

BlackDiamond Wealth Management, Inc.

Form ADV Part 2A – Appendix 1 ("Wrap Fee Program Brochure")

Effective: March 20, 2020

This Form ADV2A - Appendix 1 ("Wrap Fee Program Brochure") provides information about the qualifications and business practices for BlackDiamond Wealth Management, Inc. ("BlackDiamond" or the "Advisor") services when offering services pursuant to a wrap program. This Wrap Fee Program Brochure shall always be accompanied by the BlackDiamond Disclosure Brochure, which provides complete details on the business practices of the Advisor. If you did not receive the complete BlackDiamond Disclosure Brochure or you have any questions about the contents of this Wrap Fee Program Brochure or the BlackDiamond Disclosure Brochure, please contact us at (212) 784-6999.

BlackDiamond is a registered investment advisor with the U.S. Securities and Exchange Commission ("SEC"). The information in this Wrap Fee Program Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Wrap Fee Program Brochure provides information about BlackDiamond to assist you in determining whether to retain the Advisor.

Additional information about BlackDiamond and its Advisory Persons are available on the SEC's website at www.adviserinfo.sec.gov by searching with the Advisor's firm name or CRD# 291459.

Item 2 – Material Changes

Form ADV 2 - Appendix 1 provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. In particular, this Wrap Fee Program Brochure discusses wrap fee programs offering by the Advisor.

Material Changes

The following material changes have been made to this Wrap Fee Program Brochure that the Advisor is required to disclose to Clients:

- The Advisor has appointed Kenneth Nuttall as the Chief Investment Officer.
- The Advisor has amended its share class selection disclosure. Please see Item 4.
- The Advisor's principal place of business is located at 575 Fifth Avenue, 14th Floor, New York, NY 10017.

Future Changes

From time to time, the Advisor may amend this Wrap Fee Program Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Wrap Fee Program Brochure (along with the complete BlackDiamond Disclosure Brochure) or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of BlackDiamond.

At any time, you may view this Wrap Fee Program Brochure and the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with the Advisor's firm name or CRD# 291459. You may also request a copy of this Disclosure Brochure at any time, by contacting the Advisor at (212) 784-6999.

Item 3 – Table of Contents

Item 1 – Cover Page.....	1
Item 2 – Material Changes	2
Item 3 – Table of Contents	2
Item 4 – Services Fees and Compensation	2
Item 5 – Account Requirements and Types of Clients	4
Item 6 – Portfolio Manager Selection and Evaluation	4
Item 7 – Client Information Provided to Portfolio Managers.....	5
Item 8 – Client Contact with Portfolio Managers.....	5
Item 9 – Additional Information.....	6

Item 4 – Services Fees and Compensation

A. Services

BlackDiamond provides customized investment advisory services for its Clients. This Wrap Fee Program Brochure is provided as a supplement to the BlackDiamond Form ADV 2A ("Disclosure Brochure"). This Wrap Fee Program Brochure is provided as a supplement to the complete Disclosure Brochure to provide full details of the business practices and fees when selecting BlackDiamond as an investment advisor.

As part of the investment advisory fees noted in Item 5 of the Disclosure Brochure, BlackDiamond includes normal securities transaction fees as part of the overall investment advisory fee. Securities regulations often refer to this combined fee structure as a "Wrap Fee Program". The Advisor sponsors the BlackDiamond Wrap Fee Program.

The sole purpose of this Wrap Fee Program Brochure is to provide additional disclosures relating to the combination of securities transaction fees into the single "bundled" investment advisory fee. This Wrap Fee Program Brochure references back to the Disclosure Brochure in which this Wrap Fee Program Brochure serves as an Appendix. **Please see Item 4 – Advisory Services of the Disclosure Brochure for details on BlackDiamond's investment philosophy and related services.**

B. Program Costs

Advisory services provided by BlackDiamond are offered in a wrap fee structure whereby normal securities transaction costs are included in the overall investment advisory fee paid to BlackDiamond. As the level of trading in a Client's account[s] may vary from year to year, the annual cost to the Client may be more or less than engaging for advisory services where the transactions costs are borne separately by the Client. The cost of the Wrap Fee Program varies depending on services to be provided to each Client, however, the Client is not charged more if there is higher trading activity in the Client's account[s].

A Wrap Fee Program structure has a conflict of interest as the Advisor may have an incentive to limit the number of trades placed in the Client's account[s] or to utilize securities that do not have transaction fees. The Advisor's recommended Custodian does not charge securities transaction fees for exchange traded fund ("ETF") and equity trades in a Client's account, provided that the account meets the terms and conditions of the Custodian's brokerage requirements. However, the Custodian typically charges for mutual funds and other types of investments. As such, the Advisor is incentivized to utilize ETFs and other equity securities to limit the overall cost to the Advisor. The Advisor will only place Client assets into a Wrap Fee Program when it is believed to be in the Client's best interest. **Please see Item 5 – Fees and Compensation of the Disclosure Brochure for complete details on fees.**

C. Fees

Investment advisory fees are paid monthly, at the end of each month, pursuant to the terms of the investment advisory agreement. Investment advisory fees are based on the average daily balance of assets under management during the month. Investment advisory fees range up to 1.50% annually based on several factors, including: the complexity of the services to be provided, the level of assets to be managed, and the overall relationship with the Advisor. Relationships with multiple objectives, specific reporting requirements, portfolio restrictions and other complexities may be charged a higher fee.

The investment advisory fee in the first month of service is prorated from the inception date of the account[s] to the end of the first month. Fees may be negotiable at the sole discretion of the Advisor. The Client's fees will take into consideration the aggregate assets under management with the Advisor. All securities held in accounts managed by BlackDiamond will be independently valued by the Custodian. BlackDiamond will not have the authority or responsibility to value portfolio securities.

Investment advisory fees are calculated by the Advisor or its delegate and deducted from the Client's account[s] at the Custodian. The Advisor shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the beginning of the respective month end date. The annual fee is charged monthly, in arrears, based upon the average daily market value or assets under management. Since the asset-based fee is determined by average daily account balance, if assets are

deposited into or withdrawn from an account, the base fee payable with respect to such assets is adjusted accordingly. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the Custodian's brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting advisory fees to be deducted by BlackDiamond directly from their account[s] held by the Custodian as part of the investment advisory agreement and separate account forms provided by the Custodian.

As noted above, the Wrap Fee Program includes normal securities trading costs incurred in connection with the discretionary investment management services provided by BlackDiamond. Securities transaction fees for Client-directed trades may be charged back to the Client.

Clients may incur certain fees or charges imposed by third parties in connection with investments made on behalf of the Client's account[s] which are not included with this Wrap Fee Program. All fees paid to BlackDiamond for investment advisory services or part of the Wrap Fee Program are separate and distinct from the expenses charged by mutual funds and exchange-traded funds to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. As mentioned in Item 4 of the Disclosure Brochure above, the Client may be invested into share classes of a mutual fund that have a higher expense ratio than a different share class, including but not limited to 12B-1 fees. This may result in Clients paying higher expense ratio[s]. For a complete discussion of expenses related to each mutual fund, please read a copy of the prospectus issued by that particular fund. The Client may also incur other costs assessed by the Custodian or other parties for account related activity fees, such as wire transfer fees, fees for trades executed away from the Custodian and other fees.

The Advisor does not control nor share in these fees. The Client should review both the fees charged by the fund[s] and the fees charged by BlackDiamond to fully understand the total fees to be paid. Please see Item 5.C. – Other Fees and Expenses of the Disclosure Brochure.

D. Compensation

BlackDiamond is the sponsor and portfolio manager of this Wrap Fee Program. BlackDiamond receives investment advisory fees paid by Clients for participating in the Wrap Fee Program and pays the Custodian for the costs associated with the normal trading activity in the Client's account[s].

Item 5 – Account Requirements and Types of Clients

BlackDiamond offers investment advisory services to individuals, high net worth individuals, trusts, estates, corporations and retirement plans. BlackDiamond generally does not impose a minimum account size for establishing a relationship. **Please see Item 7 – Types of Clients of the Disclosure Brochure for additional information.**

Item 6 – Portfolio Manager Selection and Evaluation

Portfolio Manager Selection

Clients' investment portfolios are generally managed directly by BlackDiamond. BlackDiamond also utilizes the discretionary investment of certain Independent Managers, as referenced above. Where BlackDiamond provides services outside of the Wrap Fee Program, there is no difference in how assets are managed other than those non-wrap Clients paying transaction fees separately. BlackDiamond personnel serve as portfolio managers for this Wrap Fee Program. BlackDiamond does not serve as a portfolio manager for any third-party wrap fee programs.

Related Persons

BlackDiamond personnel serve as portfolio managers for this Wrap Fee Program. BlackDiamond does not serve as a portfolio manager for any third-party wrap fee programs.

Performance-Based Fees

BlackDiamond does not charge performance-based fees.

Supervised Persons

BlackDiamond Advisory Persons serve as portfolio managers for all accounts, including the services described in this Wrap Fee Program Brochure. Details of the advisory services provided are included in Item 4.A. – Firm Information of the Disclosure Brochure.

Methods of Analysis

Please see Item 8.A – Methods of Analysis of the Disclosure Brochure for details on the research and analysis methods employed by the Advisor.

Risk of Loss

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. BlackDiamond will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account[s]. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account[s]. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor. Please see Item 8.B. – Risk of Loss in the Disclosure Brochure for details on investment risks.

Proxy Voting

BlackDiamond does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

Item 7 – Client Information Provided to Portfolio Managers

Clients participating in the Wrap Fee Program generally grant BlackDiamond the authority to discuss certain non-public information with the Independent Managers engaged to manage their accounts. Depending upon the specific arrangement, the Advisor is authorized to disclose various personal information including, without limitation: names, phone numbers, addresses, social security numbers, driver's license, tax identification numbers and account numbers. BlackDiamond may also share certain information related to its Clients' financial positions and investment objectives in an effort to ensure that the Independent Managers' investment decisions remain aligned with its Clients' best interests. This information is communicated on an initial and ongoing basis, or as otherwise necessary to the management of its Clients' portfolios.

Item 8 – Client Contact with Portfolio Managers

There are no restrictions on Clients' ability to correspond with BlackDiamond. Clients can generally contact the Independent Managers managing their portfolios through BlackDiamond by providing the Advisor with written request and identification of the questions or issues to be discussed with the Independent Managers. After receiving the Client's written request, BlackDiamond, at its sole discretion,

may contact the Independent Managers for the Client or arrange for the Independent Managers and the Client to communicate directly.

Item 9 – Additional Information

A. Disciplinary Information and Other Financial Industry Activities and Affiliations

BlackDiamond values the trust Clients place in the Advisor. The Advisor encourages Clients to perform the requisite due diligence on any advisor or service provider with whom the Client engages. The backgrounds of the Advisor and its Advisory Persons are available on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with the Advisor's firm name or CRD# 291459. Please see Item 9 – Disciplinary Information of the Disclosure Brochure as well as Item 3 – Disciplinary Information of each Advisory Person's Brochure Supplement for additional information on how to research the background of the Advisor and its Advisory Persons.

Other Financial Activities and Affiliations

Please see Item 10 – Other Financial Industry Activities and Affiliations and Item 14 – Client Referrals and Other Compensation of the Disclosure Brochure.

B. Code of Ethics, Review of Accounts, Client Referrals, and Financial Information

BlackDiamond has implemented a Code of Ethics that defines our fiduciary commitment to each Client. This Code of Ethics applies to all persons subject to BlackDiamond's compliance program (our "Supervised Persons"). Complete details on the BlackDiamond Code of Ethics can be found under Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading of the Disclosure Brochure.

Review of Accounts

Securities in Client accounts are monitored on a regular and continuous basis by Advisory Persons of BlackDiamond under the supervision of the Chief Compliance Officer ("CCO"). Details of the review policies and practices are provided in Item 13 – Review of Accounts of the Disclosure Brochure.

Other Compensation

Participation in Institutional Advisor Platform – BlackDiamond has established an institutional relationship with Schwab through its "Schwab Advisor Services" unit, a division of Schwab dedicated to serving independent advisory firms like BlackDiamond. As a registered investment advisor participating on the Schwab Advisor Services platform, BlackDiamond receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at Schwab. Services provided by Schwab Advisor Services benefit the Advisor and many, but not all services provided by Schwab will benefit Clients. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a conflict of interest since these benefits may influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Services that Benefit the Client – Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of Client's funds and securities. Through Schwab, the Advisor may be able to access certain investments and asset classes that the Client would not be able to obtain directly or through other sources. Further, the Advisor may be able to invest in certain mutual funds and other investments without having to adhere to investment minimums that might be required if the Client were to directly access the investments.

Services that May Indirectly Benefit the Client – Schwab provides participating advisors with access to technology, research, discounts and other services. In addition, the Advisor receives duplicate statements for Client accounts, the ability to deduct advisory fees, trading tools, and back office support services as part of its relationship with Schwab. These services are intended to assist the Advisor in effectively managing accounts for its Clients, but may not directly benefit all Clients.

Services that May Only Benefit the Advisor – Schwab also offers other services and financial support to BlackDiamond that may not benefit the Client, including: educational conferences and events, financial start-up support, consulting services and discounts for various service providers. Access to these services creates a financial incentive for the Advisor to recommend Schwab, which results in a conflict of interest. BlackDiamond believes, however, that the selection of Schwab as Custodian is in the best interests of its Clients.

Please see Item 14 – Other Compensation of the Disclosure Brochure for details on additional compensation that may be received by BlackDiamond or its Advisory Persons. Each Advisory Person's Brochure Supplement (included with this Wrap Fee Program Brochure) provides details on any outside business activities and the associated compensation.

Client Referrals from Solicitors

BlackDiamond engages and compensates unaffiliated third party referral sources (a "Solicitor") for Client referrals. Clients will not pay a higher fee to BlackDiamond as a result of such payments to a Solicitor. The Advisor shall enter into an agreement with the Solicitor, which requires that full disclosure of the compensation and other conflicts is provided to the prospective client prior to or at the time of entering into the advisory agreement.

Financial Information

Neither BlackDiamond, nor its management have any adverse financial situations that would reasonably impair the ability of BlackDiamond to meet all obligations to its Clients. Neither BlackDiamond, nor any of its Advisory Persons have been subject to a bankruptcy or financial compromise. BlackDiamond is not required to deliver a balance sheet along with this Disclosure Brochure, as the firm does not collect advance fees of \$1,200 or more for services to be performed six months or more in advance. Please see Item 18 – Financial Information of the Disclosure Brochure.