations, or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and evidence satisfactory to us of their authority to so act must be submitted with the letter of transmittal unless waived by us.

All questions as to the validity, form, eligibility, including time of receipt, acceptance, and withdrawal of tendered outstanding notes will be determined by us in our sole discretion, which determination will be final and binding. We reserve the absolute right to reject any and all outstanding notes not properly tendered or any outstanding notes our acceptance of which would, in the opinion of our counsel, be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to particular outstanding notes. Our interpretation of the terms and conditions of the exchange offer, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of outstanding notes must be cured within such time as we shall determine. Although we intend to notify holders of defects or irregularities with respect to tenders of outstanding notes, neither we, the exchange agent, nor any other person is under any duty to give notification of such defects or irregularities and neither we, the exchange agent nor any other person shall incur any liability for failure to give that notification. Tendere of outstanding notes will not be deemed to have been made until such defects or irregularities have been cured or waived. Any outstanding notes received by the exchange agent that are not properly tendered and as to which the

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defects or irregularities have not been cured or waived will be returned by the exchange agent to the tendering holders, unless otherwise provided in the letter of transmittal, as soon as practicable following the expiration date, unless the exchange offer is extended.

In addition, we reserve the right in our sole discretion to purchase or make offers for any outstanding notes that remain outstanding after the expiration date or, as set forth under Conditions to the Exchange Offer, to terminate the exchange offer and, to the extent permitted by applicable law, purchase outstanding notes in the open market, in privately negotiated transactions, or otherwise. The terms of any such purchases or offers could differ from the terms of the exchange offer.

By tendering, you will be representing to us that, among other things:

the exchange notes acquired in the exchange offer are being obtained in the ordinary course of business of the person receiving such exchange notes, whether or not such person is the registered holder;

you are not engaging in and do not intend to engage in a distribution of the exchange notes;

you do not have an arrangement or understanding with any person to participate in the distribution of such exchange notes; and

you are not an affiliate, as defined under Rule 405 of the Securities Act, of ours.

In all cases, issuance of exchange notes for outstanding notes that are accepted for exchange in the exchange offer will be made only after timely receipt by the exchange agent of certificates for such outstanding notes or a timely book-entry confirmation of such outstanding notes into the exchange agent's account at the book-entry transfer facility, a properly completed and duly executed letter of transmittal or, with respect to the Depository Trust Company and its participants, electronic instructions in which the tendering holder acknowledges its receipt of and agreement to be bound by the letter of transmittal, and all other required documents. If any tendered outstanding notes are not accepted for any reason set forth in the terms and conditions of the exchange offer or if outstanding notes are submitted for a greater principal amount than the holder desires to exchange, such unaccepted or non-exchanged outstanding notes will be returned without expense to the tendering holder or, in the case of outstanding notes tendered by book-entry transfer into the exchange agent's account at the book-entry transfer facility according to the book-entry transfer procedures described below, those non-exchanged outstanding notes will be credited to an account maintained with that book-entry transfer facility, in each case, as promptly as practicable after the expiration or termination of the exchange offer.

Each broker-dealer that receives exchange notes for its own account in exchange for outstanding notes, where those outstanding notes were acquired by such broker-dealer as a result of market making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of those exchange notes. See Plan of Distribution.

### **Book-Entry Transfer**

The exchange agent will make a request to establish an account with respect to the outstanding notes at the book-entry transfer facility for purposes of the exchange offer within two business days after the date of this prospectus, and any financial institution that is a participant in the book-entry transfer facility's systems may make book-entry delivery of outstanding notes being tendered by causing the book-entry transfer facility to transfer such outstanding notes into the exchange agent's account at the book-entry transfer facility in accordance with that book-entry transfer facility's procedures for transfer. However, although delivery of outstanding notes may be effected through book-entry transfer at the book-entry transfer facility, the letter of transmittal or copy of the letter of transmittal, with any required signature guarantees and any other required documents, must, in any case other than as set forth in the following paragraph, be transmitted to and received by the exchange agent at the address set forth under Exchange Agent on or prior to the expiration date or the guaranteed delivery procedures described below must be complied with.

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The Depository Trust Company's Automated Tender Offer Program, or ATOP, is the only method of processing exchange offers through the Depository Trust Company. To accept the exchange offer through ATOP, participants in the Depository Trust Company must send electronic instructions to the Depository Trust Company through the Depository Trust Company's communication system instead of sending a signed, hard copy letter of transmittal. The Depository Trust Company is obligated to communicate those electronic instructions to the exchange agent. To tender outstanding notes through ATOP, the electronic instructions sent to the Depository Trust Company and transmitted by the Depository Trust Company to the exchange agent must contain the character by which the participant acknowledges its receipt of and agrees to be bound by the letter of transmittal.

### **Guaranteed Delivery Procedures**

If a registered holder of the outstanding notes desires to tender outstanding notes and the outstanding notes are not immediately available, or time will not permit that holder's outstanding notes or other required documents to reach the exchange agent before the expiration date, or the procedure for book-entry transfer cannot be completed on a timely basis, a tender may be effected if:

the tender is made through an eligible institution;

prior to the expiration date, the exchange agent receives from that eligible institution a properly completed and duly executed letter of transmittal or a facsimile of a duly executed letter of transmittal and a duly executed notice of guaranteed delivery, substantially in the form provided by us, by telegram, telex, fax transmission, mail or hand delivery, setting forth the name and address of the holder of outstanding notes and the amount of outstanding notes tendered and stating that the tender is being made by guaranteed delivery and guaranteeing that within three New York Stock Exchange, Inc., or NYSE, trading days after the date of execution of the notice of guaranteed delivery, the certificates for all physically tendered outstanding notes, in proper form for transfer, or a book-entry confirmation, as the case may be, will be deposited by the eligible institution with the exchange agent; and

the certificates for all physically tendered outstanding notes, in proper form for transfer, or a book-entry confirmation, as the case may be, are received by the exchange agent within three NYSE trading days after the date of execution of the notice of guaranteed delivery.

### **Withdrawal Rights**

Tenders of outstanding notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the expiration date.

For a withdrawal of a tender of outstanding notes to be effective, a written or, for Depository Trust Company participants, electronic ATOP transmission notice of withdrawal, must be received by the exchange agent at its address set forth under "Exchange Agent" prior to 5:00 p.m., New York City time, on the expiration date. Any such notice of withdrawal must:

specify the name of the person having deposited the outstanding notes to be withdrawn, or the depositor ;

identify the outstanding notes to be withdrawn, including the certificate number or numbers and principal amount of such outstanding notes;

be signed by the depositor in the same manner as the original signature on the letter of transmittal by which such outstanding notes were tendered, including any required signature guarantees, or be accompanied by documents of transfer sufficient to have the trustee register the transfer of such outstanding notes into the name of the person withdrawing the tender; and

specify the name in which any such outstanding notes are to be registered, if different from that of the depositor.

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All questions as to the validity, form, eligibility and time of receipt of such notices will be determined by us, whose determination shall be final and binding on all parties. Any outstanding notes so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the exchange offer. Any outstanding notes which have been tendered for exchange but which are not exchanged for any reason will be returned to the holder of those outstanding notes without cost to that holder as soon as practicable after withdrawal, rejection of tender, or termination of the exchange offer. Properly withdrawn outstanding notes may be retendered by following one of the procedures under **Procedures for Tendering Outstanding Notes** at any time on or prior to the expiration date.

### **Conditions To The Exchange Offer**

Notwithstanding any other provision of the exchange offer, we will not be required to accept for exchange, or to issue exchange notes in exchange for, any outstanding notes and may terminate or amend the exchange offer if at any time before the acceptance of those outstanding notes for exchange or the exchange of the exchange notes for those outstanding notes, we determine that the exchange offer violates applicable law or any applicable interpretation of the staff of the SEC.

The foregoing conditions are for our sole benefit and may be asserted by us regardless of the circumstances giving rise to any such condition or may be waived by us in whole or in part at any time and from time to time in our sole discretion. The failure by us at any time to exercise any of the foregoing rights shall not be deemed a waiver of any of those rights and each of those rights shall be deemed an ongoing right which may be asserted at any time and from time to time.

In addition, we will not accept for exchange any outstanding notes tendered, and no exchange notes will be issued in exchange for those outstanding notes, if at such time any stop order shall be threatened or in effect with respect to the registration statement of which this prospectus constitutes a part or the qualification of the indenture under the Trust Indenture Act of 1939.

The exchange offer is not conditioned on any minimum principal amount of outstanding notes being tendered for exchange.

### **Exchange Agent**

U.S. Bank Trust National Association has been appointed as exchange agent for the exchange offer. All executed letters of transmittal should be directed to the exchange agent addressed as follows:

By Courier or Hand Delivery:

U.S. Bank National Association

Attn: Corporate Trust Services

100 Wall Street, Suite 1600

New York, NY 10005

By Mail:

U.S. Bank National Association

Attn: Corporate Trust Services

100 Wall Street, Suite 1600

New York, NY 10005

By Overnight Mail or Courier:

U.S. Bank National Association



Attn: Corporate Trust Services

100 Wall Street, Suite 1600

New York, NY 10005

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Questions, requests for assistance and requests for additional copies of this prospectus or of the letter of transmittal should be directed to the exchange agent addressed as follows:

### By Hand Delivery:

U.S. Bank National Association

Attn: Corporate Trust Services

100 Wall Street, Suite 1600

New York, NY 10005

### By Mail:

U.S. Bank National Association

Attn: Corporate Trust Services

100 Wall Street, Suite 1600

New York, NY 10005

### By Overnight Mail or Courier:

U.S. Bank National Association

Attn: Corporate Trust Services

100 Wall Street, Suite 1600

New York, NY 10005

By Facsimile: (212) 361-6153. For information or confirmation by telephone (212) 361-6159.

Originals of all documents sent by facsimile should be sent promptly by registered or certified mail, by hand or by overnight delivery service.

## **Fees And Expenses**

We will not make any payments to brokers, dealers or others soliciting acceptances of the exchange offer. The principal solicitation is being made by mail; however, additional solicitations may be made in person or by telephone by our officers and employees. The estimated cash expenses to be incurred in connection with the exchange offer will be paid by us and will include exchange agent, trustee, accounting, legal, printing, and related fees and expenses.

## **Transfer Taxes**

Holders who tender their outstanding notes for exchange will not be obligated to pay any transfer taxes in connection with that tender or exchange, except that holders who instruct us to register exchange notes in the name of, or request that outstanding notes not tendered or not accepted in the exchange offer be returned to, a person other than the registered tendering holder will be responsible for the payment of any applicable transfer tax on those outstanding notes.

## **Accounting Treatment**

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The exchange notes will be recorded at the same carrying value as the outstanding notes, as reflected in our accounting records on the date of the exchange. Accordingly, no gain or loss for accounting purposes will be recognized by us upon the consummation of the exchange offer. The expenses of the exchange offer will be expensed as incurred under generally accepted accounting principles.

### **Adverse Consequences of Failure to Exchange**

If you fail to exchange your outstanding notes for exchange notes under the exchange offer, you will remain subject to the restrictions on transfer of your outstanding notes. In general, you may not offer or sell the outstanding notes unless they are registered under the Securities Act, or if the offer or sale is exempt from registration under the Securities Act and applicable state securities laws. Except as required by the registration rights agreement, we do not intend to register resales of the outstanding notes under the Securities Act.