

PROSPECTUS SUPPLEMENT No. 1  
Filed Pursuant to Rule 424 (b)(3)  
(To Prospectus dated October 26, 2001)  
Registration No. 333-72302

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USA TECHNOLOGIES, INC.

48,023,998 shares of Common Stock  
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The third paragraph of the Selling Shareholders section of the Prospectus is deleted and shall be replaced with the following new paragraph:

The number of shares that may be actually sold by the selling shareholder will be determined by the selling shareholder. The selling shareholders are under no obligation to sell all or any portion of the shares offered, nor are the selling shareholders obligated to sell such shares immediately under this Prospectus. Particular selling shareholders may not have a preset intention of selling their shares and may offer less than the number of shares indicated. Because the selling shareholder may sell all, some or none of the shares of common stock that the selling shareholder holds, no estimate can be given as to the number of shares of our common stock that will be held by the selling shareholder upon termination of the offering. Shares of common stock may be sold from time to time by the selling shareholders or by pledgees, donees, transferees or other successors in interest.

The table entitled "2001-B Restricted Common Stock" appearing in the Selling Shareholders section of the Prospectus is hereby deleted and replaced in its entirety by the following new table. The new table reflects transfers of the shares subsequent to the date of the Prospectus.

2001-B RESTRICTED COMMON STOCK

Selling Shareholder -----	Common Stock Offered Hereby -----	Beneficial Ownership after Offering -----	
		Number -----	Percent -----
Alexandra Antoinette Ferland U.G.M.A	134	0	*
Alex Consulting, Inc. (1)	100,000	2,086,000	1.88
Michelle H. Alvanos	2,334	0	*
Michelle H. Alvanos	5,000	0	*
Wayne A. Anderson	16,667	0	*
Charles W. Apple	30,000	0	*
Barry Arndt	167	0	*
John P. Ayers	40,000	0	*
Colleen Ayers	3,000	0	*
Daniel C. Ayers	1,334	0	*
Michael Bachich	225,000	0	*
John R. Bachich	100,000	0	*
Virginia S. Baltzell	3,334	0	*
Charles M. Barclay	15,000	0	*
Gunter J. Beyer(2)	16,667	60,834	*
David C. Blackburn	50,000	0	*
Joseph J. Bolitsky	106,667	0	*
Gary Bourassa	6,667	0	*
E. Douglas Brittain	13,334	0	*
Vernon Brittain	11,667	0	*
Vincent J. Calvarese	6,667	0	*
Ronald J. Cammarota	6,667	0	*
Jerrold Carl	50,000	0	*
Julie Carlson	132,000	0	*
Gordon S. Clausen	10,000	0	*
Diane Cloutier	15,000	0	*
Marc A. Cohen	70,000	0	*
Gino F. Colombo	16,667	0	*
Gino F. Colombo	6,667	0	*
Columbia Marketing Ltd	100,000	0	*
Gerard W. Cooney	15,000	0	*
Johanna Craven	4,167	0	*
William R. Crothers	5,000	0	*
Clifton B. Currin	33,334	0	*
William K. Curtis	66,667	0	*
David S. D'Angelo	43,334	0	*
Hrubala Associates, A Partnership	16,667	0	*
Sofia R. Din	20,000	0	*
Leo J. Dolan	13,334	0	*
Robert F. Dress	18,334	0	*
Howard P. Effron	25,000	0	*
Elliot Raymond Ferland U.G.M.A	134	0	*
Solomon Ellner	13,334	0	*
Anthony J. Fanelli	30,000	0	*
Kathleen Ferland	1,667	0	*
John S. Foster	26,667	0	*
Robert R. Frey	5,125	0	*
Margaret R. Geddis	3,334	0	*
Ronald C. Gibson	13,334	0	*
Charlotte Given(3)	30,000	80,000	*
Harriet Glickstein	30,000	0	*
Julius Golden	10,000	0	*
William M. Goldstein	20,000	0	*
Peter Grahm	58,334	0	*
Robert Gray	30,000	0	*
Dian Griesel(4)	46,667	93,334	*
Bruce H. Hale	11,667	0	*
Bill Halstenrud	15,000	0	*
Nancy Hansen	10,000	0	*
Devin Hansen	15,000	0	*
Nancy Hansen	187,334	0	*
Nancy Hansen	13,334	0	*
Cong. Sharit Hapleta	175,000	0	*
William F. Hartry, Jr.	63,334	0	*
Robert P. Hauptfuhrer Family Partnership	20,000	0	*
Jack M. Heald	11,667	0	*
Andrew B. Hebenstreit	23,334	0	*
Ann Hebenstreit	10,000	0	*



Selling Shareholder -----	Common Stock Offered Hereby -----	Beneficial Ownership after Offering -----	
		Number -----	Percent -----
Adele H. Hepburn(5)	333,334	1,958,866	1.76
Stephen P. Herbert(6)	56,410	934,974	*
Janet J. Hewes	15,000	0	*
AHP Holdings, LP	93,334	0	*
Michelle R. Hollenshead	4,167	0	*
David W. Hubbert	10,000	0	*
Nicholas Hudson	11,667	0	*
Mark J. Hudson	15,000	0	*
Gordon F. Hudson	15,000	0	*
Christine F. Hughes	5,834	0	*
Hull Overseas, Ltd	85,000	0	*
Steve Illes	100,000	0	*
Steve & Elizabeth Illes	1,000,000	0	*
Robert B. Jacoby	6,667	0	*
Jacquelline Rugart	5,000	0	*
George R. Jensen, Jr.(7)	56,410	1,185,256	1.07
William Robert Johnston	50,000	0	*
Donald R. Jones, Sr.	16,667	0	*
Thomas A. Katchur	100,000	0	*
Michael Katchur	15,000	0	*
Kaufman & Associates (8)	90,000	100,000	*
Kellie Nicole Padrick Trust	16,667	0	*
George H. Kilmarx	13,334	0	*
Harriette D. Klann	6,667	0	*
Shirley K. Knerr	15,000	0	*
Phillip S. Krombolz	33,334	0	*
Sara Labrum	167	0	*
Kate Labrum	167	0	*
Joe Labrum	167	0	*
Aaron Lehmann	13,334	0	*
Shelley Leroux	20,000	0	*
Warren D. Lewis	11,667	0	*
H. Mather Lippincott	1,667	0	*
Douglas M. Lurio(9)	50,000	328,713	*
Cornerstone Public Relations Group Inc.(10)	3,750	7,500	*
James P. MacCain	23,334	0	*
Robin H. Marchand	11,667	0	*
Aimee Marchand	2,500	0	*
Mariel Marchand	2,500	0	*
Kathleen J. Mason	153,334	0	*
G. Diehl Mateer, Jr.	11,667	0	*
Matthew Michael McDonough U.G.M.A	134	0	*
Charles A. Mayer	13,334	0	*
Thomas E. McCarty(11)	33,334	239,168	*
Robert G. McGarra(12)	50,000	256,000	*
Peter J. McGuire	160,000	0	*
James F. Merriman	20,000	0	*
Michael W. Miles	20,000	0	*
Harley Miller	13,334	0	*
Barbara Howard Miller	18,334	0	*
George W. Moffitt, Jr.	45,000	0	*
Kenneth G. Molta	6,667	0	*
Robert H. Montgomery	13,334	0	*
Louis J. Muth	11,667	0	*
Elizabeth L. Nelson	50,000	0	*
Jeffrey M. Newhuis	53,334	0	*
Gregg J. Newhuis	293,334	0	*
Paul Nordin	6,667	0	*
George O'Connell	160,000	0	*
Susan Odell	23,334	0	*
Eric Pagh	15,000	0	*

Selling Shareholder -----	Common Stock Offered Hereby -----	Beneficial Ownership after Offering -----	
		Number -----	Percent -----
Michael A. Parker	13,334	0	*
Neil L. Parker	10,000	0	*
Mattie A. Perry	8,334	0	*
Larry R. Perry	4,167	0	*
Richard D. Perry	4,167	0	*
Douglas A. Perry	4,167	0	*
Helen Petlowany	3,334	0	*
Roy T. Pirhala	6,667	0	*
Randy J. Post	3,334	0	*
Robert H. Potts	11,667	0	*
Barbara L. Prescott	2,500	0	*
Charles W. Proctor III	1,667	0	*
Jeanne S. Quist	13,334	0	*
Paul Rafferty	33,334	0	*
Paul J. Rafferty	30,000	0	*
Rosamond P. Rankin	3,334	0	*
William Recktenwald	40,000	0	*
Harry Renner IV	67,500	0	*
John B. Rettew III	16,667	0	*
George B. Richardson	41,667	0	*
Robert Turner Rugart U.G.M.A	5,000	0	*
Gardiner Rogers	10,000	0	*
Robert Roggio	6,667	0	*
Wachovia Securities Inc John E Hamilton IRA	16,667	0	*
Peter S. Ruben	30,000	0	*
Karl F. Rugart	15,000	0	*
John S. Rupp	12,500	0	*
Charles Schwab & Co FBO Peter A Sands, IRA	13,334	0	*
William F. Schoenhut, Jr.	13,334	0	*
Richard Schonwald	250,000	0	*
Mary L. Scranton	11,667	0	*
Ben Sides	3,334	0	*
Robert G. Singer	13,334	0	*
Joseph Singer	13,334	0	*
Leslie Singer	11,667	0	*
Steven W. Smith	15,000	0	*
Richard O. Smith	10,000	0	*
Steven W. Smith SSB as IRA Custodian	30,000	0	*
Daniel E. Spealman	46,667	0	*
BB Securities Co FBO Daniel E Spealman IRA	29,167	0	*
Michael Steir	28,334	0	*
Homer N. Stewart	10,000	0	*
Priscilla Stitt	2,000	0	*
Edward B. Stokes	10,000	0	*
Marcus B. Stringfellow	40,000	0	*
Clark D. Stull, Jr. JTWROS	15,834	0	*
Jean Turner	3,334	0	*
William L. Van Alen, Jr.(10)	13,334	223,753	*
Virtual Concepts Corp. (13)	120,000	225,000	*
Lois M. Wagner	7,500	0	*
Robert E. Wagner	27,857	0	*
C. Anthony Wainright	15,000	0	*
John Weckerling	26,667	0	*
Henry W. Wessells III	1,667	0	*
Delta Western Company	150,000	0	*
Arthur L. Wheeler	33,334	0	*
Arthur A. Wiener	2,017	0	*
J. Edward Willard	26,667	0	*
William W. Sellers Rev Trust(14)	26,667	966,576	*
Margaret S. Williams	34,334	0	*
Robert H. Williams DDS Prof. Sharing Plan	50,000	0	*
Donald J. Zelenka	90,000	0	*
Ruth Zweigbaum	7,084	0	*
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	TOTAL	7,395,439	=====

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\*Less than one percent(1%)

- (1) Alex Consulting, Inc. is a financial consultant to the Company.
- (2) Mr. Beyer is a public relations consultant to the Company.
- (3) Ms. Given is a public relations consultant to the Company.
- (4) Ms. Griesel was a public relations consultant to the Company.
- (5) Ms. Hepburn is Director of Public Relations of the Company.
- (6) Mr. Herbert is President of the Company.
- (7) Mr. Jensen is Chairman and Chief Executive Officer of the Company.
- (8) Kaufmann & Associates is a consultant to the Company.
- (9) Mr. Lurio is a Director of the Company and his law firm, Lurio & Associates, P.C. is general counsel to the Company.
- (10) Mr. Van Alen is a Director of the Company and the owner of Cornerstone Public Relations Group.
- (11) Mr. McCarty is a consultant to the Company.
- (12) Mr. McGarrah is a consultant to the Company.
- (13) Virtual Concepts is consultant to the Company.
- (14) William Sellers is a Director of the Company.

The table entitled "2001-B Common Stock Purchase Warrants" appearing in the Selling Shareholders section of the Prospectus is hereby deleted and replaced in its entirety by the following two new tables. The table for the 2001-B-1 Common Stock Purchase Warrants reflects transfers of the warrants or underlying shares subsequent to the date of the Prospectus as well as unexercised warrants that were canceled. The table for the 2001-B-2 Common Stock Purchase Warrants reflects transfers of the warrants or the underlying shares occurring subsequent to the date of the Prospectus.

2001-B-1 COMMON STOCK PURCHASE WARRANTS

Selling Shareholder -----	Common Stock Offered Hereby -----	Beneficial Ownership after Offering -----	
		Number -----	Percent -----
ALEXANDRA ANTOINETTE FERLAND U.G.M.A.	134	0	*
ALEX CONSULTING, INC. (1)	210,000	1,976,000	1.78
BARRY ARNDT	167	0	*
JOHN P. AYERS	40,000	0	*
COLLEEN AYERS	3,000	0	*
DANIEL C. AYERS	1,334	0	*
MICHAEL BACHICH	225,000	0	*
JOHN R. BACHICH	100,000	0	*
VIRGINIA S. BALTZELL	3,334	0	*
GUNTER J. BEYER(2)	16,667	60,834	*
GARY BOURASSA	6,667	0	*
VERNON BRITTAIN	11,667	0	*
RONALD J. CAMMAROTA	6,667	0	*
GORDON S. CLAUSEN	10,000	0	*
DIANE CLOUTIER	15,000	0	*
GINO F. COLOMBO	16,667	0	*
COLUMBIA MARKETING LTD	100,000	0	*
GERARD W. COONEY	15,000	0	*
HOWARD P. EFFRON	25,000	0	*
ELLIOT RAYMOND FERLAND U.G.M.A.	134	0	*
SOLOMON ELLNER	13,334	0	*
KATHLEEN FERLAND	1,667	0	*
CHARLOTTE GIVEN(3)	10,000	100,000	*
PETER GRAHM	58,334	0	*
ROBERT GRAY	30,000	0	*
DIAN GRIESEL(4)	46,667	93,334	*
BRUCE H. HALE	11,667	0	*
BILL HALSTENRUD	15,000	0	*
DEVIN HANSEN	15,000	0	*
STEPHEN P. HERBERT(5)	56,410	934,974	*
JANET J. HEWES	15,000	0	*
IW MILLER GROUP(6)	60,000	237,500	*
JACQUELLINE RUGART	5,000	0	*
GEORGE R. JENSEN, JR.(7)	56,410	1,185,256	1.07
DONALD R. JONES, SR.	16,667	0	*
KAUFMANN & ASSOCIATES(8)	40,000	150,000	*
ROBERT G. PADRICK, TRUSTEE	16,667	0	*
SARA LABRUM	167	0	*
KATE LABRUM	167	0	*
JOE LABRUM	167	0	*
AARON LEHMANN	13,334	0	*
SHELLEY LEROUX	20,000	0	*
DOUGLAS M. LURIO(9)	50,000	378,713	*
CORNERSTONE PUBLIC RELATIONS GROUP INC.(10)	3,750	7,500	*
G. DIEHL MATEER JR.	11,667	0	*
MATTHEW MICHAEL MCDONOUGH U.G.M.A.	134	0	*
THOMAS E. MCCARTY(11)	33,334	239,168	*
ROBERT G. MCGARRAH(12)	50,000	256,000	*
MICHAEL W. MILES	20,000	0	*
BARBARA HOWARD MILLER	18,334	0	*
LOUIS J. MUTH	11,667	0	*
JEFFREY M. NEWHUIS	39,334	0	*
GREGG J. NEWHUIS	233,334	0	*

Selling Shareholder -----	Common Stock Offered Hereby -----	Beneficial Ownership after Offering -----	
		Number -----	Percent -----
HELEN PETLOWANY	3,334	0	*
RANDY J. POST	3,334	0	*
CHARLES W. PROCTOR III	1,667	0	*
JEANNE S. QUIST	13,334	0	*
ROSAMOND P. RANKIN	3,334	0	*
ROBERT TURNER RUGART	5,000	0	*
ROBERT ROGGIO	6,667	0	*
JOHN E HAMILTON ROTH IRA	16,667	0	*
PETER S. RUBEN	30,000	0	*
CHARLES SCHWAB & CO FBO PETER A. SANDS, IRA	13,334	0	*
RICHARD SCHONWALD	10,000	0	*
BEN SIDES	3,334	0	*
ROBERT G. SINGER	13,334	0	*
JOSEPH SINGER	13,334	0	*
LESLIE SINGER	11,667	0	*
STEVEN W. SMITH	15,000	0	*
RICHARD O. SMITH	10,000	0	*
STEVEN W. SMITH SSB AS IRA CUSTODIAN	30,000	0	*
CLARK D. STULL JR JTWROS	15,834	0	*
S.W. RYAN & CO.	26,667	0	*
JEAN TURNER	3,334	0	*
VIRTUAL CONCEPTS CORP.(13)	50,000	295,000	*
LOIS M. WAGNER	7,500	0	*
C. ANTHONY WAINWRIGHT	5,000	0	*
ARTHUR A. WIENER	2,017	0	*
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	TOTAL	2,093,342	
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\* Less than one percent (1%)

- (1) Alex Consulting, Inc. is a financial consultant to the Company.
- (2) Mr. Beyer is a public relations consultant to the Company.
- (3) Ms. Given is a public relations consultant to the Company.
- (4) Ms. Griesel was a public relations consultant to the Company.
- (5) Mr. Herbert is President of the Company.
- (6) I.W. Miller Group is a public relations consultant to the Company.
- (7) Mr. Jensen is Chief Executive Officer and Chairman of the Company.
- (8) Kaufmann & Associates is a business consultant to the Company.
- (9) Mr. Lurio is a Director of the Company and his law firm, Lurio & Associates, P.C., is general counsel to the Company.
- (10) Cornerstone Public Relations is owned by William Van Alen, a Director of the Company.
- (11) Mr. McCarty is a consultant to the Company.
- (12) Mr. McGarrah is a consultant to the Company.
- (13) Virtual Concepts is a consultant to the Company.



2001-B-2 COMMON STOCK PURCHASE WARRANTS

Selling Shareholder -----	Common Stock Offered Hereby -----	Beneficial Ownership after Offering -----	
		Number	Percent
ALEXANDRA ANTOINETTE FERLAND U.G.M.A.	134	0	*
ALEX CONSULTING, INC. (1)	185,000	2,001,000	1.80
MICHELLE H. ALVANOS	2,334	0	*
MICHELLE H. ALVANOS	5,000	0	*
WAYNE A. ANDERSON	16,667	0	*
CHARLES W. APPLE	30,000	0	*
BARRY ARNDT	167	0	*
JOHN P. AYERS	40,000	0	*
COLLEEN AYERS	3,000	0	*
DANIEL C. AYERS	1,334	0	*
MICHAEL BACHICH	225,000	0	*
JOHN R. BACHICH	100,000	0	*
VIRGINIA S. BALTZELL	3,334	0	*
CHARLES M. BARCLAY	15,000	0	*
GUNTER J. BEYER (2)	16,667	60,834	*
DAVID C. BLACKBURN	50,000	0	*
JOSEPH J. BOLITSKY	106,667	0	*
GARY BOURASSA	6,667	0	*
E. DOUGLAS BRITTAIN	13,334	0	*
VERNON BRITTAIN	11,667	0	*
VINCENT J. CALVARESE	6,667	0	*
RONALD J. CAMMAROTA	6,667	0	*
JERROLD CARL	50,000	0	*
JULIE CARLSON	132,000	0	*
GORDON S. CLAUSEN	10,000	0	*
DIANE CLOUTIER	15,000	0	*
MARC A. COHEN	70,000	0	*
GINO F. COLOMBO	16,667	0	*
GINO F. COLOMBO	6,667	0	*
COLUMBIA MARKETING LTD	100,000	0	*
GERARD W. COONEY	15,000	0	*
JOHANNA CRAVEN	4,167	0	*
WILLIAM R. CROTHERS	5,000	0	*
CLIFTON B. CURRIN	33,334	0	*
WILLIAM K. CURTIS	66,667	0	*
DAVID S. D'ANGELO	43,334	0	*
HRUBALA ASSOCIATES	16,667	0	*
LEO J. DOLAN	13,334	0	*
ROBERT F. DRESS	18,334	0	*
HOWARD P. EFFRON	25,000	0	*
ELLIOT RAYMOND FERLAND U.G.M.A.	134	0	*
SOLOMON ELLNER	13,334	0	*
ANTHONY J. FANELLI	30,000	0	*
KATHLEEN FERLAND	1,667	0	*
JOHN S. FOSTER	26,667	0	*
ROBERT R. FREY	5,125	0	*
MARGARET R. GEDDIS	3,334	0	*
RONALD C. GIBSON	13,334	0	*
CHARLOTTE GIVEN(3)	30,000	80,000	*
HARRIET GLICKSTEIN	30,000	0	*
JULIUS GOLDEN	10,000	0	*
WILLIAM M. GOLDSTEIN	20,000	0	*
PETER GRAHM	58,334	0	*
ROBERT GRAY	30,000	0	*
DIAN GRIESEL(4)	46,667	93,334	*
BRUCE H. HALE	11,667	0	*
BILL HALSTENRUD	15,000	0	*
NANCY HANSEN	10,000	0	*

Selling Shareholder -----	Common Stock Offered Hereby -----	Beneficial Ownership after Offering -----	
		Number -----	Percent -----
DEVIN HANSEN	15,000	0	*
NANCY HANSEN	187,334	0	*
NANCY HANSEN	13,334	0	*
CONG. SHARIT HAPLETA	175,000	0	*
WILLIAM F. HARRITY JR.	63,334	0	*
ROBERT P. HAUPTFUHRER FAMILY PARTNERSHIP	20,000	0	*
JACK M. HEALD	11,667	0	*
ANDREW B. HEBENSTREIT	23,334	0	*
ANN HEBENSTREIT	10,000	0	*
ADELE H. HEPBURN(5)	333,334	1,958,866	1.76
STEPHEN P. HERBERT(6)	56,410	934,974	*
JANET J. HEWES	15,000	0	*
AHP HOLDINGS, LP	93,334	0	*
MICHELLE R. HOLLENSHEAD	4,167	0	*
DAVID W. HUBBERT	10,000	0	*
NICHOLAS HUDSON	11,667	0	*
MARK J. HUDSON	15,000	0	*
GORDON F. HUDSON	15,000	0	*
CHRISTINE F. HUGHES	5,834	0	*
HULL OVERSEAS, LTD	85,000	0	*
STEVE ILLES	100,000	0	*
STEVE ILLES	1,000,000	0	*
INTEGRATED CAPITAL(7)	100,000	150,000	*
IW MILLER GROUP(8)	50,000	247,500	*
ROBERT B. JACOBY	6,667	0	*
JACQUELINE RUGART	5,000	0	*
GEORGE R. JENSEN, JR.(9)	56,410	1,185,256	1.07
WILLIAM ROBERT JOHNSTON	50,000	0	*
DONALD R. JONES, SR.	16,667	0	*
THOMAS A. KATCHUR	100,000	0	*
MICHAEL KATCHUR	15,000	0	*
KAUFMANN & ASSOCIATES(10)	40,000	150,000	*
ROBERT G. PADRICK, TRUSTEE	16,667	0	*
GEORGE H. KILMARX	13,334	0	*
HARRIETTE D. KLANN	6,667	0	*
SHIRLEY K. KNERR	15,000	0	*
PHILLIP S. KROMBOLZ	33,334	0	*
SARA LABRUM	167	0	*
KATE LABRUM	167	0	*
JOE LABRUM	167	0	*
AARON LEHMANN	13,334	0	*
SHELLEY LEROUX	20,000	0	*
WARREN D. LEWIS	11,667	0	*
H. MATHER LIPPINCOTT	1,667	0	*
DOUGLAS M. LURIO(11)	50,000	378,713	*
CORNERSTONE PUBLIC RELATIONS GROUP INC.(12)	3,750	7,500	*
JAMES P. MACCAIN	23,334	0	*
ROBIN H. MARCHAND	11,667	0	*
AIMEE MARCHAND	2,500	0	*
MARIEL MARCHAND	2,500	0	*
KATHLEEN J. MASON	153,334	0	*
G. DIEHL MATEER JR.	11,667	0	*
MATTHEW MICHAEL MCDONOUGH U.G.M.A.	134	0	*
CHARLES A. MAYER	13,334	0	*
THOMAS E. MCCARTY(13)	33,334	239,168	*
ROBERT G. MCGARRAH(14)	50,000	256,000	*
PETER J. MCGUIRE	160,000	0	*

Selling Shareholder -----	Common Stock Offered Hereby -----	Beneficial Ownership after Offering -----	
		Number -----	Percent -----
JAMES F. MERRIMAN	20,000	0	*
MICHAEL W. MILES	20,000	0	*
HARLEY MILLER	13,334	0	*
BARBARA HOWARD MILLER	18,334	0	*
GEORGE W. MOFFITT JR.	45,000	0	*
KENNETH G. MOLTA	6,667	0	*
ROBERT H. MONTGOMERY	13,334	0	*
LOUIS J. MUTH	11,667	0	*
ELIZABETH L. NELSON	50,000	0	*
JEFFREY M. NEWHUIS	53,334	0	*
GREGG J. NEWHUIS	293,334	0	*
PAUL NORDIN	6,667	0	*
GEORGE O'CONNELL	160,000	0	*
SUSAN ODELL	23,334	0	*
ERIC PAGH	15,000	0	*
MICHAEL A. PARKER	13,334	0	*
NEIL L. PARKER	10,000	0	*
MATTIE A. PERRY	8,334	0	*
LARRY R. PERRY	4,167	0	*
RICHARD D. PERRY	4,167	0	*
DOUGLAS A. PERRY	4,167	0	*
HELEN PETLOWANY	3,334	0	*
ROY T. PIRHALA	6,667	0	*
RANDY J. POST	3,334	0	*
ROBERT H. POTTS	11,667	0	*
BARBARA L. PRESCOTT	2,500	0	*
CHARLES W. PROCTOR III	1,667	0	*
JEANNE S. QUIST	13,334	0	*
PAUL RAFFERTY	33,334	0	*
PAUL J. RAFFERTY	30,000	0	*
ROSAMOND P. RANKIN	3,334	0	*
WILLIAM RECKTENWALD	40,000	0	*
HARRY RENNER IV	67,500	0	*
JOHN B. RETTEW III	16,667	0	*
GEORGE B. RICHARDSON	41,667	0	*
ROBERT TURNER RUGART	5,000	0	*
GARDINER ROGERS	10,000	0	*
ROBERT ROGGIO	6,667	0	*
JOHN E HAMILTON ROTH IRA	16,667	0	*
PETER S. RUBEN	30,000	0	*
KARL F. RUGART	15,000	0	*
JOHN S. RUPP	12,500	0	*
CHARLES SCHWAB & CO FBO PETER SANDS, IRA	13,334	0	*
WILLIAM F. SCHOENHUT JR.	13,334	0	*
RICHARD SCHONWALD	250,000	0	*
MARY L. SCRANTON	11,667	0	*
BEN SIDES	3,334	0	*
ROBERT G. SINGER	13,334	0	*
JOSEPH SINGER	13,334	0	*
LESLIE SINGER	11,667	0	*
STEVEN W. SMITH	15,000	0	*
RICHARD O. SMITH	10,000	0	*
STEVEN W. SMITH SSB AS IRA CUSTODIAN	30,000	0	*
DANIEL E. SPEALMAN	46,667	0	*
BB SECURITIES CO FBO DANIEL E SPEALMAN IRA	29,167	0	*
MICHAEL STEIR	28,334	0	*
HOMER N. STEWART	10,000	0	*

Selling Shareholder -----	Common Stock Offered Hereby -----	Beneficial Ownership after Offering -----	
		Number -----	Percent -----
PRISCILLA STITT	2,000	0	*
EDWARD B. STOKES	10,000	0	*
MARCUS B. STRINGFELLOW	40,000	0	*
CLARK D. STULL JR JTWROS	15,834	0	*
JEAN TURNER	3,334	0	*
WILLIAM L. VAN ALEN JR.(12)	13,334	223,753	*
LOIS M. WAGNER	7,500	0	*
ROBERT E. WAGNER	27,857	0	*
JOHN WECKERLING	26,667	0	*
HENRY W. WESSELLS III	1,667	0	*
DELTA WESTERN COMPANY	150,000	0	*
ARTHUR L. WHEELER	33,334	0	*
ARTHUR A. WIENER	2,017	0	*
J. EDWARD WILLARD	26,667	0	*
WILLIAM W. SELLERS REV TRUST(15)	26,667	966,577	*
MARGARET S. WILLIAMS	34,334	0	*
R. H. WILLIAMS DDS PROF. SHARING PLAN	50,000	0	*
DONALD J. ZELENKA	90,000	0	*
RUTH ZWEIGBAUM	7,084	0	*
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TOTAL	7,395,439		
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\* Less than one percent (1%)

- (1) Alex Consulting, Inc. is a financial consultant to the Company.
- (2) Mr. Beyer is a public relations consultant to the Company.
- (3) Ms. Given is a public relations consultant to the Company.
- (4) Ms. Griesel was a public relations consultant to the Company.
- (5) Ms. Hepburn is Director of Public relations for the Company.
- (6) Mr. Herbert is President of the Company.
- (7) Integrated Capital Corporation is a consultant to the Company.
- (8) I.W. Miller Group is a public relations consultant to the Company.
- (9) Mr. Jensen is Chairman and Chief Executive Officer of the Company.
- (10) Kaufmann & Associates is a business consultant of the Company.
- (11) Mr. Lurio is a Director of the Company and his law firm, Lurio & Associates, P.C., is general counsel to the Company.
- (12) Mr. Van Alen is a Director of the Company and is the owner of Cornerstone Public Relations Group.
- (13) Mr. McCarty is a consultant to the Company.
- (14) Mr. McGarrah is a consultant to the Company.
- (15) Mr. Sellers is a Director of the Company.

The table entitled "2001-C Restricted Common Stock" appearing in the Selling Shareholders section of the Prospectus is hereby deleted and replaced in its entirety by the following new table. The table reflects transfers of the shares occurring after the date of the Prospectus.

2001-C RESTRICTED COMMON STOCK

Selling Shareholder -----	Common Stock Offered Hereby -----	Beneficial Ownership after Offering	
		Number -----	Percent -----
Alex Consulting, Inc.(1)	450,000	1,736,000	1.56
Jackson L. Anderson	12,000	0	*
Charles W. Apple	20,000	0	*
Reba A. Beeson	10,000	0	*
Marion D. & Teddie E. Belin	40,000	0	*
Gunter J. Beyer(2)	10,000	67,501	*
Kathlyne K. Birdsall	5,000	0	*
Richard & Mary Birtz	12,000	0	*
Joseph J. Bolitsky	60,000	0	*
Edwin R. Boynton(3)	50,000	305,500	*
Neal Bozentka	40,000	0	*
William P. Burks MD	5,000	0	*
August B. Castle, Jr.	62,716	0	*
Gary Cella	15,000	0	*
Robert J. Clarke	20,000	0	*
Johanna Craven	6,000	0	*
Helena Crecraft	10,000	0	*
Clifton B. Currin	6,000	0	*
Benjamin H. Deacon	10,000	0	*
Donald M. & Dianne M. Denlinger	36,000	0	*
Diligent Finance Co., Ltd.	200,000	0	*
Louis E. & Rose M. DiRenzo	10,000	0	*
James W. Effron	14,000	0	*
Solomon Ellner	90,000	0	*
Anthony J. Fanelli	4,000	0	*
Fieldman, Hay & Ullman(4)	50,000	535,000	*
Fin Map Corporation(5)	150,000	80,000	*
John S. Foster MD	60,000	0	*
Robert R. Frey	9,900	0	*
Ellen Gimbel	6,000	0	*
Harold N. Gray	10,000	0	*
James P. & Joyce M. Greaves	20,000	0	*
Kenneth R. Harris	4,800	0	*
Andrew B. Hebenstreit	10,000	0	*
Andrew B. Hebenstreit	50,000	0	*
Cynthia Lockhart Heberton	2,000	0	*
Maureen E. Hendron	20,000	0	*
Adele H. Hepburn(6)	102,000	2,190,200	1.97
Stephen P. Herbert(7)	285,250	706,134	*
Elwood E. Herbert	10,000	0	*
Elizabeth J. Holmes	5,000	0	*
Robert B. & Mary Lou Jacoby	12,000	0	*
Joan S. Jay	20,000	0	*
George R. Jensen, Jr.(8)	176,750	1,064,916	*
Donald R. & Joan F. Jones	2,000	0	*
Thomas A. Katchur	20,000	0	*
Kaufmann & Associates(9)	20,000	170,000	*
Harriette D. Klann	10,000	0	*
Haven Brock Kolls(10)	100,000	732,184	*
Lois A. Landis	4,000	0	*
Michael Lawlor(11)	65,000	407,884	*
Cecil Ledesma(12)	40,000	69,500	*

Selling Shareholder -----	Common Stock Offered Hereby -----	Beneficial Ownership after Offering -----	
		Number -----	Percent -----
Shelley & James Leroux	12,000	0	*
Leland P. Maxwell(13)	65,000	305,384	*
Lily L. McCartney	8,000	0	*
Thomas E. McCarty (14)	50,000	222,502	*
Robert G. McGarrah(15)	100,000	206,000	*
Ashlee Migliaccio	20,000	0	*
Harley & Brook Miller	5,000	0	*
Mull & Paige Associates LLC	10,000	0	*
Mull & Paige Associates LLC	90,000	0	*
Elizabeth L. Nelson	20,000	0	*
Susan Odell	40,000	0	*
Robert G. Padrick	20,000	0	*
Robert G. Padrick P/S/P & Trust	20,000	0	*
Eric Pagh	20,000	0	*
Richard G. & Laura J. Parker	8,000	0	*
Roy T. Pirhala	6,634	0	*
Roger Radpour	26,500	0	*
John S. Rupp	2,000	0	*
Richard S. Schonwald	60,000	0	*
Shamrock Holding LTD(16)	100,000	0	*
Raymond K. Shotwell	2,000	0	*
George H. Sorrell	2,000	0	*
Daniel E. Spealman	18,000	0	*
Robert S. Spears	100,000	0	*
Michael K. Stern	20,000	0	*
Homer N. & Natalie W. Stewart	6,000	0	*
Priscilla Stitt	2,000	0	*
Strategic Investment Management SA	200,000	0	*
Clark D.& Carolyn S. Stull	4,800	0	*
Technology Partners (Hldgs) LLC(17)	120,000	80,000	*
Andrew A. & Mary L. Thompson	2,000	0	*
Alfred Hunter & Susan Mary Thompson	3,000	0	*
Daniel G. Thompson	4,000	0	*
Samuel Reeves Thompson	4,000	0	*
Rosalie H. Thompson	20,000	0	*
Treetop Investments(18)	100,000	0	*
James L. Van Alen	6,000	0	*
Virtual Concepts(19)	175,000	170,000	*
William W. Sellers Rev. Trust(20)	100,000	893,244	*
Margaret S. Williams	18,000	0	*
R.H. Williams DDS Prof. Sharing Pln	24,000	0	*
Deborah Witte	110,000	0	*
Mike Wusinich	20,000	0	*
Ruth Zweigbaum	6,000	0	*
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TOTAL SHARES	4,212,350		
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\*Less than one percent(1%)

- (1) Alex Consulting, Inc. is a financial consultant to the Company.
- (2) Mr. Beyer is a public relations consultant to the Company.
- (3) Mr. Boynton is a Director of the Company.
- (4) Fieldman, Hay and Ullman, LP represented the Company in prior litigation.
- (5) FinMap Corporation is a public relations consultant to the Company.
- (6) Ms. Hepburn is Director of Public Relations of the Company.
- (7) Mr. Herbert is President of the Company.
- (8) Mr. Jensen is Chairman and Chief Executive Officer of the Company.
- (9) Kaufmann & Associates is a consultant to the Company.
- (10) Mr. Kolls is Senior Vice President of the Company.
- (11) Mr. Lawlor is an employee of the Company.
- (12) Mr. Ledesma is an employee of the Company.
- (13) Mr. Maxwell is Chief Financial Officer of the Company.
- (14) Mr. McCarty is a consultant to the Company.
- (15) Mr. McGarrah is a consultant to the Company.
- (16) Shamrock Holding LTD is a public relations consultant to the Company.
- (17) Technology Partners is the Company's investment banker.

- (18) Treetop Investments is a consultant to the Company.
- (19) Virtual Concepts is a consultant to the Company.
- (20) Mr. Sellers is a Director of the Company.

The table entitled "2001-C Common Stock Purchase Warrants" appearing in the Selling Shareholders section of the Prospectus is hereby deleted and replaced in its entirety by the following new table. The table reflects transfers of the warrants or the shares underlying these warrants subsequent to the date of the Prospectus as well as the cancellation of unexercised warrants.

2001-C COMMON STOCK PURCHASE WARRANTS

Selling Shareholder	Common Stock Offered Hereby	Beneficial Ownership after Offering	
		Number	Percent
ALEX CONSULTING, INC.(1)	704,000	1,482,000	1.33
AMERICAN INTERNATIONAL	6,000	0	*
JACKSON L. ANDERSON	6,000	0	*
CHARLES W. APPLE	10,000	0	*
REBA A. BEESON	10,000	0	*
MARION DOUGLAS & TEDDIE EARLINE BELIN	40,000	0	*
GUNTER J. BEYER(2)	10,000	67,501	*
KATHLYNE BIRDSALL	2,500	0	*
RICHARD & MARY BIRTZ	12,000	0	*
JOSEPH J. BOLITSKY	60,000	0	*
EDWIN R. BOYNTON(3)	25,000	330,500	*
NEAL BOZENTKA	40,000	0	*
WILLIAM P. BURKS, MD	2,500	0	*
AUGUST B. CASTLE, JR.	31,358	0	*
GARY CELLA	13,800	0	*
ROBERT J. CLARKE	10,000	0	*
JOHANNA CRAVEN	3,000	0	*
HELENA CRECRAFT	10,000	0	*
CLIFTON B. CURRIN	3,000	0	*
BENJAMIN H. DEACON	10,000	0	*
DONALD M. & DIANNE M. DENLINGER	12,000	0	*
DILIGENT FINANCE CO., LTD.	200,000	0	*
LOUIS E. & ROSE M. DIRENZO	5,000	0	*
JAMES W. EFFRON	14,000	0	*
HOWARD EFFRON	40,000	0	*
SOLOMON ELLNER	30,000	0	*
ANTHONY J. FANELLI	2,000	0	*
FIELDMAN, HAY & ULLMAN(4)	100,000	485,000	*
FINMAP CORPORATION(5)	80,000	150,000	*
JOHN S. FOSTER MD	30,000	0	*
ROBERT R. FREY	4,950	0	*
ELLEN GIMBEL	6,000	0	*
HAROLD N. GRAY	4,000	0	*
JAMES P. & JOYCE M. GREAVES	10,000	0	*
KENNETH R. HARRIS	4,800	0	*
ANDREW B. HEBENSTREIT	30,000	0	*
CYNTHIA LOCKHART HEBERTON	2,000	0	*
MAUREEN E. HENDRON	15,000	0	*
ADELE H. HEPBURN(6)	51,000	2,241,200	2.02
STEPHEN P. HERBERT(7)	176,250	815,134	*
ELWOOD E. HERBERT	10,000	0	*
ELIZABETH J. HOLMES	5,000	0	*
INTEGRATED CAPITAL(8)	150,000	100,000	*
ROBERT B. & MARY LOU JACOBY	6,000	0	*
JOAN S. JAY	20,000	0	*
GEORGE R. JENSEN, JR.(9)	183,750	1,057,916	*
DONALD R. & JOAN F. JONES	12,000	0	*
RICK JOSHI	10,000	0	*
FRED KARAGOSIAN	6,000	0	*
THOMAS A. KATCHUR	10,000	0	*
HARRIETTE D. KLANN	5,000	0	*
HAVEN BROCK KOLLS(10)	100,000	732,184	*
LOIS A. LANDIS	2,000	0	*
MICHAEL LAWLOR(11)	65,000	407,884	*
CECIL LEDESMA(12)	40,000	40,000	*
HELLEY & JAMES LEROUX	12,000	0	*
LELAND P. MAXWELL(13)	65,000	305,384	*
LILY L. MCCARTNEY	4,000	0	*
THOMAS E. MCCARTY (14)	50,000	222,502	*





Selling Shareholder -----	Common Stock Offered Hereby -----	Beneficial Ownership after Offering -----	
		Number -----	Percent -----
ASHLEE MIGLIACCIO	10,000	0	*
MICHAEL W. MILES	20,000	0	*
HARLEY & BROOK MILLER	2,500	0	*
MULL & PAIGE ASSOCIATES LLC	100,000	0	*
ELIZABETH L. NELSON	10,000	0	*
NEWS USA INC.	300,000	0	*
SUSAN ODELL	20,000	0	*
ROBERT G. PADRICK	20,000	0	*
ROBERT G. PADRICK P/S/P & TRUST	100,000	0	*
ERIC PAGH	10,000	0	*
RICHARD G. & LAURA J. PARKER	24,000	0	*
ROY T. PIRHALA	3,317	0	*
JOHN S. RUPP	1,000	0	*
RICHARD S. SCHONWALD	60,000	0	*
RAYMOND K. SHOTWELL	1,000	0	*
GEORGE H. SORRELL	2,000	0	*
DANIEL E. SPEALMAN	9,000	0	*
MICHAEL K. STERN	20,000	0	*
HOMER N. & NATALIE W. STEWART	3,000	0	*
PRISCILLA STITT	1,000	0	*
STRATEGIC INVESTMENT MANAGEMENT SA	200,000	0	*
TECHNOLOGY PARTNERS (HOLDINGS) LLC(15)	80,000	120,000	*
ANDREW ANDERSON & MARY LYNN THOMPSON	1,000	0	*
ALFRED HUNTER & SUSAN MARY THOMPSON	1,500	0	*
DANIEL G. THOMPSON	4,000	0	*
SAMUEL REEVES THOMPSON	4,000	0	*
ROSALIE H. THOMPSON	20,000	0	*
JAMES L. VAN ALEN	6,000	0	*
WILLIAM W. SELLERS REV. TRUST(16)	50,000	943,244	*
MARGARET S. WILLIAMS	9,000	0	*
ROBERT H. WILLIAMS DDS PROF. SHARING PLAN	12,000	0	*
DEBORAH WITTE	90,000	0	*
RUTH ZWEIGBAUM	3,000	0	*
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TOTAL SHARES	3,779,225		
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\*Less than one percent(1%)

- (1) Alex Consulting, Inc. is a financial consultant to the Company.
- (2) Mr. Beyer is a public relations consultant to the Company.
- (3) Mr. Boynton is a Director of the Company.
- (4) Fieldman, Hay and Ullman, LLP represented the Company in prior litigation.
- (5) Finmap Corporation is a public relations consultant to the Company.
- (6) Ms. Hepburn is Director of Public Relations of the Company.
- (7) Mr. Herbert is President of the Company.
- (8) Integrated Capital is a consultant to the Company.
- (9) Mr. Jensen is Chairman and Chief Executive Officer of the Company.
- (10) Mr. Kolls is Senior Vice President of the Company.
- (11) Mr. Lawlor is an employee of the Company.
- (12) Mr. Ledesma is an employee of the Company.
- (13) Mr. Maxwell is Chief Financial Officer of the Company.
- (14) Mr. McCarty is a consultant to the Company.
- (15) Technology Partners is the Company's investment banker.
- (16) Mr. Sellers is a Director of the Company

The second and third paragraphs of the Plan of Distribution section of the Prospectus is deleted and shall be replaced with the following new paragraphs:

The selling shareholders and any of their pledgees, assignees and successors-in-interest may from time to time effect such transactions by selling common stock directly to purchasers or through broker-dealers, which may act as agents or principals. Such broker-dealers may receive compensation in the form of discounts, concessions, or commissions from the selling shareholders. They may also receive compensation from the purchasers of common shares for whom such broker-dealers may act as agents or to whom they sell as principal, or both (which compensation as to a particular broker-dealer might be in excess of customary commissions).

The selling shareholders and any broker-dealers or agents that are involved in selling the shares may be deemed to be "underwriters" within the meaning of the Act in connection with such sales. In such event, any commissions received by such broker-dealers or agents and profit on the resale of the shares purchased by them may be deemed to be underwriting discounts under the Act.

The selling shareholders also may resell all or a portion of the common shares in reliance upon Rule 144 under the Act rather than pursuant to this Prospectus, provided they meet the criteria and conform to the requirements of such Rule. We have agreed to bear all the expenses (other than selling commissions) in connection with the registration and sale of the common stock covered by this prospectus. In some circumstances, we have agreed to indemnify the selling shareholders against certain losses and liabilities, including liabilities under the Act.

The date of this Prospectus Supplement No. 1 is June 13, 2002.