

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 97330 / April 20, 2023

ADMINISTRATIVE PROCEEDING
File No. 3-21376

<p>In the Matter of</p> <p>DIAMOND WELLNESS HOLDINGS, INC.,</p> <p>Respondent.</p>

RESPONDENT DIAMOND WELLNESS HOLDINGS, INC.'S ANSWER

COMES NOW DIAMOND WELLNESS HOLDINGS, INC. (CIK No 1746563) by and through the undersigned counsel and files this its Response to Order Instituting Administrative Proceedings and Notice of Hearing Pursuant to Section 12(j) of the Securities Exchange Act of 1934 in the captioned matter and would show the Securities and Exchange Commission (the "Commission") the following:

BACKGROUND

1. Diamond Wellness Holdings, Inc. ("POTN") admits that it is a good standing Colorado corporation with principle offices located in Fort Lauderdale, Florida which has had a class of securities [common stock] registered pursuant to Exchange Act Section 12(g).
2. POTN may be considered to be delinquent in filing certain periodic reports since it last filed a Form 10-K for the period ending December 31, 2020 which reported a net loss [not a profit] for the year ended December 31, 2020.
3. The common stock of POTN is often quoted on the OTC Link.
4. POTN has since January 6, 2022 filed no less than eight Forms 8-K and a Definitive Information Statement on 14C with the Commission, all with POTN's correct mailing address at [REDACTED]

EXPLANATIONS

5. Since the filing of its Form 10-K for the period ended December 31, 2020, POTN has been engaged in discussions with its auditor Yusufali & Associates LLC, audit manager Yusuf Musaji, C.P.A. (the “Auditor”) concerning the audit work for the period December 31, 2021, as well as interim periods, which should have been performed and completed prior to March 31, 2022 but simply has not occurred for reasons which Yusuf Musaji declines to explain although POTN understood that the audit engagement work was to be performed for a specified fee for the same amount as for the year ended December 31, 2020. However, POTN believes it has caused to be paid to such auditor amounts in excess of the agreed upon audit fee for services to be rendered while the auditor has yet to perform such work or render an audit opinion with respect to the financial statements/position of POTN.

6. Out of frustration, by date of April 3, 2023, POTN filed a Form 15 Certification under Rule 12(g-4(a)) seeking suspension of the duty to file reports under Sections 13 and 15(d) of the Exchange Act for a period of time up to twelve calendar months, primarily to enable POTN either obtain compliance by Yusufali & Associates LLC at least with respect to the Form 10-K for the period ended December 31, 2021 and/or terminate the relationship with such Auditor and engage a new auditor to perform the work necessary to enable POTN to file all necessary and required outstanding reports. The Auditor has been extremely slow to respond and was noncommunicative for a period of time regarding completing the review of 2021 or any interim periods ended March 31, 2021, June 30, 2021 or September 30, 2021.

7. POTN is in the process of final preparation for filing all Forms 10-Q (with unaudited financial statements) outstanding to date. POTN has always intended to timely file its informational reports but due to difficulties with the Auditor and a continual change in the principal financial officer of POTN has been unable to do so. POTN should be current with filing its various outstanding reports to date no later than June 30, 2023.

8. POTN has always intended to defend itself in this proceeding. POTN only recently employed counsel to assist it who has also attempted to visit with the Auditor to obtain his side of the matter but has been unable to do so. The Auditor declines to date to speak with counsel.

RESPONSES TO SPECIFIC PARAGRAPHS OF THE ORDER

9. POTN admits the allegations of Paragraph A.1 of the Order but POTN denies that it had a net income of any amount for the prior year, instead having reported a net loss in the prior year.

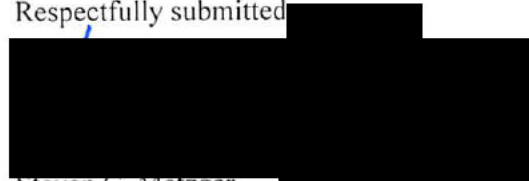
10. POTN admits that it has been delinquent in its periodic filings with the Commission as alleged in paragraph B.2 of the Order but denies that it has failed to maintain a valid address on file with the Commission.

11. POTN admits the statements made in Paragraph B.3 of the Order.

CONCLUSION

POTN respectfully submits that it is neither nor necessary nor appropriate for the protection of investors to suspend or revoke the registration of its common stock. Considering the circumstances provided above that POTN is working diligently to complete the necessary documents to become compliant, POTN believes that a suspension would adversely impact its common share holders considering how close POTN is to becoming current in its filings. POTN intends to begin filing its unaudited reports for the years ended December 31, 2021 and 2022 on the OTC Market trading platform at www.otcmarkets.com, but did not do so prior to this action by the Commission. POTN expects to make filings on the OTC Market trading platform shortly.

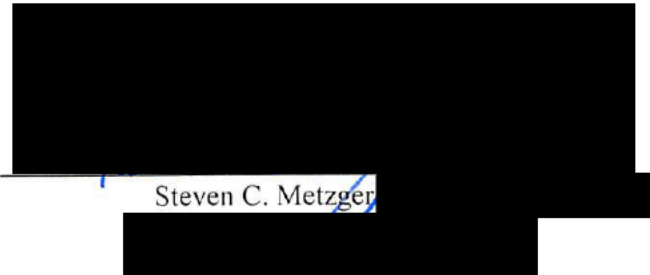
Respectfully submitted,


Steven C. Metzger
State Bar No. 13982500
Metzger Law PLLC
4709 W. Lovers Lane, Suite 200
Dallas, Texas 75209-3178
Email: smetzger@pmklaw.com
Telephone: 214-740-5030
Facsimile: 214-224-7555
ATTORNEYS FOR DIAMOND WELLNESS
HOLDINGS, INC.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing instrument was served on all counsel of record via email (who has agreed to accept Notice by email) on May 12, 2023 as follows:

Sandhya C. Harris
United States Securities and Exchange Commission
101 F Street, N.E.
Washington, D. C. 20549-6011
Harrissan@sec.gov

A large black rectangular redaction covers the signature area. A small white rectangular box is visible within the redaction, containing the name "Steven C. Metzger" in blue text, which appears to be a digital signature or a name stamp.

DECLARATION OF NEAL SHAPIRO

Pursuant to 28 U.S.C. Section 1746, the undersigned declares as follows:

1. My name is Neal Shapiro. I am of sound mind, at least eighteen (18) years of age and capable of making this statement. The facts contained within this Declaration are within my personal knowledge.
2. I am the duly elected President and Chief Executive Officer of Diamond Wellness Holdings, Inc., a Colorado corporation ("POTN") which has had a class of securities (its common stock) registered pursuant to Section 12(g) of the Securities and Exchange Act of 1934 (the "Exchange Act").
3. POTN has had certain informational report filing requirements of an annual Form 10-K and interim reports on Form 10-Q. The financial information to be contained within the Forms 10-K are supposed to be "audited" by an independent public account registered with the PCAOB and the interim quarterly financial statements are generally unaudited but reviewed by such Auditor prior to filing.
4. Since January 2022, POTN has internally had at least three changes in principal financial officers who have dealt with the auditor, YUSUFALI & Associates, LLC, and its audit manager Yusuf Musaji, C.P.A. (the "Auditor") following the final completion and filing on EDGAR of POTN's Form 10-K for the period ended December 31, 2020.
5. Since becoming the President and Chief Executive Officer of POTN, I have endeavored to ascertain what might be the difficulty with the Auditor, to no avail and without progress except to understand that each of the prior principal financial officers discussions with the Auditor resulted in additional payments of money to the Auditor but without additional progress or results from the Auditor.
6. Financial statements for all interim periods in the year 2021 as well as unaudited financial statements for the year ended December 31, 2021 and interim periods in 2022 as well as unaudited financial statements for the year ended December 31, 2022 have been prepared and POTN's internal staff is in the process of finalization of Forms 10-Q and Forms 10-K with unaudited financial statements for filing under the EDGAR system as soon as reasonably practicable but no later than June 30, 2023.
7. Based upon internal advice, I signed the Form 15 that was filed with the Securities and Exchange Commission ("SEC") on or about April 6, 2023 seeking a suspension from the requirement to file reports for a period of time to enable POTN to file such reports bringing things current, even though with unaudited statements and to file unaudited reports with OTC Markets..

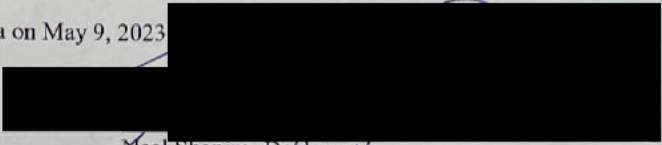
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8. In my opinion, largely from a cost standpoint and from the standpoint of getting current financial information available to the public, POTN should commence filing its unaudited reports on the OTC Market Trading Platform at www.otcmarkets.com as soon as practicable. It is POTN's intention to stay current with every reporting period so that its shareholders and other public members always have current financial information about POTN in the market place.

9. POTN has operating businesses and shareholders that deserve a public market place for their holdings of POTN. POTN is taking all reasonable steps to become current with its reporting requirements.

10. I declare under penalty of perjury that the foregoing is true and correct to the best of my personal knowledge.

EXECUTED at Fort Lauderdale, Florida on May 9, 2023


Neal Shapiro, Declarant
President and Chief Executive Officer of
Diamond Wellness Holdings, Inc.