

SCHAEFFER DAVE
Form 4
November 07, 2005

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
SCHAEFFER DAVE

2. Issuer Name and Ticker or Trading Symbol
COGENT COMMUNICATIONS GROUP INC [COI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
1015 31ST ST., NW
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
11/04/2005

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman & CEO

WASHINGTON, DC 20007

(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price |
| common stock | 11/04/2005 ⁽¹⁾ | | A ⁽¹⁾ | | 100,000 ⁽¹⁾ | A | \$ 0 |
| | | | | | 1,864,843 ⁽²⁾ | D | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Option to purchase common stock ⁽³⁾ | \$ 0 | | | | | 11/01/2006 ⁽³⁾ 09/08/2014 | common stock ⁽³⁾ | 576,930 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|----------------|-------|
| | Director | 10% Owner | Officer | Other |
| SCHAEFFER DAVE 1015 31ST ST., NW WASHINGTON, DC 20007 | X | | Chairman & CEO | |

Signatures

David Schaeffer 11/07/2005

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) On November 4, 2005 the Board of Directors of the Company approved a grant to Mr. Schaeffer of 100,000 shares of common stock of the Company. The shares are subject to certain vesting restrictions as follows: 8,333.33 shares are vested on January 1, 2006 and an additional 8,333.33 shares vest on the first day of each subsequent month of 2006. Vesting will accelerate under certain circumstances, including a change of control of the Company. The Company will receive no consideration for this stock and the grant is treated as compensation to Mr. Schaeffer.

(2) This amount includes 1,764,843 shares owned by Mr. Schaeffer as perviously reported on form 3 and various forms 4; 1,181,296 of these shares are vested and the remainder are subject to vesting through August 1, 2006. This amount also includes the 100,000 shares granted to him on October 26, 2005 and the 100,000 shares granted to him on November 4, 2005. This amount also includes 6,750 shares that are held by Mr. Schaeffer's Descendant's Trust. Mr. Schaeffer disclaims beneficial ownership of such shares. All share amounts reflect the 1-for-20 reverse stock split effected by the Company on March 23, 2005.

(3) On February 15, 2005 Mr. Schaeffer's option to acquire 15,000 shares of Series H Convertible Preferred Stock was converted by action of the stockholders into an option to acquire 11,538,461 shares of common stock at a rate of 769.2307692 shares of common stock for each shares of Series H Preferred Stock. The Company's 1-for-20 reverse stock split effected on March 23, 2005 further converted the original option grant into an option to acquire 576,930 shares of common stock. The common stock is subject to the same vesting provisions applicable to the original option to acquire Series H Preferred Stock: 100% of the option will vest on November 1, 2006; vesting will accelerate under certain circumstances and is exercisable for a period of 10 years from date of grant on September 8, 2004.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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