



# News

R E L E A S E

## FOR IMMEDIATE RELEASE

April 5, 2025

CONTACT:

Fiber Network Solutions, Inc.  
media@FiberNetworkSolutions.net  
(614) 364-4085  
*(Text or Email Preferred)*

### WHISTLEBLOWER FILES DOJ AND FINRA COMPLAINTS OVER COGENT COMMUNICATIONS' \$174 MILLION IPV4 SECURITIZATION AMID FEDERAL FRAUD EXPOSURE

Washington, D.C. — David J. Koch, co-founder of Fiber Network Solutions, Inc. (FNSI) and lead whistleblower in a federal fraud and concealment case spanning more than two decades, has filed formal complaints with the U.S. Department of Justice (DOJ) and the Financial Industry Regulatory Authority (FINRA). The complaints challenge a \$174.4 million IPv4 revenue securitization announced by Cogent Communications Holdings, Inc. (NASDAQ: CCOI) on April 4, 2025.<sup>1</sup>

The complaints allege that Cogent's April 4, 2025 announcement of a private IPv4 revenue securitization—structured through a bankruptcy-remote subsidiary—

---

<sup>1</sup> Cogent's announcement: <https://www.cogentco.com/en/about-cogent/press-releases/4805-cogent-announces-ipv4-address-securitization-offering-04-04-25>

appears to be a calculated effort to shield future revenue streams from civil and criminal liability tied to the unlawful 2003 acquisition of FNSI.

The original whistleblower complaint, detailing a 22-year conspiracy involving securities fraud, concealment, and asset misappropriation, is currently under review by the SEC, FBI, and IRS-CI.

According to Koch, the structure, timing, and lack of material disclosures surrounding the transaction raise serious legal and ethical red flags:

“You don’t move \$174 million in predictable, contract-backed revenue into a bankruptcy-remote shell—while under active investigation by multiple federal agencies—unless you’re bracing for legal impact,” Koch stated. “This appears to be a deliberate attempt to conceal income streams before enforcement actions begin.”

The complaints submitted to DOJ and FINRA allege that Cogent has failed to disclose multiple material risks to investors and regulators, including:

- Active whistleblower complaints filed with the SEC, DOJ, and IRS-CI;
- Legal exposure stemming from the unlawful 2003 acquisition and concealment of FNSI assets;
- Potential criminal liability for current and former Cogent executives and board members under federal

statutes covering securities fraud, wire fraud, conspiracy, and obstruction of justice;

- Imminent enforcement risk related to revenue shielding, material nondisclosure, and misrepresentation in connection with a securities offering.

Several key indicators suggest this transaction is reactive and legally defensive in nature:

- The offering was routed through a bankruptcy-remote special purpose vehicle—an entity often used to isolate assets from litigation, creditor recovery, or regulatory action.
- Although Cogent's April 4, 2025 press release lists over a dozen operational and market risks, it omits any reference to pending federal investigations or whistleblower activity—even though such notice was formally acknowledged in writing by Chief Legal Officer John Chang on March 19, 2025.
- The securitized assets—leased IPv4 addresses and customer receivables—constitute predictable cash flows typically ring-fenced ahead of legal or regulatory scrutiny.
- No announced acquisition, infrastructure investment, or strategic initiative justifies the timing or scale of the \$174.4 million capital raise.

Koch has formally urged the DOJ and FINRA to take immediate action, including:

- Launching investigations into the structure, timing, and underlying intent of the Series 2025-1 IPv4 securitization;
- Alerting institutional buyers to the existence of undisclosed federal whistleblower complaints and associated enforcement risks;
- Performing a comprehensive audit of internal and external communications related to the transaction, including correspondence involving the Board of Directors, underwriters, and legal counsel;
- Reviewing the transaction under SEC Rule 10b-5 and federal fraudulent conveyance statutes, with specific attention to income shielding and willful omission of material facts.

This latest escalation adds to the mounting scrutiny surrounding Cogent Communications and its involvement in the long-concealed FNSI asset acquisition scandal.

Additional whistleblower disclosures, agency records, and supporting documentation are expected to emerge in the coming days—further revealing the scope of the concealment and the individuals involved.

*This release is based on publicly available information, agency filings, and good faith analysis provided pursuant to whistleblower protections under federal law.*

\*\*\* END \*\*\*