

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): January 31, 2020

USA TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Pennsylvania

001-33365

23-2679963

(State or other jurisdiction of in
corporation or organization)

(Commission File Number)

(I.R.S. Employer Identification
No.)

100 Deerfield Lane, Suite 300
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))

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, no par value	USAT	The NASDAQ Stock Market LLC
Series A Convertible Preferred Stock, no par value	USATP	The NASDAQ Stock Market LLC

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.

On January 31, 2020, USA Technologies, Inc. (the “Company”) and Antara Capital Master Fund LP (“Antara”) entered into an amendment (the “Amendment”) to the Registration Rights Agreement dated October 9, 2019 by and between the Company and Antara (the “Registration Rights Agreement”).

As previously reported, pursuant to the Registration Rights Agreement, the Company agreed, at its expense, to file with the Securities and Exchange Commission (“SEC”) a registration statement (“Registration Statement”) under the Securities Act of 1933, as amended (the “Act”), covering the resale by Antara of 3,800,000 shares of the Company’s common stock (the “Shares”). The Shares were sold to Antara by the Company pursuant to a Stock Purchase Agreement dated October 9, 2019 between the Company and Antara. The Registration Rights Agreement provided that the Company would be required to pay liquidated damages to Antara in the event the Registration Statement was not filed by November 8, 2019, and on each monthly anniversary thereafter until the Registration Statement was filed. On November 11, 2019, the Company received an extension of time to file the Registration Statement from Antara until November 26, 2019. The Registration Rights Agreement also provided that the obligation of the Company to pay liquidated damages would cease at such time as the Shares became eligible for resale under Rule 144 promulgated under the Act without regard to any volume or manner of sale restrictions.

In preparing the Registration Statement the Company concluded that it would be required under applicable SEC rules to include in the Registration Statement certain financial statements of Cantaloupe Systems, Inc. (“Cantaloupe”) for periods prior to the November 9, 2017 acquisition of Cantaloupe by the Company, and which were filed as Exhibit 99.1 to the Company’s Form 8-K/A filed with the SEC on January 25, 2018. Based on the analysis performed by the Company in connection with the preparation and audit of the post-acquisition financial statements of the Company included in the Company’s Form 10-K for the fiscal year ended June 30, 2019, and the time that has elapsed since the fiscal periods of Cantaloupe in question, the Company believes that it would be unreasonably time consuming and expensive to, among other things, determine whether these financial statements would need to be restated.

As a result, the Company opted instead to enter into the Amendment, and pursuant thereto, on January 31, 2020, the Company paid to Antara the amount of \$1,223,410, in consideration for, among other things, the cancellation of the Company’s obligation under the Registration Rights Agreement to file the Registration Statement with the SEC. The payment to Antara represented the agreed upon amount of liquidated damages due by the Company to Antara under the Registration Rights Agreement and was in full satisfaction of any and all liquidated damages due to Antara thereunder.

The foregoing description of the Amendment does not purport to be complete and is qualified in its entirety by reference to the full text of the Amendment, a copy of which is filed as Exhibit 10.1 hereto and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

[Exhibit 10.1](#) Amendment to Registration Rights Agreement by and between the Company and Antara Capital Master Fund LP dated January 31, 2020

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.

Dated: February 6, 2020

By: /s/ Donald W. Layden, Jr.
Donald W. Layden, Jr.,
Interim Chief Executive Officer and
Executive Chairman

AMENDMENT TO REGISTRATION RIGHTS AGREEMENT

This AMENDMENT TO REGISTRATION RIGHTS AGREEMENT (this "Agreement") is entered into on January 31, 2020 and is effective as of the 31st day of December 2019 by and between USA Technologies, Inc., a Pennsylvania corporation (the "Company"), and Antara Capital Master Fund LP, a Cayman Islands exempted limited partnership (the "Investor").

Background

The Company and the Investor previously entered into a Registration Rights Agreement dated as of October 9, 2019 (the "RRA"). As more fully set forth herein, the parties desire to amend the RRA on the terms hereinafter set forth.

Agreement

NOW THEREFORE, intending to be legally bound hereby, the parties hereto agree as follows:

1. Amendment.

- (a) In consideration of, and effective concurrently with the making by the Company of, the Payment (as defined below) to the Investor, the RRA shall be amended to delete Sections 2.01-2.07 thereof (the "Specified Provisions"). From and after the date hereof, the Specified Provisions shall have no further force or effect whatsoever and shall be null and void, and neither the Company nor the Investor shall have any further rights, obligations or liabilities thereunder.
- (b) Except as expressly set forth in this Agreement, the terms and conditions of the RRA shall remain in full force and effect as originally written and amended by this Agreement. Upon the effectiveness of this Agreement, each reference in the RRA to "this Agreement", "hereunder", "hereof", "herein", or words of similar import shall mean and be a reference to the RRA as amended hereby, and each reference to the RRA in any other document, instrument or agreement shall mean and be a reference to the RRA as amended hereby.

2. Payment. On or before January 31, 2020, the Company shall deliver to an account designated by the Investor the sum of \$1,223,410 (the "Payment") in immediately available funds. The Payment represents the agreed upon amount of liquidated damages due or to become due to the Investor by the Company under Section 2.02 of the RRA. The Payment consists of the following: \$260,300 of liquidated damages due under Section 2.02 of the RRA for each of the months of November 2019 and December 2019; and \$234,270 of liquidated damages to become due under Section 2.02 of the RRA for each of the months of January 2020, February 2020 and March 2020. The Payment is in full and final resolution of any and all payments (including liquidated damages) due or to become due by the Company to the Investor in respect of the Specified Provisions, and no further sums, damages, or amounts are or will be owed or due or payable by the Company to the Investor under or pursuant to the Specified Provisions. The parties hereto acknowledge and agree that the amount of the Payment represents the parties' reasonable estimate of actual damages applicable and that the Payment does not constitute a penalty.

3. Entire Agreement. This Agreement constitutes the entire understanding and agreement between the parties hereto with respect to the subject matter hereof, supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties, and there have been no warranties, representations or promises, written or oral, made by any of the parties hereto except as expressly set forth herein. Notwithstanding the foregoing and for the avoidance of doubt, aside from the RRA (which is being amended as provided herein), all of the terms and conditions of all other agreements between or among the parties hereto or their respective affiliates (including, without limitation, (i) the Stock Purchase Agreement between the Company and the Investor dated as of October 9, 2019, (ii) the Non-Disclosure Agreement dated as of September 30, 2019, as amended by a First Amendment thereto dated as of November 12, 2019, and (iii) the Financing Agreement, dated October 31, 2019, by and among the Company, its subsidiaries, the Investor and Cortland Capital Market Services LLC and the related loan documents) shall, in each case, remain in full force and effect in accordance with their terms.

4. Binding Agreement. This Agreement shall be binding upon and inure to the benefit of the parties hereto, as well as their respective heirs, personal representatives, successors and assigns.

5. Waiver, Modification, etc. Any party to this Agreement may waive any of the terms or conditions of this Agreement or agree to an amendment or modification to this Agreement by an agreement in writing executed in the same manner (but not necessarily by the same persons) as this Agreement. No amendment or modification of this Agreement shall be binding unless in writing executed by the party amending or waiving such term or condition of this Agreement. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall any waiver constitute a continuing waiver unless otherwise expressly provided.

6. Governing Law. This Agreement shall be construed in accordance with and shall be governed by the laws of the State of New York without regard to any conflicts of law rules which would require the application of the laws of any other jurisdiction.

7. Counterparts. This Agreement may be signed in two or more counterparts which counterparts shall constitute a single, integrated agreement binding upon all the signatories to such counterparts. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a “.pdf” format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or “.pdf” signature page were an original thereof.

8. Expenses. Each party hereto shall pay its own expenses arising from this Agreement and the transactions contemplated hereby, including, without limitation, all legal and accounting fees and disbursements; provided, however, that nothing herein shall limit or otherwise modify any right of the parties to recover such expenses from the other in the event any party hereto breaches this Agreement.

9. No Assignment. The Investor represents and warrants to the Company that except as specifically provided herein, it has not sold, assigned, transferred, conveyed or otherwise disposed of any interest in or to the RRA or the Registrable Securities (as defined in the RRA), including any right to receive liquidated damages under Section 2.02 thereof.

[Signature page to follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, effective as of the date first above written.

USA TECHNOLOGIES, INC.

By: /s/ Donald W. Layden, Jr.
Donald W. Layden, Jr.,
Interim Chief Executive Officer and Chairman

ANTARA CAPITAL MASTER FUND LP

By: Antara Capital LP,
not in its individual corporate capacity,
but only as Investment Advisor and agent

By: Antara Capital GP LLC,
its general partner

By: /s/ Himanshu Gulati
Name: Himanshu Gulati
Title: Managing Member