UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 3, 2023

AULT ALLIANCE, INC.

(Exact name of registrant as specified in its charter)

Delaware	001-12711	94-1721931
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

11411 Southern Highlands Parkway, Suite 240, Las Vegas, NV 89141
(Address of principal executive offices) (Zip Code)

(949) 444-5464
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.001 par value	AULT	NYSE American
13.00% Series D Cumulative Redeemable Perpetual Preferred Stock, par value $0.001 per share	AULT PRD	NYSE American

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry into a Material Definitive Agreement.

As previously reported on a Current Report on Form 8-K filed on March 30, 2023, on March 28, 2023, Ault Alliance, Inc., a Delaware corporation (the "**Company**"), entered into a Securities Purchase Agreement (the "**Purchase Agreement**") with certain institutional investors (the "**Investors**"), pursuant to which the Company agreed to issue and sell, in a private placement (the "**Offering**"), an aggregate of 100,000 shares of its preferred stock, with each such share having a stated value of $100.00 and consisting of (i) 83,000 shares of Series E Convertible Preferred Stock (the "**Series E Preferred Stock**"), (ii) 1,000 shares of Series F Convertible Preferred Stock (the "**Series F Preferred Stock**") and (iii) 16,000 shares of Series G Convertible Preferred Stock (the "**Series G Preferred Stock**" and collectively, the "**Preferred Shares**").

Each share of Series E Preferred Stock and Series F Preferred Stock had a purchase price of $100.00, equal to each such share's stated value. The purchase price of the Series E Preferred Stock and the Series F Preferred Stock was paid for by the Investors' canceling outstanding secured promissory notes in the then principal amount of $8.4 million (the "**Prior Notes**"), whereas the purchase price of the shares of Series G Preferred Stock consisted of accrued but unpaid interest on these notes, as well as for other good and valuable consideration. The Offering closed on March 30, 2023.

Exchange Agreement and Exchange Notes

The Company and the Investors entered into an Exchange Agreement (the "**Exchange Agreement**") dated July 28, 2023 but effective as of August 3, 2023. The Preferred Shares had originally been acquired by the Investors through their surrender for cancellation of two Prior Notes issued to them by Sentinum, Inc., a Nevada corporation (formerly known as Bit Nile, Inc.), in the aggregate principal amount of $11 million, as reported on a Current Report on Form 8-K filed by the Company on August 11, 2022. A form of the Exchange Agreement is attached hereto as **Exhibit 10.1**.

Pursuant to the Exchange Agreement, the Investors exchanged (the "**Exchange**") all of their Preferred Shares as well as their demand notes (the "**Demand Notes**") issued to the Investors by the Company on or about May 20, 2023, with each Demand Note having a principal outstanding amount of approximately $888,000 for two new 10% Secured OID Promissory Notes (the "**Exchange Notes**"), each with a principal face amount of $5,272,416 as of July 28, 2023 for an aggregate of amount owed of $10,544,832 (the "**Principal Amount**"). A form of the Exchange Note is attached hereto as **Exhibit 4.1**. The Exchange Agreement closed on August 3, 2023.

Assignment

The Company and Ault & Company, Inc., a Delaware corporation and a related party to the Company ("**A&C**"), entered into an Assignment Agreement (the "**Assignment**") dated July 28, 2023 but effective as of August 3, 2023, whereby the Company assigned the Exchange Notes to A&C. A form of the Assignment is attached hereto as **Exhibit 10.2**.

Guaranty

In connection with a security and pledge agreement entered into on August 3, 2023, by and among A&C and the Investors, to which the Company is not a party, the Company signed a guaranty dated July 28, 2023 but effective as of August 3, 2023, guaranteeing the full payment of A&C's obligations under the Exchange Notes (the "**Guaranty**"). A form of the Guaranty is attached hereto as **Exhibit 10.3.** Milton C. Ault, III, the Company's Executive Chairman, executed and delivered a similar instrument in connection with the Exchange.

The foregoing summaries of the Exchange Agreement, the Exchange Notes, the Assignment and the Guaranty do not purport to be complete and are subject to, and qualified in their entirety by, forms of such documents attached as Exhibits 4.1, 10.1, 10.2, and 10.3, respectively, to this Current Report on Form 8-K, which are incorporated herein by reference.

The representations, warranties and covenants contained in the Exchange Agreement, the Exchange Notes and the Assignment were made only for purposes of such agreement and as of specific dates, were solely for the benefit of the parties to the agreements and are subject to limitations agreed upon by the contracting parties. Accordingly, the foregoing agreements incorporated herein by reference are include herein only to provide readers with information regarding the terms of the Exchange and related matters and not to provide investors with any other factual information regarding the Company or its business and should be read in conjunction with the disclosures in the Company's periodic reports and other filings with the Securities and Exchange Commission.

Item 1.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The disclosure required by this Item and included in Item 1.01 of this Current Report is incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities.

The disclosure required by this Item and included in Item 1.01 of this Current Report is incorporated herein by reference.

Item 3.03 Material Modifications to Rights of Security Holders.

The disclosure required by this Item and included in Item 1.01 of this Current Report is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

Exhibit No.	Description
4.1	Form of Exchange Note
10.1	Form of Exchange Agreement
10.2	Form of Assignment
10.3	Form of Guaranty
101	Pursuant to Rule 406 of Regulation S-T, the cover page is formatted in Inline XBRL (Inline eXtensible Business Reporting Language).
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and included in Exhibit 101).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AULT ALLIANCE, INC.

Dated: August 3, 2023

/s/ Henry Nisser
Henry Nisser
President and General Counsel

Exhibit 4.1

Original Issue Date: **July 28, 2023**

$5,272,416.00

10% SECURED OID PROMISSORY NOTE

THIS NOTE of Ault Alliance, Inc., a Delaware corporation, having a principal place of business at 11411 Southern Highlands Parkway, Suite 240, Las Vegas, Nevada 89141 (the "**Company**," which term shall, when context so requires, be deemed to mean Ault & Company, Inc., a permitted assignee of this Agreement[1]), designated as its 10% Secured OID Promissory Note (the "**Note**"). Capitalized terms used herein not otherwise defined shall have the meaning ascribed to them in the Exchange Agreement by and among the Company and the Investors named therein ("**Exchange Agreement**").

FOR VALUE RECEIVED, the Company promises to pay to _____ or its registered assigns (the "**Holder**"), the principal sum of Five Million Two Hundred and Seventy-Two Thousand, Four Hundred and Sixteen Dollars ($5,272,416.00) (the "**Principal Amount**") and to pay accrued interest thereon at the rate of ten percent (10%) (the "**Interest Rate**") per annum from the date of this Note through the date on which such Principal Amount is paid in full (whether payment in full is at stated maturity, by acceleration or otherwise) in accordance with the terms of this Note.

This Note is subject to the terms and conditions set forth in the Exchange Agreement, as well as to the following additional provisions:

Section 1. This Note is exchangeable for an equal aggregate Principal Amount of Notes of different authorized denominations, as requested by the Holder surrendering the same. No service charge will be made for such registration of transfer or exchange.

Section 2. This Note may be transferred or exchanged only in compliance with the Exchange Agreement and applicable federal and state securities laws and regulations. Prior to due presentment to the Company for transfer of this Note, the Company and any agent of the Company may treat the Person in whose name this Note is duly registered on the Note register as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Note is overdue, and neither the Company nor any such agent shall be affected by notice to the contrary.

Section 3. **Events of Default**.

(a) "Event of Default", wherever used herein, means any one of the following events (whatever the reason and whether it shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court, or any order, rule or regulation of any administrative or governmental body):

(i) default shall be made in the payment of the Principal Amount or interest on this Note when the same becomes due and payable and the default continues for the applicable cure period set forth herein or, if not otherwise provided herein, a period of ten (10) calendar days, including but not limited to the failure to satisfy the obligations set forth in Section 8;

(ii) any representation or warranty made by the Company in the Exchange Agreement was incorrect in any material respect on or as of the date made;

(iii) the Company shall fail to observe or perform any other covenant or agreement contained in this Note or the Exchange Agreement, which failure is not cured, if possible to cure, within 10 calendar days after written notice of such default is sent by the Holder;

(iv) the Company shall (A) default in any payment of any amount or amounts of principal of or interest (if any) on any Indebtedness (other than the indebtedness hereunder), the aggregate principal amount of which indebtedness is in excess of $250,000 that will permit the holder or holders of such indebtedness to become due prior to its stated maturity or (B) default in the observance or performance of any other agreement or condition relating to any such indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders or beneficiary or beneficiaries of such indebtedness to cause with the giving of notice if required, such indebtedness to become due prior to its stated maturity and any such default is not remedied within ten (10) Business Days (as defined in Section 15 below) from the Event of Default occurring by the Company's failure to comply with this Section 3(a)(iv);

[1] For the avoidance of doubt, the term "the Company" shall be deemed to refer to Ault Alliance, Inc. for purposes of Section 1, 2, 3 and the in the definition of Exchange Agreement in Section 15, whereas "the Company" shall be deemed to refer to Ault & Company in every other instance.

(v) the Company shall commence, or there shall be commenced against the Company a case under any applicable bankruptcy or insolvency laws as now or hereafter in effect or any successor thereto, or the Company commences any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to the Company or there is commenced against the Company any such bankruptcy, insolvency or other proceeding which remains undismissed for a period of 60 days; or the Company is adjudicated insolvent or bankrupt; or any order of relief or other order approving any such case or proceeding is entered; or the Company suffers any appointment of any custodian or the like for it or any substantial part of its property which continues undischarged or unstayed for a period of 60 days; or the Company makes a general assignment for the benefit of creditors; or the Company shall fail to pay, or shall state that it is unable to pay, or shall be unable to pay, its debts generally as they become due; or the Company; or any corporate or other action is taken by the Company or any Subsidiary thereof for the purpose of effecting any of the foregoing;

(v) default with respect to any contractual obligation of the Company under or pursuant to any contract, lease, or other agreement to which the Company is a party and such default shall continue for more than the period of grace, if any, therein specified, if the aggregate amount of the Company's contractual liability arising out of such default exceeds or is reasonably estimated to exceed $500,000;

(vi) final judgment for the payment of money in excess of $100,000 shall be rendered against the Company and the same shall remain undischarged for a period of 60 days during which execution shall not be effectively stayed;

(vii) The Company's Common Stock is no longer publicly traded or ceases to be listed on the Principal Market;

(viii) The Company ceases to be a "reporting company" under the Exchange Act, or applies to do so, in either case without the prior written consent of the Holder;

(ix) there shall be any SEC or judicial stop trade order or trading suspension stop-order or management cease trade order or any restriction in place with the transfer agent for the Common Stock of the Company restricting the trading of such Common Stock;

(x) in the event that each of Milton C. Ault, III and William B. Horne ceases to be the Executive Chairman and Chief Executive Officer, respectively, of the Company; or

(xi) the occurrence of a Material Adverse Effect in respect of the Company, or the Company and its Subsidiaries taken as a whole, and any such occurrence is not remedied within ten (10) Business Days from the Event of Default occurring by the Company's failure to comply with this Section.

(b) If any Event of Default occurs, the full Principal Amount of this Note, together with the amount of unpaid interest that would have been payable if the Note was repaid in full in accordance with the terms hereof on the first anniversary of the Original Issue Date and other amounts owing in respect thereof, to the date of acceleration shall become immediately due and payable in cash. Commencing upon an Event of Default that results in the eventual acceleration of this Note, the interest rate on this Note shall accrue at the rate of 18% per annum, or such lower maximum amount of interest permitted to be charged under applicable law). The Holder need not provide, and the Company hereby waives any presentment, demand, protest or other notice of any kind, and the Holder may immediately and without expiration of any grace period enforce any and all of its rights and remedies hereunder and all other remedies available to it under applicable law. Such declaration may be rescinded and annulled by Holder at any time prior to payment hereunder and the Holder shall have all rights as a Note holder until such time, if any, as the full payment under this Section shall have been received by it. No such rescission or annulment shall affect any subsequent Event of Default or impair any right consequent thereon.

(c) Upon the occurrence of any Event of Default, the Company shall, as promptly as possible but in any event within three (3) Business Days of such Event of Default, notify the Holder of the occurrence of such Event of Default, describing the event or factual situation giving rise to the Event of Default and specifying the relevant subsection or subsections of Section 3(a) hereof under which such Event of Default has occurred

Section 4. This Note is a direct obligation of the Company, and the obligation of the Company to repay this Note is absolute and unconditional.

Section 5. Interest on the amount advanced will accrue on this Note until the Maturity Date (as defined in Section 15 below) at the rate of ten percent (10%) per annum based on a 365-day year. All accrued but unpaid interest will be paid monthly in arrears with each Monthly Payment (as defined in Section 6 below). If an Event of Default shall occur, interest at the rate of eighteen percent (18%) per annum or the highest rate allowed by law, whichever is lower, shall accrue on the outstanding principal of this Note from and after the date of the Event of Default until the date that the Event of Default is cured. All past due interest shall accrue on a daily basis and shall be payable in cash. The Holder may demand payment of all or any part of this Note, together with accrued interest, if any, and any other amounts due hereunder, as of the Maturity Date or any date thereafter.

Section 6. The Company shall make monthly payments (each a "**Monthly Payment**") of Two Hundred Thousand Dollars ($200,000); plus accrued interest; plus 50% of any additional capital raised by the Company (including on the day of this Note), payable monthly until the $10,500,000 principal and all accrued interest has been paid in full, by the fifth (5^{th}) business day of each month commencing on August 10, 2023. Subject to Section 3(b) above, all payments due and owing under this Note will become due and payable on the Maturity Date. For each Monthly Payment that is not made within ten (10) business days of its respective due date, a $500,000 penalty is incurred and added to the existing principal.

Section 7. RESERVED.

Section 8. 50% of the principal must be paid back by December 15, 2023. If 50% of the principal is not paid by or before December 15, 2023, a $500,000 penalty on the existing principal will be applied to the total principal. Further, the Company will have 30 days from December 16, 2023 to liquidate securities or otherwise generate sufficient cash to achieve the 50% principal pay down, which securities shall include the "Pledged Securities" as such term is defined in the Security and Pledge Agreement dated of even date herewith and entered into by and among the Company and the Secured Parties named therein, as well as any other securities whether now or hereafter owned by the Company. For the avoidance of doubt, the $500,000 penalty shall be applied to the total principal even if the Company pays down the 50% principal during such 30 day period. For the further avoidance of doubt, in the event the Company fails to pay the 50% principal pay down during such 30 day period, such failure shall be deemed an Event of Default.

Section 9. Any payment made by the Company to the Holder, on account of this Note shall be applied in the following order of priority: (i) first, to any amounts other than principal and accrued interest, if any, owed hereunder, (ii) second, to accrued interest, if any, through and including the date of payment, and (iii) then, to Principal Amount of this Note.

Section 10. Amounts due under this Note, including accrued but unpaid interest at the time of prepayment, may be prepaid at any time.

Section 11. This Note shall be governed by and interpreted in accordance with the laws of the State of New York for contracts to be wholly performed in such state and without giving effect to the principles thereof regarding the conflict of laws. Each of the parties consents to the exclusive jurisdiction of the state courts of the State of New York located in New York County and the United States District Court for the Southern District of New York in connection with any dispute arising under this Agreement and hereby waives, to the maximum extent permitted by law, any objection, including any objection based on forum non convenes, to the bringing of any such proceeding in such jurisdictions. To the extent determined by such court, the Company shall reimburse the Holder for any reasonable legal fees and disbursements incurred by the Holder in enforcement of or protection of any of its rights under this Note. The Company and the Holder hereby waive a trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other in respect of any matter arising out of or in connection with this Agreement or the Note.

Section 12. Any and all notices or other communications or deliveries to be provided by the Holder hereunder, including, without limitation, any notice of conversion, shall be in writing and delivered personally, by facsimile, sent by a nationally recognized overnight courier service, addressed to the Company, at the address set forth above Attn: William B. Horne or by email to will@ault.com or such other address or email address as the Company may specify for such purposes by notice to the Holder delivered in accordance with this Section. Any and all notices or other communications or deliveries to be provided by the Company hereunder shall be in writing and delivered personally, sent by a nationally recognized overnight courier service addressed to each Holder or at the email address of Holder appearing on the books of the Company, or if no such email address or address appears, at the principal place of business of the Holder. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via email prior to 5:30 p.m. (New York, New York time), (ii) the date after the date of transmission, if such notice or communication is delivered via email specified in this Section later than 5:30 p.m. (New York, New York time) on any date and earlier than 11:59 p.m. (New York, New York time) on such date, (iii) the second Business Day following the date of mailing, if sent by nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

Section 13. If this Note shall be mutilated, lost, stolen or destroyed, the Company shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated Note, or in lieu of or in substitution for a lost, stolen or destroyed Note, a new Note for the principal amount of this Note so mutilated, lost, stolen or destroyed but only upon receipt of evidence of such loss, theft or destruction of such Note, and of the ownership hereof, and indemnity, if requested, all reasonably satisfactory to the Company.

Section 14. If any provision of this Note is invalid, illegal or unenforceable, the balance of this Note shall remain in effect, and if any provision is inapplicable to any person or circumstance, it shall nevertheless remain applicable to all other persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder violates applicable laws governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum permitted rate of interest. The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law which would prohibit or forgive the Company from paying all or any portion of the principal of or interest on this Note as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this indenture, and the Company (to the extent it may lawfully do so) hereby expressly waives all benefits or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impeded the execution of any power herein granted to the Holder, but will suffer and permit the execution of every such as though no such law has been enacted.

Section 15. Definitions. For the purposes hereof, in addition to the terms defined elsewhere in this Note: (a) capitalized terms not otherwise defined herein have the meanings given to such terms in the Exchange Agreement, and (b) the following terms shall have the following meanings:

"Business Day" means any day except Saturday, Sunday and any day which shall be a federal legal holiday in the United States or a day on which banking institutions in the State of New York are authorized or required by law or other government action to close.

"Change of Control" means, with respect to the Company, on or after the date of this Note:

(a) a change in the composition of the Board of Directors of the Company at a single shareholder meeting where a majority of the individuals that were directors of the Company immediately prior to the start of such shareholder meeting are no longer directors at the conclusion of such meeting, without the prior written consent of a majority in interest of the Investors;

(b) a change, without the prior written consent of a majority in interest of the Investors, in the composition of the Board of Directors of the Company prior to the termination of this Agreement where a majority of the individuals that were directors as of the date of this Note cease to be directors of the Company prior to the payment if full of the Note;

(c) other than a shareholder that holds such a position at the date of this Agreement, if a Person comes to have beneficial ownership, control or direction over more than forty percent (40%) of the voting rights attached to any class of voting securities of the Company; or

(d) the sale or other disposition by the Company or any of its Subsidiaries in a single transaction, or in a series of transactions, of all or substantially all of their respective assets.

"Maturity Date" means the first anniversary of the Original Issue Date; provided, however, that the Maturity Date is subject to acceleration as provided in Section 3(b) above and to extension as provided in Section 7 above.

"Person" means a corporation, an association, a partnership, organization, a business, an individual, a government or political subdivision thereof or a governmental agency.

"Exchange Agreement" means the Exchange Agreement, dated as of the date hereof, to which the Company and the original Holder are parties, as amended, modified or supplemented from time to time in accordance with its terms.

****

IN WITNESS WHEREOF, the Company has caused this Note to be duly executed by a duly authorized officer as of the date first above indicated.

AULT ALLIANCE, INC.

By: _____

Name: William B. Horne
Title: Chief Executive Officer

Exhibit 10.1

EXCHANGE AGREEMENT

This **EXCHANGE AGREEMENT** (this "**Agreement**"), is dated as of July 28, 2023, by and between Ault Alliance, Inc., a Delaware corporation (the "**Company**"), _____ and _____ ("the "**Investors**").

RECITALS:

WHEREAS, on March 28, 2023 each of the Investors surrendered for cancellation their 10% Secured OID Promissory Notes (the "**Prior Notes**") originally in the principal amount of $5,500,000 each to the Company in connection with their entry into a Securities Purchase Agreement (the "**SPA**") with the Company.

WHEREAS, pursuant to the SPA, the Investors used the Prior Notes as consideration for the purchase of an aggregate of 100,000 shares of its preferred stock, with each such share having a stated value of $100.00 and consisting of (i) 83,000 shares of Series E Convertible Preferred Stock (the "**Series E Preferred Stock**"), (ii) 1,000 shares of Series F Convertible Preferred Stock (the "**Series F Preferred Stock**") and (iii) 16,000 shares of Series G Convertible Preferred Stock (the "**Series G Preferred Stock**").

WHEREAS, each of the Preferred Shares owned by _____ as of the date hereof consists of an aggregate stated value of $4,612,620.99 of Series E Preferred Stock, Series F Preferred Stock and Series G Preferred Stock (the "**_____ Preferred Stock**").

WHEREAS, each of the Preferred Shares owned by _____ as of the date hereof consists of an aggregate stated value of $4,611,791.41 of Series E Preferred Stock, Series F Preferred Stock and Series G Preferred Stock (the "**_____ Preferred Stock**" and with the _____ Preferred Stock, the "**Preferred Shares**").

WHEREAS, _____, as of the date hereof, is the holder of that certain demand note issued by AAI on May 29, 2023 with an outstanding principal amount equal to $887,379.01 (the "**_____ Demand Note**").

WHEREAS, _____, as of the date hereof, is the holder of that certain demand note issued by AAI on May 29, 2023 with an outstanding principal amount equal to $888,208.59 (the "**_____ Demand Note** and with the _____ Demand Note, the "**Demand Notes**").

WHEREAS, the Company and the Investors desire to enter into this Agreement, pursuant to which, among other things, _____ shall exchange the shares of _____ Preferred Stock and the _____ Demand Note and _____ shall exchange the shares of _____ Preferred Stock and the _____ Demand Note for new notes that will be similar to the Prior Notes ("**Exchange Notes**").

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises hereinafter set forth, the Company and the each of the Investors hereby agrees as follows:

1. **Exchange of Preferred Shares Demand Notes for Exchange Notes**. On the date hereof, each of the Investors shall, and the Company shall, exchange the Preferred Shares and the Demand Notes for the Exchange Notes without the payment of any additional consideration (the "**Exchange**"), as follows:

(a) Delivery. In exchange for its receipt of the Preferred Shares, the Company shall, on the later to occur of (i) the date hereof, and (ii) its receipt of the originally executed Preferred Shares delivered to it by the Investors, issue to the Investors the Exchange Notes (the "**Closing**"). Promptly following the issuance of the Exchange Notes to the Investors, the Preferred Shares shall be cancelled and be of no further force or effect.

(b) Mutual Release. Effective as of the time of consummation of the Exchange, each party hereto on behalf of itself and its affiliates (collectively, the "**Releasing Parties**") hereby unconditionally release and forever discharge the other party hereto, including, but not limited to, all of such other party's present and former subsidiaries, affiliate companies, shareholders, officers, directors, employees, attorneys and agents, from any and all causes of action demands claims contracts, encumbrances, liabilities, obligations, expenses, losses, and rights of every nature and description, whether arising or pleaded in law or in equity, under contract, statute, tort or otherwise, whether known or unknown, whether accrued, potential, inchoate, liquidated, contingent or actual, asserted or that might have been asserted ("**Claims**") which the Releasing Parties now have, have ever had or may hereafter have, accruing or arising contemporaneously with, or before the date hereof, based upon or arising out of the Preferred Shares.

(c) Other Documents. The Company and the Investors shall execute and/or deliver such other documents and agreements as are customary and reasonably necessary to effectuate the Exchange.

2. Representations and Warranties.

(a) _____ Representations and Warranties. _____ hereby represents and warrants to the Company that, as of the date hereof, _____ is the sole record and beneficial owner of the _____ Preferred Stock and will transfer and deliver to the Company at the Closing valid title to the _____ Preferred Stock, free from preemptive or similar rights, taxes, liens, charges and other encumbrances.

(b) _____ Representations and Warranties. _____ hereby represents and warrants to the Company that, as of the date hereof, _____ is the sole record and beneficial owner of the _____ Preferred Stock and will transfer and deliver to the Company at the Closing valid title to the _____ Preferred Stock, free from preemptive or similar rights, taxes, liens, charges and other encumbrances.

(c) Company Representations and Warranties. The Company has the requisite power and authority to enter into and perform its obligations under this Agreement. The Exchange Notes and the issuance of the Exchange Notes have been duly authorized and upon issuance in accordance with the terms of this Agreement, the Exchange Notes will be validly issued, fully paid and free from all preemptive or similar rights, taxes, liens, charges and other encumbrances with respect to the issue thereof. The Exchange Notes shall be issued with the restrictive legend prescribed by the Securities Act. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby and thereby will not result in a violation of the certificate of incorporation or other organizational documents of the Company.

3. Miscellaneous.

(a) Waivers. The waiver of a breach of this Agreement or the failure of any party hereto to exercise any right under this Agreement shall in no way constitute waiver as to future breach whether similar or dissimilar in nature or as to the exercise of any further right under this Agreement.

(b) Amendment. This Agreement may be amended or modified only by an instrument of equal formality signed by the Parties or the duly authorized representatives of the respective Parties.

(c) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to conflict of laws. Any action, suit, or proceeding arising out of, based on, or in connection with this Agreement, any document relating hereto or delivered in connection with the transactions contemplated hereby, any statement, certificate, or other instrument delivered by or on behalf of, or delivered to, any party hereto or thereto in connection with the transactions contemplated hereby or thereby, any breach of this Agreement or such other document, or the other transactions contemplated hereby or thereby may be brought only in the state courts of the State of New York located in New York City, or in the United States District Court for the Southern District of New York and each party covenants and agrees not to assert, by way of motion, as a defense, or otherwise, in any such action, suit, or proceeding, any claim that it is not subject personally to the jurisdiction of such court if it has been duly served with process, that its property is exempt or immune from attachment or execution, that the action, suit, or proceeding is brought in an inconvenient forum, that the venue of the action, suit, or proceeding is improper, or that this Agreement or the subject matter hereof may not be enforced in or by such court. Each party hereby irrevocably waives personal service of process and consents to process being served in any suit, action or proceeding in connection with this Agreement by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address sin effect for notice under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law. The Company and the Investors waive trial by jury. The prevailing party shall be entitled to recover from the other party its reasonable attorney's fees and costs.

(d) Assignment. This Agreement is not assignable except by operation of law, provided, however, that the Company may assign the Prior Notes to any of its affiliates.

(e) Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed, shall constitute an original copy hereof, but all of which together shall consider but one and the same document.

[Signature Page Follows]

IN WITNESS WHEREOF, the Investors and the Company have duly executed this Agreement as of the date first written above.

COMPANY

AULT ALLIANCE, INC.

By: _____
Name: Milton C. Ault III
Title: Executive Chairman

_____

INVESTORS

By: _____
Name:
Title: Manager

By: _____
Name:
Title: Manager

Exhibit 10.2

ASSIGNMENT AGREEMENT

This Assignment Agreement (the "**Assignment**"), dated as of July 28, 2023, by and between Ault Alliance, Inc., a Delaware corporation (the "**Assignor**") and Ault & Company, Inc., a Delaware corporation (the "**Assignee**").

WHEREAS, on July 28, 2023, the Assignor agreed to exchange certain issued and outstanding shares of Series E Preferred stock and Series F Preferred Stock for two identical 10% Secured OID Notes, each in in the principal face amount of $5,272,416.00 (the "**Notes**") to each of _____ and _____ (the "**Lenders**").

WHEREAS, the Assignor desires to assign both Notes to the Assignee, and the Assignee desires to acquire such Notes from the Assignor on the terms set forth in this Assignment.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Assignment, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE I
ASSIGNMENT

1.1 The Closing. Subject to the terms and conditions set forth in this Assignment, Assignor shall assign to Assignee its Notes and the Assignee shall acquire from the Assignor such Notes. The closing of the Assignment (the "**Closing**") shall take place at the offices of the Assignor immediately following the execution hereof. The date of the Closing is hereinafter referred to as the "**Closing Date**."

ARTICLE II
REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties of Assignor. Assignor hereby makes the following representations and warranties to the Assignee:

(a) Authorization; Enforcement. Assignor has the requisite power and authority to enter into and to consummate the transactions contemplated by this transaction and otherwise to carry out its obligations thereunder. The execution and delivery of each of the documents by the Assignor and the consummation by it of the transactions contemplated thereby have been duly authorized by all necessary action on the part of Assignor and no further action is required thereby. Each of the documents contemplated by this transaction has been duly executed by Assignor and, when delivered in accordance with the terms hereof, will constitute the valid and binding obligation of Assignor enforceable against Assignor in accordance with its terms.

(b) No Consents, Approvals, Violations or Breaches. Neither the execution and delivery of this Assignment by the Assignor, nor the consummation by Assignor of the transactions contemplated hereby, will (i) require any consent, approval, authorization or permit of, or filing, registration or qualification with or prior notification to, any governmental or regulatory authority under any law of the United States, any state or any political subdivision thereof applicable to Assignor, (ii) violate any statute, law, ordinance, rule or regulation of the United States, any state or any political subdivision thereof, or any judgment, order, writ, decree or injunction applicable to Assignor or any of Assignor's properties or assets, the violation of which would have a material adverse effect upon Assignor, or (iii) violate, conflict with, or result in a breach of any provisions of, or constitute a default (or any event which, with or without due notice or lapse of time, or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which Assignor is a party or by which Assignor or any of Assignor's properties or assets may be bound which would have a material adverse effect upon Assignor.

2.2 Representations and Warranties of Assignee. The Assignee represents and warrants to Assignor as follows:

(a) Authorization; Enforcement. Assignee has the requisite power and authority to enter into and to consummate the transactions contemplated by this transaction and otherwise to carry out its obligations thereunder. The execution and delivery of each of the documents by the Assignee and the consummation by it of the transactions contemplated thereby have been duly authorized by all necessary action on the part of Assignor and no further action is required thereby. Each of the documents contemplated by this transaction has been duly executed by Assignee and, when delivered in accordance with the terms hereof, will constitute the valid and binding obligation of Assignee enforceable against Assignee in accordance with its terms.

(b) No Consents, Approvals, Violations or Breaches. Neither the execution and delivery of this Assignment by the Assignee, nor the consummation by the Assignee of the transactions contemplated hereby, will (i) require any consent, approval, authorization or permit of, or filing, registration or qualification with or prior notification to, any governmental or regulatory authority under any law of the United States, any state or any political subdivision thereof applicable to the Assignee, (ii) violate any statute, law, ordinance, rule or regulation of the United States any state or any political subdivision thereof, or any judgment, order, writ, decree or injunction applicable to the Assignee or any of his properties or assets, the violation of which would have a material adverse effect upon the Assignee, or (iii) violate, conflict with, or result in a breach of any provisions of, or constitute a default (or any event which, with or without due notice or lapse of time or both would constitute a default) under, or result in the termination of, or accelerate the performance required by, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which the Assignee is a party or by which the Assignee or any of his respective properties or assets may be bound which would have a material adverse effect upon the Assignee.

ARTICLE III
MISCELLANEOUS

3.1 Entire Agreement; Amendments. The Assignment contains the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules.

3.2 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via facsimile at the facsimile telephone number specified in this Section prior to 6:30 p.m. (New York City time) on a Business Day, (ii) the Business Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile telephone number specified in this Assignment later than 6:30 p.m. (New York City time) on any date and earlier than 11:59 p.m. (New York City time) on such date, (iii) the Business Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given.

3.3 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Assignment shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in New York County, New York for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery). Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each party irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Assignment or the transactions contemplated hereby. If either party shall commence an action or proceeding to enforce any provisions of the documents contemplated herein, then the prevailing party in such action or proceeding shall be reimbursed by the other party for its attorney's fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

3.4 Survival. The representations, warranties, agreements and covenants contained herein shall survive the Closing.

3.5 Execution. This Assignment may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party, it being understood that both parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such facsimile signature page were an original thereof.

3.6 No Waiver. The waiver by any party of the breach of any of the terms and conditions of, or any right under, this Assignment shall not be deemed to constitute the waiver of any other breach of the same or any other term or condition or of any similar right. No such waiver shall be binding or effective unless expressed in writing and signed by the party giving such waiver.

3.7 Execution. This Assignment may be executed by facsimile signature and in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

3.8 Construction. The article and section headings contained in this Assignment are inserted for reference purposes only and shall not affect the meaning or interpretation of this Assignment.

3.9 Further Assurances. Each party will execute and deliver such further agreements, documents and instruments and take such further action as may be reasonably requested by the other party to carry out the provisions and purposes of this Assignment.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be duly executed by their respective authorized signatories as of the date first indicated above.

ASSIGNOR:

AULT ALLIANCE, INC.

By: _____
Name: William B. Horne
Title: Chief Executive Officer

ASSIGNEE:

AULT & COMPANY

By: _____
Name: Milton C. Ault, III
Title: Chief Executive Officer

Exhibit 10.3

GUARANTY

GUARANTY, dated July 28, 2023, by Ault Alliance, Inc., a Delaware corporation, (the "**Guarantor**"), in favor of the holders of the 10% Secured OID Notes (the "**Notes**") assumed by Ault & Company, a Delaware corporation ("**A&C**").

WHEREAS, A&C is proposing to assume two Notes, each with a principal face amount of $5,272,416.00;

WHEREAS, as an inducement to prospective purchasers of the Notes, the Guarantor has agreed to guaranty all of A&C's obligations under the Notes (collectively, the "**Obligations**"); and

WHEREAS, _____ is acting as collateral agent ("**Collateral Agent**") for the holders of the Notes.

NOW, THEREFORE, FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, the Guarantor hereby agrees as follows:

Section 1. Guaranty of Payment. The Guarantor hereby guarantees the full and punctual payment when due of all of the Obligations. This Guaranty is a guarantee of payment and not of collection, and Guarantor waives any right to require that any action be brought against A&C or to require that resort be had at any time to any direct or indirect security for the Obligations. The Guarantor's obligations hereunder are continuing obligations and are absolute and unconditional. Notwithstanding the foregoing and for the avoidance of doubt, this Guaranty will expire, and the Guarantor will be automatically released from its obligation hereunder without any further action by any Person upon the indefeasible payment in full in cash of all Obligations.

Section 2. Guarantor's Agreement to Pay Enforcement Costs. The Guarantor further agrees, upon an Event of Default (as defined in the Notes), to pay all out-of-pocket, reasonable costs and expenses (including court costs and reasonable legal expenses) expended by holders of the Notes or the Collateral Agent acting on behalf of the holders of the Notes in connection with the enforcement of the Obligations and this Guaranty.

Section 3. Waivers by Guarantor. The Guarantor agrees that the Obligations will be paid and performed strictly in accordance with their respective terms, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of Seller with respect thereto. The Guarantor waives presentment, demand, protest, notice of acceptance, notice of any Obligations incurred and all other notices of any kind, all defenses which may be available by virtue of any stay, moratorium law or other similar law now or hereafter in effect, any right to require the marshalling of assets of A&C and all suretyship defenses generally.

Section 4. Unenforceability of Obligations against A&C. If for any reason A&C has no legal existence or is under no legal obligation to discharge any of the Obligations, or if any of the Obligations have become irrecoverable from A&C by reason of A&C's insolvency, bankruptcy or reorganization or by other operation of law or for any other reason, this Guaranty shall nevertheless be binding on the Guarantor to the same extent as if the Guarantor at all times had been the principal obligor on all such Obligations.

Section 5. Assignment. No assignment by A&C of the Obligations under the Notes will relieve A&C of such Obligations nor will any such assignment relieve the Guarantor of its obligations under this Guaranty.

Section 6. Amendments and Waivers. No amendment or waiver of any provision of this Guaranty nor consent to any departure by the Guarantor therefrom shall be effective unless the same shall be in writing and signed by the Collateral Agent. No failure on the part of the Collateral Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right.

Section 7. Notices. All notices required or permitted hereunder shall be in writing and deemed effectively given upon personal delivery or upon deposit in the United States Post Office, by registered or certified mail, postage prepaid, addressed to Guarantor at the address set forth on the signature page hereto or at such other address or addresses as Guarantor shall designate to the Collateral Agent in writing.

Section 8. Governing Law. This Guaranty shall be governed by, and construed in accordance with, the laws of the State of New York.

Section 9. Miscellaneous. This Guaranty constitutes the entire agreement of the Guarantor with respect to the matters set further herein. The rights and remedies herein provided are cumulative and not exclusive of any remedies provided by law or any other agreement. The invalidity or unenforceability of any one or more sections of this Guaranty shall not affect the validity or enforceability of its remaining provisions. Captions are for the ease of reference only and shall not affect the meaning of the relevant provisions. The meanings of all defined terms used in this Guaranty shall be equally applicable to the singular and plural forms of the terms defined.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be executed and delivered as of the date first above written.

GUARANTOR:

AULT ALLIANCE, INC.

By: _____
Name: William B. Horne
Title: Chief Executive Officer

Address for Notices:

11411 Southern Highlands Pkwy., Suite 240

Las Vegas, NV 89141

Email.: will@ault.com