June 1, 2018

To Our Valued Customers,

This letter is in response to compliance with DFARS Clause 252.204-7012, Safeguarding Covered Defense Information and Cyber Incident Reporting. This clause requires all contractors to implement the National Institute of Standards and Technology (NIST) Special Publication (SP) 800-171 Rev. 1, “Protecting Controlled Unclassified Information in Nonfederal Systems and Organizations”.

Yarde Metals, Inc., worked with a 3rd party contractor specializing in NIST-800-171 compliance to assist us in meeting the requirements stated in the NIST Handbook #162 and corresponding Cybersecurity Gap Assessment.

Yarde Metals Inc., has completed the Cybersecurity Gap Assessment and identified areas that either meet or require further actions to obtain full compliance. We have also created a Plan of Action, System Security Plan and Security Assessment Report to further enhance incoming Controlled Unclassified Information (CUI). Currently we have 95 of the 110 sections completed and will be fully compliant by 8/1/2018.

Please note that it is our customer’s responsibility (per DFAR 252.204-7012) to clearly identify any CDI (Covered Defense Information) when submitting proposals or drawings for quote requests to Yarde Metals, Inc., so this data can be handled appropriately.

If you have any questions or concerns, please feel free to contact me.

Sincerely,

**George D’Addario**

Director of Operations, Quality & Export Compliance

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