



News

R E L E A S E

FOR IMMEDIATE RELEASE

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\$174 MILLION COGENT TRANSACTION CLOSES AMID ACTIVE WHISTLEBLOWER INVESTIGATIONS

SEC FILINGS CONFIRM CLOSING WHILE DOJ, IRS, AND SEC SUBMISSIONS REMAIN UNDISCLOSED

WASHINGTON, D.C. — April 14, 2025 — Cogent Communications Holdings, Inc. (NASDAQ: CCOI) has finalized its \$174.4 million IPv4 securitization offering—despite an active whistleblower investigation currently under review by the U.S. Department of Justice (DOJ), Securities and Exchange Commission (SEC), Internal Revenue Service—Criminal Investigation (IRS-CI), and FINRA. The investigation centers on a 22-year pattern of concealment and obstruction tied to the 2003 fraudulent acquisition of Fiber Network Solutions, Inc. (FNSI).

Despite no investor-facing disclosures, Cogent’s April 11, 2025 SEC filing confirms legal execution of the transaction—documented through a signed Indenture Supplement and a Second Amendment to the Base



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Indenture. Both instruments bear the signature of Beverly D. Capers, Vice President of Wilmington Trust, acting as Indenture Trustee on the \$174.4 million offering.

“At a time when the Internet was still in its infancy and ethical boundaries were often abandoned in pursuit of rapid gain, this deal closed quietly—under the radar,” said a representative for the whistleblower. “That’s the issue. Even after the chaos of the dot-com era faded, material risk disclosures were never made—not even after direct legal notice to Cogent’s leadership, which was acknowledged in writing by the company’s Chief Legal Officer. That omission could carry serious regulatory consequences.”

The whistleblower report—now expanded to 137 pages—alleges a 22-year cover-up tied to the fraudulent 2003 acquisition of Fiber Network Solutions, Inc. (FNSI), carried out while founder, president, CEO and chairman, David J. Koch was undergoing a period of serious medical incapacity, supported by formal documentation. The report includes voice recordings, falsified governance documents, financial exhibits, and evidence of ongoing concealment through 2025—including forensically documented cyber intrusions aimed at destroying key evidence.

The report also confirms a legal reset of the statute of limitations under *Klehr v. A.O. Smith Corp.*, 521 U.S. 179 (1997), and *United States v. Smith*, 740 F.2d 734 (9th Cir. 1984), based on continued acts of obstruction of justice, manipulation, deception, and digital intrusion occurring as recently as February and March 2025.

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Key SEC Exhibits Confirming the Closing:

- Exhibit 4.1 – Indenture Supplement (April 11, 2025)
- Exhibit 4.2 – Second Amendment to the Base Indenture (executed by Cogent & Wilmington Trust)

Notably, Cogent has issued no press release or public statement announcing the April 11 closing. As of this release, the transaction is not referenced on Cogent’s website, investor relations portal, or any public-facing communications. The only confirmation appears in SEC filings—buried within the exhibits to Cogent’s April 11, 2025 8-K filing with the SEC.

The absence of public disclosure is highly irregular for a \$174 million securitization and raises serious concerns about Cogent’s intent to conceal material risk from investors, regulators, and the public—particularly given the acknowledged whistleblower investigation and formal written notice delivered to the company’s executive team, board of directors, and legal counsel three weeks prior.

Despite receiving formal notice and acknowledging the whistleblower disclosures, Cogent has issued no press release or public statement addressing the report, the criminal allegations, or the ongoing federal investigations.

This concealment reflects a longstanding pattern. In 2003, Cogent acquired Fiber Network Solutions, Inc. while its founder, president, and CEO, David J. Koch, was incapacitated by documented, life-threatening medical conditions. The transaction was never disclosed in Cogent’s S-1 IPO filing and has not been referenced in any subsequent SEC filing for over two decades. Instead, it was

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vaguely categorized as “miscellaneous assets” and buried within a non-indexed exhibit—Exhibit 2.5—with all supporting schedules omitted. There was no press release, no investor communication, and no material disclosure. The transaction was executed in silence.

SEC Source: https://www.sec.gov/Archives/edgar/data/1158324/000104746903011242/a2106111zex-2_5.htm

“Exhibit 2.5 is the silent transaction that built Cogent’s foundation—buried, unindexed, and undisclosed,” said Chris Myers, former Vice President Administration of Fiber Network Solutions. “The SEC didn’t catch it. The board didn’t question it. And 22 years later, it’s coming back to blow a billion-dollar hole in Cogent’s credibility.”

Myers was dismissed just days after informing two of FNSI’s officers that founder David Koch was not expected to survive his latest medical crisis. Both of these FNSI officers are named co-conspirators in the 137-page Whistleblower Report filed with the FBI, SEC and IRS-CI.

To verify notice and Cogent’s material knowledge:

- March 21, 2025 – Notice to Cogent Officers and Legal Counsel – Acknowledged by John Chang

https://fibernetworksolutions.net/ewExternalFiles/20250321_Email_Cogent_Koch.pdf

- Memo to Cogent’s Board re: Directors & Officers Insurance Exposure

<https://fibernetworksolutions.net/ewExternalFiles/MEMO%20TO%20COGENT%20BOARD.pdf>

“This is no longer just a disclosure issue,” the whistleblower representative added. “Everyone who signed, structured, or

distributed this offering did so with constructive knowledge—and that may trigger liability.”

“I spent eight years building Fiber Network Solutions. What Cogent acquired—through a coordinated fraud—was not furniture or fiber. It was our sources and methods. Our proprietary co-location model. Our intellectual property. Our trade secrets. Our design. That’s what made the model profitable,” said David J. Koch, co-founder, president, CEO, and chairman of FNSI. “Our data centers were cash cows. And the architecture behind making them profitable was ours.”

“Yet, from all of that innovation, effort, and discipline, I received nothing—because I was ill. That larceny occurred while I was medically incapacitated with documented life-threatening conditions and not expected to survive,” said Koch. “The moral depravity of this transaction—to exploit someone in that state, while they are fighting for their life—reaches the darkest depths of moral and ethical misconduct.”

In late 2002, the FNSI officer and co-conspirator who dismissed Chris Myers—just days after he informed them of David Koch’s likely terminal prognosis—personally activated Koch’s Jefferson Pilot disability income policy using confidential medical information. The claim was immediately approved, confirming the severity of his condition.

Despite having direct knowledge of Koch’s incapacitation, the insiders—in coordination with Cogent—proceeded with the covert asset transfer, fully aware that Koch was in no position to object or intervene.



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Timeline, exhibits, and voice recordings available at:

<https://FiberNetworkSolutions.net/news.html>

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