



March 27, 2014

Idaho-Based Environmental Clean-up Company Along With Father and Son Directors Indicted for Scheme to Defraud and Theft

On March 25, 2014, an Anchorage grand jury indicted DMC Technologies, Inc., 58-year-old Daniel McNair of Rexburg, Idaho, CEO of DMC Technologies, and Daniel Ross (Ross) McNair, agent of the company and Daniel McNair's son, on 14 felony counts each, including 2 counts of Theft in the First Degree, 1 count of Scheme to Defraud, 2 counts of Felony Offering a False Instrument for Recording and 9 counts of Falsifying Business Records. The indictment against DMC Technologies, Inc. and the McNairs stems from the Department of Environmental Conservation's discovery that DMC and the McNairs had allegedly submitted falsified laboratory data to the State and to Little Red Services, an oil field services company operating on the North Slope. DMC Technologies, Inc. had contracted to clean-up a contaminated pad leased by Little Red Services on the North Slope, guaranteeing clean-up to State of Alaska clean-up levels. Investigation revealed that DMC Technologies, Inc. and its agents, Daniel and Ross McNair, allegedly manipulated the data making the reports submitted to Little Red Services and the State show that clean-up at the pad was complete. Further investigation revealed that the site remains contaminated and further clean-up will be required. The actions of DMC Technologies, Inc. and the McNairs resulted in a loss of over \$900,000 to Little Red Services.

The indictment is only a charge and is not evidence of guilt. A defendant is presumed innocent and is entitled to a fair trial at which the government must prove guilt beyond a reasonable doubt. DMC Technologies, Inc., Daniel McNair, and Ross McNair, as with all criminal defendants, are innocent until proven guilty.

Daniel and Ross McNair each face a sentence of up to three years in prison and a fine up to \$100,000 if convicted. DMC Technologies, Inc. is subject to a fine of up to \$2,500,000. Sentencing is based on the judge's view of the seriousness of the crime and the offender's criminal history, if any.

The indictment stems from investigations by the Department of Environmental Conservation's Environmental Crimes Unit and Contaminated Sites Program along with the assistance of the United States Environmental Protection Agency's Criminal Investigation Division.

If you have any information regarding environmental crimes, please contact the Department of Environmental Conservation's Environmental Crimes Unit and visit the webpage at: <http://dec.alaska.gov/das/ecu/>.

CONTACT: Assistant Attorney General Carole Holley @ (907) 269-6250 at the Office of Special Prosecutions.