

Primus Telecommunications Group, Incorporated
CHARTER OF THE COMPENSATION COMMITTEE
OF
THE BOARD OF DIRECTORS

Adopted as of July 1, 2009

Purpose.

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Primus Telecommunications Group, Incorporated, a Delaware corporation (the “Company”), shall be to (i) approve the type and level of compensation for the Chief Executive Officer of the Company and other executive officers of the Company, and, upon consideration of the recommendations of the Chief Executive Officer, to approve the type and level of aggregate compensation for the other key employees and management of the Company, (ii) to review the performance of the Chief Executive Officer of the Company, (iii) to produce an annual report on executive compensation for inclusion in the Company’s proxy statement in accordance with applicable rules and regulations, and (iv) to perform such other functions as may be deemed necessary or convenient in the efficient and lawful discharge of the foregoing.

Composition.

The Committee shall be comprised of two (2) or more members of the Board, as determined from time to time by the Board. Each member of the Committee shall be “independent” as defined by the rules of the Nasdaq Stock Market (or such securities exchange on which the Company’s securities are listed for trading) and shall satisfy any other legal requirements relevant to the proper administration of the Company’s compensation plans, including qualification as a “non-employee director” under Rule 16b-3 of the Securities Exchange Act of 1934, as amended, and qualification as an “outside director” within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended.

The members of the Committee will be appointed by and serve at the discretion of the Board. The chairperson of the Committee shall be designated by the Board; *provided*, that if the Board does not so designate a chairperson, the members of the Committee, by a majority vote, may designate a chairperson. Any vacancy on the Committee shall be filled by majority vote of the Board. No member of the Committee shall be removed except by majority vote of the Board.

Functions and Authority.

The operation of the Committee shall be subject to the Bylaws of the Company, as in effect from time to time, and Section 141 of the Delaware General Corporation Law. The Committee shall have the full power and authority to carry out the following responsibilities:

1. Administer the Company’s equity incentive plans, including without limitation the Primus Telecommunications Group, Incorporated 2009 Management Compensation Plan, as the same may be amended and in effect from time to time (collectively, the “Plans”); such administrative power and functions shall include (a) approving, as appropriate, individual and

aggregate option grants and restricted stock or other Plan awards which shall satisfy all the applicable terms of the applicable Plan as in effect at the time of grant, (b) interpreting the Plans, (c) determining rules and regulations relating to the Plans, (d) modifying or canceling existing grants or awards, (e) imposing limitations, restrictions and conditions upon any grant or award as the Committee deems necessary or advisable and (f) determining performance targets as necessary under any existing or future equity incentive grants.

2. Evaluate annually and establish compensation of the Chief Executive Officer and other Company executive officers, including, but not limited to annual salary, bonus, stock options, and other direct or indirect benefits and set goals and objectives for the chief executive officer and other Company executive officers to achieve in order to receive such compensation, and to review annually the employment contract of any executive officer.

3. After consideration of the recommendation of the Chief Executive Officer, set the compensation type and levels for key employees and management of the Company, including, but not limited to annual salary, bonus, stock options, stock based awards, awards under the Plans, and other direct or indirect benefits.

4. Review and approve for executive officers of the Company (a) any new employment contracts, including any severance arrangements or change in control and similar agreements/provisions, (b) any amendments to any such executive's employment agreement, including any severance arrangements or change in control and similar agreements/provisions, and any amendments, supplements or waivers to the foregoing agreements, in each case as, when and if deemed necessary or advisable, and (c) any perquisites or special or supplemental benefits.

5. Review on a periodic basis the operation of the Company's executive compensation programs to determine whether they are properly coordinated and competitive in the marketplace and to establish and periodically review policies for the administration of executive compensation programs.

6. Have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of director, CEO, or executive officer compensation and to approve the consultant's fees and other retention terms, for which the Company will be responsible for payment thereof. The Committee also shall have authority to obtain advice and assistance from internal or outside legal, accounting or other advisors it determines necessary to carry out its duties.

7. Review all material elements of the Company's compensation of its executive officers and the most important factors relevant to an analysis of compensation policies and decisions for purposes of the Company preparing its disclosure under Item 402(b) of Regulation S-K, which is known as its Compensation Discussion and Analysis disclosure ("CD&A"). The Committee shall further assist the Company, its management and counsel in reviewing and confirming the accuracy of the Company's CD&A and, based on such review and discussions, the Committee shall recommend to the Board of Directors that the CD&A be included in the Company's annual (or special) meeting proxy statement on Schedule 14A ("Proxy Statement"), or if necessary, the Company's Annual Report on Form 10-K ("10-K") (the "CD&A Recommendation"). The Committee further shall issue annually a "Compensation Committee

Report” (in addition to the Company’s obligation to prepare the CD&A disclosure noted above), which shall (i) state that the Committee conducted the CD&A Review and made the CD&A Recommendation, as part of the required disclosures pursuant to Item 407(e)(5) of Regulation SK, and the name of each member of the Committee shall appear below such Compensation Committee Report and (ii) be included in the Proxy Statement, or if necessary, the 10-K.

8. Review and assess annually this Charter and the performance of the Committee and obtain the approval of the Board of Directors of any recommended changes to the Charter or the Committee. The Compensation Committee shall (i) annually review its own performance as compared to the requirements of this Charter, (ii) have the authority to investigate all matters brought to its attention with full access to all books, records, facilities, and personnel of the Company for such matters and the power to retain outside professionals for this purpose, all at the expense of the Company and (iii) have such other authority and responsibilities as may be assigned to it from time to time by the Board. The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its evaluation, including any recommended amendments to this Charter.

9. Perform such other functions and have such other powers as may be assigned to the Committee under the terms of any executive compensation plan or that may be necessary or convenient in the efficient discharge of the foregoing.

10. Report to the Board from time to time, or whenever it shall be called upon to do so.

Meetings.

The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities, but in any event the Committee shall hold at least one regular meeting per year. The Chairman of the Board and the Chief Executive Officer of the Company may attend any meeting of the Committee, except for portions of the meetings where his, her or their presence would be inappropriate, as determined by the Committee.

A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum.

Minutes.

Minutes of each meeting of the Committee shall be kept and distributed to each member of the Committee, members of the Board who are not members of the Committee and the Secretary of the Company.

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While the members of the Committee have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of members of the Committee, except to the extent otherwise provided under applicable federal or state law.