

June 6, 2008

NANA Regional Corporation, Inc.
P.O. Box 49
Kotzebue, AK 99752

Dear Sir or Madam:

Sometime in the next few weeks, the Project On Government Oversight (POGO) will update its Federal Contractor Misconduct Database (<http://www.contractormisconduct.org/>), a compilation of information from public resources regarding government contractors, including NANA Regional Corporation. I have enclosed the findings relevant to your company, and I am seeking verification of this data.

Any response would be greatly appreciated, as the accuracy of this information is in the best interest of all parties. Out of fairness to NANA Regional Corporation, please be assured that any response received by POGO will be posted on the website along with the data.

The biggest change we will be making to the database is the inclusion of more federal contractors (the top 100). We are also adding new instances that we have found in recent months and updating instances already in the database with new information. Please note that the database also includes pending instances, but these are kept separate from resolved instances and are not included in the totals.

If you have any questions, I can be reached at (202) 347-1122. Thank you for your time and consideration.

Sincerely,

Neil Gordon
Investigator

Enclosure

Instances

1. Adams v. Akima Site Operations LLC, et al. (Breach of Contract)

Date: 09/13/2006 (Date of Settlement)

Misconduct Type: Non-governmental Contract Fraud

Enforcement Agency: Non-Governmental

Contracting Party: Non-Governmental

Court Type: Civil

Amount: Undisclosed

Disposition: Settlement

Synopsis: After Hurricane Katrina struck the Gulf Coast, the U.S. Army Corps of Engineers awarded a \$39.5 million no-bid contract for the construction of temporary classrooms to NANA Regional Corp. subsidiary Akima Site Operations. Paul Adams, a Mississippi business owner, filed suit against the federal government and Akima, claiming Akima breached a contract concerning the sale and set-up of the portable classrooms by using the information Adams shared with Akima and then cutting him out of the deal. Adams also alleged that Akima overcharged the government. Adams sought \$4 million in actual damages and \$40 million in punitive damages. The case settled in September 2006.