
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): July 21, 2006

USA TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Pennsylvania
(State or other
jurisdiction of
incorporation or
organization)

33-70992
(Commission File
Number)

23-2679963
(I.R.S. Employer
Identification No.)

100 Deerfield Lane, Suite 140
Malvern, Pennsylvania 19355
(Address of principal executive offices and zip code)

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

n/a
Former name or former address, if changed since last report

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))
-

ITEM 8.01 Other Events.

During May 2006, Haven Brock Kolls, Jr., the Company's Senior Vice President, Research and Development, delivered a letter to the Company requesting that his employment agreement not be automatically renewed through June 30, 2007, and that the Company accept his resignation effective June 30, 2006. Because Mr. Kolls did not provide the Company with at least sixty days prior written notice of non-renewal, the Company informed Mr. Kolls that it would not accept his resignation, and his employment agreement had automatically renewed for another year, or until June 30, 2007. As of the date hereof, Mr. Kolls is not performing any duties under his employment agreement, and the Company and Mr. Kolls have been unable to resolve their differences.

SIGNATURES

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

USA TECHNOLOGIES, INC.

By: /s/ George R. Jensen, Jr.
George R. Jensen, Jr.
Chief Executive Officer

Dated: July 26, 2006