



December 21, 2009

## **USA Technologies Files Counterclaims Against Dissident Shareholder Group**

### **USAT Says Dissidents' Actions Violated Securities Laws and Prevented Fair Proxy Contest**

MALVERN, Pa., Dec 21, 2009 (BUSINESS WIRE) -- USA Technologies, Inc. (NASDAQ: USAT) (the "Company"), a leader in the networking of wireless non-cash transactions, today announced that the Company and its directors have filed an Answer, Affirmative Defenses, and Counterclaims in the United States District Court for the Eastern District of Pennsylvania against Bradley M. Tirpak and Craig W. Thomas, dissident shareholders seeking to replace three of the Company's directors with their own nominees. The Counterclaims are based on the dissidents' alleged violations of the Securities Exchange Act of 1934 (the "Exchange Act") in connection with their solicitation of proxies for the Company's Annual Meeting of Shareholders (the "Annual Meeting"). USAT's Answer, Affirmative Defenses, and Counterclaims as well as the dissidents' complaint have been filed as an exhibit to Form 8-K with the Securities and Exchange Commission (the "SEC").

USAT seeks, among other things, a declaration by the Court that any and all votes that the dissidents have obtained on the basis of their proxy solicitations be declared null and void, and that the Annual Meeting - at which a new vote for the director candidates would take place - be held on June 15, 2010, as rescheduled by USAT's Board of Directors, with a new record date.

USAT asserts in its Counterclaims, among other things, its view that the dissidents' actions have prevented a fair shareholder voting contest. In particular, USAT alleges that the dissidents violated Section 14(a) of the Exchange Act by making a solicitation for a proxy to more than ten persons without filing a proxy statement with the SEC. The Company also details the numerous false and misleading statements of material fact and omissions of material fact made by the dissidents in their various written proxy solicitations in order to prejudice USAT shareholders against the Company's slate of proposed directors. Furthermore, USAT asserts that the dissidents violated Section 13(d) of the Exchange Act because, in connection with the proposed vote for their director candidates, the dissidents formed a "group" with other large shareholders that, collectively, held more than five percent of the Company's shares, without filing a Schedule 13D with the SEC as required.

Shareholders with any questions may contact MacKenzie Partners, Inc., who is assisting the Company in connection with the Annual Meeting, toll-free at (800) 322-2885, (212) 929-5500 or [USAT@mackenziepartners.com](mailto:USAT@mackenziepartners.com).

#### **About USA Technologies**

USA Technologies is a leader in the networking of wireless non-cash transactions, associated financial/network services and energy management. USA Technologies provides networked credit card and other non-cash systems in the vending, commercial laundry, hospitality and digital imaging industries. The Company has agreements with AT&T, Visa, MasterCard, Compass and others.

#### **Forward-looking Statements**

"Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995: All statements other than statements of historical fact included in this release, including without limitation the financial position, business strategy and the plans and objectives of the Company's management for future operations, are forward-looking statements. When used in this release, words such as "anticipate", "believe", "estimate", "expect", "intend", and similar expressions, as they relate to the Company or its management, identify forward-looking statements. Such forward-looking statements are based on the beliefs of the Company's management, as well as assumptions made by and information currently available to the Company's management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors, including but not limited to, business, financial market and economic conditions, including but not limited to, the ability of the Company to retain key customers from whom a significant portion of its revenues is derived; the ability of the Company to compete with its competitors to obtain market share; the ability of the Company to estimate, anticipate, or control its cash and non-cash expenses, costs, or charges; the ability of the Company to obtain widespread and continued commercial acceptance of its products or services; or the outcome of the election of the Company's directors. Readers are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statement made by us in this release speaks only as of the date of this release. Unless required by law, the Company does not undertake to release publicly any revisions to these forward-looking statements to reflect future events or circumstances or to reflect the occurrence of unanticipated events.

#### **Important Additional Information \***

USA Technologies, Inc. ("USAT" or the "Company") filed a definitive proxy statement with the Securities and Exchange Commission (the "SEC") on October 27, 2009 in connection with the Annual Meeting of Shareholders originally scheduled to be held on December 15, 2009, and mailed the definitive proxy statement and a WHITE proxy card to shareholders, as well as a supplement to the proxy statement and additional soliciting materials. USAT and its directors and executive officers may be deemed to be participants in the solicitation of proxies in connection with such meeting. The Company's shareholders are strongly advised to read USAT's proxy statement as it contains important information. Shareholders may obtain an additional copy of USAT's definitive proxy statement and any other documents filed by the Company with the SEC for free at the SEC's website at <http://www.sec.gov>. Copies of the definitive proxy statement are available for free at <http://www.amstock.com/ProxyServices/ViewMaterial.asp?CoNumber=14591>. In addition, copies of the Company's proxy materials may be requested at no charge by contacting MacKenzie Partners, Inc. at 1-800-322-2885 or via email at [USAT@mackenziepartners.com](mailto:USAT@mackenziepartners.com). Detailed information regarding the names, affiliations and interests of individuals who are participants in the solicitation of proxies of USAT's shareholders is available in USAT's definitive proxy statement filed with SEC on October 27, 2009 and in USAT's supplement to proxy statement filed with SEC on December 2, 2009.

\* As stated in USAT's Form 8-K filed with the SEC on December 9, 2009, the Annual Meeting of Shareholders has been postponed by USAT to June 15, 2010.

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