

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D  
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO Sec. 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO  
Sec. 240.13d-2(a)

(Amendment No.   )<sup>1</sup>

USA Technologies, Inc.  
(Name of Issuer)

Preferred Stock, no par value  
(Title of Class of Securities)

90328S203  
(CUSIP Number)

CHRISTOPHER S. KIPER  
LEGION PARTNERS ASSET MANAGEMENT, LLC  
9401 Wilshire Blvd, Suite 705  
Beverly Hills, CA 90212  
(310) 729-8588  
(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

October 5, 2016  
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Sec. 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box .

*Note:* Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Sec. 240.13d-7 for other parties to whom copies are to be sent.

<sup>1</sup> The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the *Notes*).

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1	NAME OF REPORTING PERSON Legion Partners, L.P. I	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="radio"/> (b) <input type="radio"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS WC	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 37,054
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 37,054
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 37,054	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="radio"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 8.33%	
14	TYPE OF REPORTING PERSON PN	

1	NAME OF REPORTING PERSON Legion Partners, L.P. II	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*	(a) <input type="radio"/> (b) <input type="radio"/>
3	SEC USE ONLY	
4	SOURCE OF FUNDS WC	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 7,196
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 7,196
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 7,196	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="radio"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 1.62%	
14	TYPE OF REPORTING PERSON PN	

1	NAME OF REPORTING PERSON Legion Partners, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*	(a) <input type="radio"/> (b) <input type="radio"/>
3	SEC USE ONLY	
4	SOURCE OF FUNDS OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 44,250
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 44,250
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 44,250	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="radio"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 9.94%	
14	TYPE OF REPORTING PERSON	



1	NAME OF REPORTING PERSON Legion Partners Asset Management, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="radio"/> (b) <input type="radio"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 44,250
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 44,250
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 44,250	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="radio"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 9.94%	
14	TYPE OF REPORTING PERSON OO	

1	NAME OF REPORTING PERSON Legion Partners Holdings, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="radio"/> (b) <input type="radio"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 44,250
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 44,250
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 44,250	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="radio"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 9.94%	
14	TYPE OF REPORTING PERSON OO	

1	NAME OF REPORTING PERSON Christopher S. Kiper	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="radio"/> (b) <input type="radio"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 44,250
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 44,250
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 44,250	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="radio"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 9.94%	
14	TYPE OF REPORTING PERSON IN	

1	NAME OF REPORTING PERSON Bradley S. Vizi	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="radio"/> (b) <input type="radio"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 44,250
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 44,250
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 44,250	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="radio"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 9.94%	
14	TYPE OF REPORTING PERSON IN	



1	NAME OF REPORTING PERSON Raymond White	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="radio"/> (b) <input type="radio"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 44,250
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 44,250
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 44,250	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="radio"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 9.94%	
14	TYPE OF REPORTING PERSON IN	

The following constitutes the Schedule 13D filed by the undersigned (the “Schedule 13D”).

Item 1. Security and Issuer.

This statement relates to the Preferred Stock, no par value (the “Shares”), of USA Technologies, Inc., a Pennsylvania corporation (the “Issuer”). The address of the principal executive offices of the Issuer is 100 Deerfield Lane, Suite 140, Malvern, PA 19355.

Item 2. Identity and Background.

(a) This statement is filed by:

(i) Legion Partners, L.P. I, a Delaware limited partnership (“Legion Partners I”);

(ii) Legion Partners, L.P. II, a Delaware limited partnership (“Legion Partners II”);

(iii) Legion Partners, LLC, a Delaware limited liability company, which serves as the general partner of each of Legion Partners I, and Legion Partners II;

(iv) Legion Partners Asset Management, LLC, a Delaware limited liability company (“Legion Partners Asset Management”), which serves as the investment advisor of each of Legion Partners I, and Legion Partners II;

(v) Legion Partners Holdings, LLC, a Delaware limited liability company (“Legion Partners Holdings”), which serves as the sole member of Legion Partners Asset Management and sole member of Legion Partners, LLC;

(vi) Christopher S. Kiper, who serves as a managing director of Legion Partners Asset Management and a managing member of Legion Partners Holdings;

(vii) Bradley S. Vizi, who serves as a managing director of Legion Partners Asset Management and a managing member of Legion Partners Holdings; and

(viii) Raymond White, who serves as a managing director of Legion Partners Asset Management and a managing member of Legion Partners Holdings.

Each of the foregoing is referred to as a “Reporting Person” and collectively as the “Reporting Persons.” Each of the Reporting Persons is party to that certain Joint Filing Agreement, as further described in Item 7. Accordingly, the Reporting Persons are hereby filing a joint Schedule 13D.

(b) The address of the principal office of each of the Reporting Persons is 9401 Wilshire Boulevard, Suite 705, Beverly Hills, California 90212.

(c) The principal business of each of Legion Partners I and Legion Partners II is investing in securities. The principal business of Legion Partners, LLC is serving as the general partner of each of Legion Partners I and Legion Partners II. The principal business of Legion Partners Asset Management is managing investments in securities and serving as the investment advisor of each of Legion Partners I and Legion Partners II. The principal business of Legion Partners Holdings is serving as the sole member of Legion Partners Asset Management and sole member of Legion Partners, LLC. The principal occupation of each of Messrs. Kiper, Vizi and White is serving as a managing director of Legion Partners Asset Management and a managing member of Legion Partners Holdings.

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(d) No Reporting Person has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) No Reporting Person has, during the last five years, been party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Messrs. Kiper, Vizi and White are citizens of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration.

The Shares purchased by each of Legion Partners I and Legion Partners II were purchased with working capital (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business) in open market purchases, except as otherwise noted in Schedule A, which is incorporated herein by reference. The aggregate purchase price of the 37,054 Shares owned directly by Legion Partners I is approximately \$573,678 including brokerage commissions. The aggregate purchase price of the 7,196 Shares owned directly by Legion Partners II is approximately \$111,410 including brokerage commissions.

Item 4. Purpose of Transaction.

The Reporting Persons purchased the Shares based on the Reporting Persons' belief that the Shares, when purchased, were undervalued and represented an attractive investment opportunity. Depending upon overall market conditions, other investment opportunities available to the Reporting Persons, and the availability of Shares at prices that would make the purchase or sale of Shares desirable, the Reporting Persons may endeavor to increase or decrease their position in the Issuer through, among other things, the purchase or sale of Shares on the open market or in private transactions or otherwise, on such terms and at such times as the Reporting Persons may deem advisable.

The Reporting Persons have become increasingly concerned with the Issuer's lack of profitability. On September 13, 2016, the Issuer reported a Non-GAAP net loss for the fiscal fourth quarter of 2016 and a Non-GAAP net loss for the fiscal year of 2016. Previously, the Issuer, on its conference calls on September 10, 2015, November 13, 2015, February 12, 2016 and most recently May 12, 2016, had reiterated guidance that it expected "to have year-over-year increases of adjusted EBITDA and non-GAAP net income from results achieved in fiscal 2015." Unfortunately for stockholders, both Adjusted EBITDA and non-GAAP net income declined in fiscal 2016 compared to fiscal 2015.

Following these disappointing results, the Reporting Persons had a call with Stephen P. Herbert, the Issuer's Chairman and CEO, to discuss the Issuer's financial results and communicate their views and concerns regarding a myriad of issues, including the Issuer's strategic direction, sizable cash balances and potential means to return value to stockholders. The Reporting Persons also conveyed their belief that the Issuer should immediately evaluate all strategic alternatives to maximize value for all stockholders, including a possible sale of the Issuer.

The Reporting Persons intend to engage in discussions with the Issuer's management, the Board, stockholders of the Issuer and other interested parties regarding the Issuer's lack of profitability, strategic plans and other means to enhance stockholder value.

No Reporting Person has any present plan or proposal which would relate to or result in any of the matters set forth in subparagraphs (a) - (j) of Item 4 of Schedule 13D except as set forth herein or such as would occur upon or in connection with completion of, or following, any of the actions discussed herein. The Reporting Persons intend to review their investment in the Issuer on a continuing basis. Depending on various factors including, without limitation, the Issuer's financial position and investment strategy, the price levels of the Shares, conditions in the securities markets and general economic and industry conditions, the Reporting Persons may in the future take such actions with respect to their investment in the Issuer as they deem appropriate including, without limitation, engaging in additional communications with management and the Board of the Issuer, engaging in discussions with stockholders of the Issuer and others about the Issuer and the Reporting Persons' investment, making proposals to the Issuer concerning the strategic direction of the Issuer and changes to the capitalization, ownership structure, Board structure (including Board composition) or operations of the Issuer, purchasing additional Shares, selling some or all of their Shares, engaging in short selling of or any hedging or similar transaction with respect to the Shares, or changing their intention with respect to any and all matters referred to in Item 4.

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Item 5. Interest in Securities of the Issuer.

(a) The aggregate percentage of Preferred Shares reported owned by each person named herein is based upon 445,063 Preferred Shares outstanding as of June 30, 2016, which is the total number of Preferred Shares outstanding as reported in the Issuer's Annual Report on Form 10-K filed with the Securities and Exchange Commission on September 13, 2016.

A. Legion Partners I

(a) As of the close of business on October 7, 2016, Legion Partners I beneficially owned 37,054 Shares.

Percentage: Approximately 8.33%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 37,054
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 37,054

(c) Legion Partners I has not entered into any transactions in the Shares during the past 60 days.

B. Legion Partners II

(a) As of the close of business on October 7, 2016, Legion Partners II beneficially owned 7,196 Shares.

Percentage: 1.62%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 7,196
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 7,196

(c) Legion Partners II has not entered into any transactions in the Shares during the past 60 days.

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C. Legion Partners, LLC

- (a) As the general partner of each of Legion Partners I and Legion Partners II, Legion Partners, LLC may be deemed the beneficial owner of the (i) 37,054 Shares owned by Legion Partners I and (ii) 7,196 Shares owned by Legion Partners II.

Percentage: Approximately 9.94%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 44,250
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 44,250

- (c) Legion Partners, LLC has not entered into any transactions in the Shares during the past 60 days.

D. Legion Partners Asset Management

- (a) Legion Partners Asset Management, as the investment advisor of each of Legion Partners I and Legion Partners II, may be deemed the beneficial owner of the (i) 37,054 Shares owned by Legion Partners I and (ii) 7,196 Shares owned by Legion Partners II.

Percentage: Approximately 9.94%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 44,250
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 44,250

- (c) Legion Partners Asset Management has not entered into any transactions in the Shares during the past 60 days.

E. Legion Partners Holdings

- (a) Legion Partners Holdings, as the sole member of Legion Partners Asset Management and sole member of Legion Partners, LLC, may be deemed the beneficial owner of the (i) 37,054 Shares owned by Legion Partners I and (ii) 7,196 Shares owned by Legion Partners II.

Percentage: Approximately 9.94%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 44,250
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 44,250
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(c) Legion Partners Holdings has not entered into any transactions in the Shares during the past 60 days.

F. Messrs. Kiper, Vizi and White

(a) Each of Messrs. Kiper, Vizi and White, as a managing director of Legion Partners Asset Management and a managing member of Legion Partners Holdings, may be deemed the beneficial owner of the (i) 37,054 Shares owned by Legion Partners I and (ii) 7,196 Shares owned by Legion Partners II.

Percentage: Approximately 9.94%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 44,250
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 44,250

(c) None of Messrs. Kiper, Vizi or White has entered into any transactions in the Shares during the past 60 days.

The filing of this Schedule 13D shall not be construed as an admission that the Reporting Persons are, for purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended, the beneficial owners of any of the securities reported herein. Each of the Reporting Persons specifically disclaims beneficial ownership of the securities reported herein that are not directly owned by such Reporting Person, except to the extent of their pecuniary interest therein.

(d) No person other than the Reporting Persons is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the Shares.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

Other than as described herein, there are no contracts, arrangements, understandings or relationships among the Reporting Persons, or between the Reporting Persons and any other person, with respect to the securities of the Issuer.

Item 7. Material to be Filed as Exhibits.

- 99.1 Joint Filing Agreement by and among Legion Partners, L.P. I, Legion Partners, L.P. II, Legion Partners, LLC, Legion Partners Asset Management, LLC, Legion Partners Holdings, LLC, Christopher S. Kiper, Bradley S. Vizi, and Raymond White, dated October 7, 2016.
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SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: October 11, 2016

Legion Partners, L.P. I

By: Legion Partners Asset Management, LLC  
Investment Advisor

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Member

Legion Partners, L.P. II

By: Legion Partners Asset Management, LLC  
Investment Advisor

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Member

Legion Partners, LLC

By: Legion Partners Holdings, LLC  
Managing Member

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Member

Legion Partners Asset Management, LLC

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Director

Legion Partners Holdings, LLC

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Member

/s/ Christopher S. Kiper  
Christopher S. Kiper

/s/ Bradley S. Vizi  
Bradley S. Vizi

/s/ Raymond White  
Raymond White

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**SCHEDULE A**

Transactions in the Shares During the Past Sixty Days

**No transactions in the Shares During the Past Sixty Days**



JOINT FILING AGREEMENT

In accordance with Rule 13d-1(k)(1)(iii) under the Securities Exchange Act of 1934, as amended, the persons named below agree to the joint filing on behalf of each of them of a Statement on Schedule 13D (including amendments thereto) with respect to the shares of Preferred Stock, no par value per share, of USA Technologies Inc. This Joint Filing Agreement shall be filed as an Exhibit to such Statement.

Dated: October 11, 2016

Legion Partners, L.P. I

By: Legion Partners Asset Management, LLC  
Investment Advisor

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Member

Legion Partners, L.P. II

By: Legion Partners Asset Management, LLC  
Investment Advisor

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Member

Legion Partners Special Opportunities, L.P. IV,

By: Legion Partners Asset Management, LLC  
Investment Advisor

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Member

Legion Partners, LLC

By: Legion Partners Holdings, LLC  
Managing Member

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Member

Legion Partners Asset Management, LLC

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Director

Legion Partners Holdings, LLC

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Member

/s/ Christopher S. Kiper  
Christopher S. Kiper

/s/ Bradley S. Vizi

Bradley S. Vizi

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/s/ Raymond White

Raymond White

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