

**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): **June 29, 2020**

USA TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Pennsylvania

(State or other jurisdiction of incorporation
or organization)

001-33365

(Commission
File Number)

232679963

(IRS employer
identification number)

100 Deerfield Lane, Suite 300

Malvern, Pennsylvania

(Address of principal executive offices)

19355

(Zip code)

Registrant's telephone number, including area code: **610-989-0340**

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
None	None	None

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 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b) Departure of Director

On June 30, 2020, Patricia A. Oelrich resigned from her position as a director on the Board of Directors of USA Technologies, Inc. (the “Company”) effective the same day. Ms. Oelrich’s resignation was not the result of any disagreement between Ms. Oelrich and the Company on any matter relating to the Company’s operations, policies or practices.

Departure of Chief Financial Officer

On June 29, 2020, the Company terminated the employment of Michael Wasserfuhr, its former Chief Financial Officer.

(c) Appointment of Interim Chief Financial Officer

On June 29, 2020, the Company appointed Eugene C. Cavanaugh as the Company’s interim Chief Financial Officer, effective as of July 1, 2020. In connection with his appointment, Mr. Cavanaugh entered into an independent contractor agreement with the Company, dated as of June 29, 2020 (the “Cavanaugh Agreement”), which provides that Mr. Cavanaugh will be compensated with the following per month of his engagement: (i) \$15,000 in cash, and (ii) 3,000 shares of Company common stock, in each case prorated for any partial month of service. The Cavanaugh Agreement will remain in effect until the Company appoints a permanent Chief Financial Officer (unless earlier terminated by either the Company or Mr. Cavanaugh). The Company has commenced a search for a permanent Chief Financial Officer.

Mr. Cavanaugh, 63, has over 30 years’ experience in corporate finance, treasury, as well as strategic planning, risk management and operations management, across multiple industries - from start-ups, to the Fortune 100. Most recently, he worked as a private investor and consultant, providing CFO level financial management and process improvement for portfolio companies of Triple Tree Capital Partners, an independent merchant bank in Minneapolis, and other independent companies. Previously, Mr. Cavanaugh was a member of the executive leadership team at UnitedHealth Group (UHG), a managed health care company, and was the CFO of its \$3+ billion Uniprise business segment. There, he led the completion of the \$1.6 billion MetraHealth acquisition integration, which included building a finance organization, creating a business unit balance sheet and management reporting process, improving internal controls, rationalizing legacy systems and reducing DSOs in the national account business. As part of his role as CFO, Mr. Cavanaugh was also Treasurer of UnitedHealthcare Insurance Co. of Connecticut, the primary insurance carrier for UHG’s non-HMO products nationally, and responsible for legal entity reporting and compliance, with Connecticut insurance regulations. Prior to joining UnitedHealth Group, Mr. Cavanaugh managed Arthur Andersen’s finance and accounting outsourcing practice in Metro Philadelphia. He is a graduate of Villanova University.

There is no arrangement or understanding between Mr. Cavanaugh and any other persons in connection with Mr. Cavanaugh’s appointment as interim Chief Financial Officer (other than the Cavanaugh Agreement), and Mr. Cavanaugh has no family relationship with any director or executive officer of the Company. Mr. Cavanaugh has no direct or indirect material interest in any transaction with the Company that is reportable under Item 404(a) of Regulation S-K, nor have any such transactions been proposed.

The foregoing summary of the Cavanaugh Agreement does not purport to be complete and is qualified in its entirety by the full text of the Cavanaugh Agreement, which is attached to this Current Report on Form 8-K as Exhibit 10.1, and incorporated herein by this reference.

Item 7.01. Regulation FD Disclosure.

On July 6, 2020, the Company issued a press release announcing, among other things, the appointment of Mr. Cavanaugh as interim Chief Financial Officer and the departure of Mr. Wasserfuhr. A copy of the press release is filed as Exhibit 99.1 to this Current Report on Form 8-K and is furnished herewith.

The press release furnished pursuant to Item 7.01 of this Form 8-K (Exhibit 99.1) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”), or otherwise subject to the liabilities under that Section. Furthermore, the press release shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits**

Exhibit Number	Exhibit Description
10.1	Independent Contractor Agreement, dated as of June 29, 2020, by and between USA Technologies, Inc. and Eugene Cavanaugh.
99.1	Press release, dated July 6, 2020.

SIGNATURES

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.

USA TECHNOLOGIES, INC.

By: /s/ Sean Feeney
Sean Feeney
Chief Executive Officer

Dated: July 6, 2020



June 30, 2020
Eugene Cavanaugh

Independent Contractor Agreement: (Interim Chief Financial Officer)

This Independent Contractor Agreement (“Agreement”) is entered into this 29th day of June 2020, by and between USA Technologies, Inc. (“Company”) and Eugene Cavanaugh (“Contractor”) in consideration of the mutual promises made herein, as follows:

Term of Agreement:

This Agreement will become effective on the 1st day of July 2020 and will continue in effect until the earlier to occur of (i) the Company’s appointment of a permanent Chief Financial Officer, or (ii) either party’s termination of this Agreement upon 10 days’ prior written notice to the other party.

Services to be Rendered by Contractor:

Contractor agrees to perform the duties of Interim Chief Financial Officer, including, without limitation, such additional projects and services as determined to be necessary by the Company.

Method of Performing Services:

Contractor will determine the method, details, and means of performing the above-described services, including the determination of the need for and hiring of additional resources or personnel at the discretion of the Company. The Company may control, direct, or otherwise supervise Contractor’s resources or personnel in the performance of those services.

Schedule:

Contractor will devote his full-time business hours to the services during the term of this Agreement.

Compensation:

In consideration for the services to be performed by Contractor, Company agrees to pay Contractor \$15,000 per month of service, payable monthly in arrears within 10 days following the last day of the applicable month of service and prorated for any partial month of service (the “Retainer”). In addition, Contractor will be eligible to receive a grant of 3,000 fully vested shares of common stock of the Company per month of service, to be granted within 10 days following the last day of each applicable month of service in accordance with the Company’s equity incentive plans and grant procedures and prorated for any partial month of service. Contractor acknowledges subject to the following policies of USA: Employee Manual, Code of Business Conduct and Ethics, as amended; Blackout Period and Notification Policy; and Stock Ownership Guidelines for Directors and Executive Officers as well as any other policies that may be adopted by USA from time to time. Upon termination of this Agreement, no further payments or benefits shall be paid or



provided by the Company to Contractor other than any such payments or benefits that are accrued and unpaid on the date of such termination pursuant to this paragraph.

The Company may, at its option, pay Contractor the Retainer by business check or electronic funds transfer (ACH), and Contractor agrees to complete the applicable forms to authorize such ACH payments if requested by the Company. Contractor will deliver to the Company (i) a completed Form W-9 as soon as reasonably practicable following execution of this Agreement, and (ii) an invoice for each month of service within 5 days following the last day of each applicable month of service in a format agreed to by Contractor and the Company. Company will also pay reasonable travel expenses incurred by Contractor.

Independent Contractor Relationship; Taxes:

The parties hereto expressly intend that Contractor render the services described in this Agreement as an independent contractor, and not an employee, of the Company or any of its subsidiaries. Therefore, Contractor acknowledges and agrees that Contractor will not be eligible to participate in any employee benefit, compensation, or bonus plans or programs sponsored by the Company or any of its subsidiaries, and expressly waives any right to participate that may be deemed to exist. In addition, Contractor expressly acknowledges and agrees that Contractor is solely responsible for payment of any and all taxes payable in connection with the compensation and benefits to be paid or provided to Contractor under this Agreement, and that the Company shall not withhold any such taxes from such compensation and benefits unless the Company determines that it is required to do so by applicable law.

Tools and Instruments:

At its discretion, the Company will supply all tools, equipment, and supplies required to perform the services under this Agreement.

Assignment:

Neither this Agreement nor any duties or obligations under this Agreement may be assigned by Company or Contractor without the prior written consent of Contractor and Company.

Confidentiality and Non-Disclosure:

Contractor will have access to, and may create and receive, confidential information of the Company, all of which has been/ will be developed at considerable risk and expense to the Company. Contractor acknowledges that confidential information is a valuable and unique asset of the Company, and includes, without limitation, all information of a confidential or proprietary nature that relates to the Company and its subsidiaries in any way, including information relating to the Company's and its subsidiaries' business, customers, products and services, pricing, intellectual property, suppliers, and employees. Contractor agrees that Contractor: (i) shall keep confidential and not disclose or reveal any confidential information to any person or entity, and (ii) Contractor shall not use for Contractor's own benefit or for the benefit of any third party, any of the Company's confidential information, except for and on behalf of the Company in the course of performing Contractor's services to and for the benefit of the Company, unless the Company consents in advance in writing to the disclosure or use of any of the confidential information.



- (a) Ownership of Confidential Information: Contractor acknowledges and agrees that, as between Contractor and the Company, all confidential information is and at all times will be the exclusive property of the Company, to be used by Contractor only as expressly authorized by this Agreement, and that Contractor has no claim or right to the continued use or possession of such confidential information following termination of Contractor's engagement by the Company. Contractor agrees that, and upon termination of Contractor's engagement, Contractor will not retain any confidential information, including, without limitation, documents, files or other materials, and will promptly return to the Company any confidential information in Contractor's possession or custody.
- (b) Return of Company Property: At any time at the Company's request during the term of this Agreement or upon termination of Contractor's retention by the Company, whichever occurs first, Contractor promptly shall return to the Company all confidential information and other property of the Company in Contractor's control or possession, in any media or format whatsoever, and Contractor shall, unless otherwise directed by the Company, delete or destroy all electronic data and/or other information of the Company stored in electronic form or media on Contractor's laptop, computer, notebook, iPad, cell phone or other electronic equipment or storage. At the Company's request, Contractor agrees to certify in writing to the Company that Contractor has complied with the requirements of this Agreement.

Notices:

Any notices to be given hereunder by either party to the other may be made either by personal delivery or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the parties at the following addresses:

Company: USA Technologies 100 Deerfield Ln. Suite 300, Malvern PA 19335

Contractor: _____

Each party may change the above address by written notice in accordance with this paragraph. Notices delivered personally shall be deemed communicated as of the date of actual receipt; mailed notices shall be deemed communicated as of three (3) days after the date of mailing.

Entire Agreement:

This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the performance of services by Contractor for Company, and contains all of the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding. Any modification of this Agreement will be effective only if it is in writing signed by the party to be charged.

100 Deerfield Lane, Suite 300, Malvern, PA 19355 T 800.633.0340/610.989.0340 F 610.989.0344 www.usatech.com



Partial Invalidity:

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

Governing Law:

This Agreement shall be governed by and construed in accordance with the laws of the State of Pennsylvania.

Company, by	<u>/s/ Alyssa Braniecki</u> Manager of Human Resources	Date	<u>6/30/2020</u>
Contractor, by	<u>/s/ Eugene Cavanaugh</u> Interim Chief Financial Officer	Date	<u>6/30/2020</u>

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USA Technologies Adds Depth to Management Team with New General Counsel Position and Interim CFO

Davina Furnish joins as General Counsel; Eugene C. Cavanaugh to operate as Interim CFO

MALVERN, Pa. – July 6, 2020 – USA Technologies, Inc. (OTC:USAT) (“USAT” or the “Company”), a cashless payments and software services company that provides end-to-end technology solutions for the self-service retail market, today announced that Davina Furnish has been named General Counsel and Eugene C. Cavanaugh has been hired as interim Chief Financial Officer.

“The addition of Davina and Gene to USA Technologies’ executive team is a key part of our strategy to build a strong foundation for future growth,” said Sean Feeney, CEO, USA Technologies. “Davina’s expertise and insight are a much-needed asset to the Company as we venture through our corporate transformation. I have previous experience working with her, and I know her to be a results-oriented business leader with an ability to solve complex business challenges, and a strong track record of successfully navigating through the legal complexities of a technology company. In addition, I am confident that Gene’s deep financial acumen, and public company experience, will serve us well during this interim period. He has impressive credentials and I believe he will add to our momentum moving forward.”

Davina Furnish joins the company as its General Counsel, effective July 6, 2020. In her role she will oversee and direct all of USAT’s legal affairs, supporting the company’s growth initiatives. She will be based in Atlanta, Ga.

Ms. Furnish brings over 20 years of technology law experience in a variety of roles at small- and medium-sized public companies in the Atlanta area. She was General Counsel of Concurrent Computer Corporation from 2013 to 2017, having worked in a number of legal leadership roles at Concurrent from 2007 to 2017. Most recently, she has been advising on technology transactions at E*TRADE Corporate Services and SunTrust (now Truist). She began her career with CheckFree Corporation (now a part of Fiserv, Inc.), where she previously worked with USAT’s CEO, Sean Feeney. She also served as litigation counsel for Interland, Inc. (now called Web.com). Ms. Furnish earned her undergraduate degree in History from The Ohio State University and her J.D. from Cleveland-Marshall College of Law.

Eugene Cavanaugh assumed the responsibility of interim CFO on July 1, 2020 while the Company conducts its search to fill the permanent position, vacated by the departure of former CFO, Michael Wasserfuhr. Mr. Cavanaugh will oversee the finance organization and lead all aspects of the Company’s financial strategy and operations, including budgeting and planning, treasury, accounting, tax, and financial reporting. He will be based at the Company’s headquarters in Malvern, Pa.

Mr. Cavanaugh brings over 30 years in corporate finance, treasury, as well as strategic planning, risk management and operations management experience, across multiple industries - from start-ups, to the Fortune 100. Most recently, Mr. Cavanaugh has worked as a private investor and consultant, providing CFO level financial management and process improvement for portfolio companies of Triple Tree Capital Partners in Minneapolis, and other independent companies. Previously, he was a member of the executive leadership team at UnitedHealth Group (UHG) and

was the CFO of its \$3+ billion Uniprise business segment. There he led the completion of the \$1.6 billion MetraHealth acquisition's integration. As part of his role as CFO, Mr. Cavanaugh was also Treasurer of UnitedHealthcare Insurance Co. of Connecticut, the primary insurance carrier for UHG's non-HMO products nationally, and responsible for legal entity reporting and compliance with Connecticut insurance regulations. Prior to joining UnitedHealth Group, Mr. Cavanaugh managed Arthur Andersen's finance and accounting outsourcing practice, in Metro Philadelphia. He is a graduate of Villanova University.

About USA Technologies, Inc.

USA Technologies, Inc. is a cashless payments and software services company that provides end-to-end technology solutions for the self-service retail market. USAT is transforming the unattended retail community by offering one integrated solution for payments processing, logistics, and back-office management. The Company's enterprise-wide platform is designed to increase consumer engagement and sales revenue through digital payments, digital advertising and customer loyalty programs, while providing retailers with control and visibility over their operations and inventory. As a result, customers ranging from vending machine companies, to operators of micro-markets, gas and car charging stations, laundromats, metered parking terminals, kiosks, amusements and more, can run their businesses more proactively, predictably, and competitively.

--F-USAT

Media and Investor Relations Contact:

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