

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA**

IN RE USA TECHNOLOGIES, INC.
SECURITIES LITIGATION,

Master File No. 2:19-cv-04565-JHS

STIPULATION AND AGREEMENT OF SETTLEMENT

This Stipulation and Agreement of Settlement (together with all Exhibits hereto, the “Stipulation”), dated as of May 29, 2020, which is entered into by and among (i) the Lead Plaintiff Pinkesh Nahar and Named Plaintiffs Peter Farsaci and University of Puerto Rico Retirement System (“Plaintiffs”), on behalf of themselves and on behalf of the Settlement Class (as defined herein), and (ii) Defendants USA Technologies, Inc. (“USAT” or the “Company”), Stephen Herbert, Priyanka Singh, Steven Barnhart, Joel Brooks, Robert Metzger, Albin Moschner, William Reilly, Jr., William Schoch, William Blair & Company, L.L.C., Craig-Hallum Capital Group LLC, Northland Securities, Inc., and Barrington Research Associates, Inc. (“Defendants”), by and through their undersigned attorneys, states all of the terms of the settlement and resolution of this matter by the Parties¹ and is intended by the Parties to fully and finally release, resolve, and discharge the Released Claims against the Released Parties, subject to the approval of the United States District Court for the Eastern District of Pennsylvania, in exchange for a cash payment by, or on behalf of, USAT of fifteen million three hundred thousand dollars (\$15,300,000.00).

¹ Throughout this Stipulation, all terms used with initial capitalization, but not immediately defined, shall have the meanings ascribed to them in Section 1 below or defined elsewhere throughout this Stipulation.

WHEREAS:

A. The Action

This litigation was commenced on September 11, 2018 in the United States District Court for the District of New Jersey (the “NJ Court”) styled as *Gouet v. USA Technologies, Inc., et al.*, Case No. 2:18-cv-13759-CCC-CLW, alleging violations of the Securities Exchange Act of 1934 as against certain of the Defendants (Dkt. No. 1).

On September 13, 2018 and October 3, 2018, the related actions styled as *Gray v. USA Technologies, Inc, et al.*, Case No. 2:18-cv-13860-SRC-CLW and as *Phillips v. USA Technologies, Inc. et al.*, Case No. 2:18-cv-14590-CCC-CLW, were respectively commenced against the same certain Defendants in the NJ Court.

After the filing of several competing motions seeking consolidation and appointment of lead plaintiff and counsel, on December 19, 2018, the NJ Court consolidated the related actions under the caption *In re USA Technologies, Inc. Securities Litigation*, Master File No. 2:18-cv-13759-CCC-CLW, and appointed Pinkesh Nahar as Lead Plaintiff and The Rosen Law Firm, P.A. as Lead Counsel (Dkt. No. 23) (the “Consolidation Order”).

On January 22, 2019, the NJ Court entered a schedule for the filing of an amended complaint and Defendants’ response thereto (Dkt. No. 33).

On January 22, 2019, Defendants USAT and Herbert filed a motion to transfer the Action to the United States District Court for the Eastern District of Pennsylvania (the “Court”) (Dkt. No. 34). Lead Plaintiff filed his opposition to the motion to transfer on February 5, 2019 (Dkt. No. 38). The motion was fully briefed on February 13, 2019 (Dkt. No. 40). On September 30, 2019, the NJ Court granted the motion to transfer (Dkt. No. 49).

On August 12, 2019, the University of Puerto Rico Retirement System filed a complaint styled as *University of Puerto Rico Retirement System v. USA Technologies, Inc. et al.*, Case No. 2:19-cv-16597 (D.N.J.) which alleged violations of Sections 11, 12(a)(2), and 15 of the Securities Act of 1933 (“Securities Act”) and named each of the Defendants. Pursuant to the Consolidation Order, this case was consolidated into the already pending related action.

On October 18, 2019, the Hon. Joel H. Slomsky granted the Parties’ stipulation for the filing of an amended complaint and Defendants’ response thereto (Dkt. No. 64).

On November 20, 2019, Plaintiffs filed the Consolidated Amended Class Action Complaint for Violation of the Federal Securities Laws (“Amended Complaint”) (Dkt. No. 70).

Pursuant to the Court-ordered schedule, on February 3, 2020, Defendants filed four separate motions to dismiss the Amended Complaint (Dkt. Nos. 76-79).

With the motions to dismiss pending, the Parties participated in a mediation session with the Honorable Daniel Weinstein (ret.) of JAMS on February 27, 2020. Prior to the mediation session, the Parties prepared and exchanged detailed mediation statements. While the mediation did not immediately result in the resolution of the Action, it was very productive, leading the Parties to file on March 2, 2020, a Stipulation requesting the deadlines for Plaintiffs’ opposition to the motions to dismiss be extended, given the advanced stages of settlement discussions (Dkt. No. 80). After further negotiations, with the assistance of Judge Weinstein, the Parties reached a settlement, subject to completion of further definitive documentation, that was memorialized in a March 24, 2020 Term Sheet.

This Stipulation memorializes the agreement between the Parties to fully and finally settle the Action and to fully release all Released Claims against Defendants and the Released Parties

with prejudice in return for fifteen million three hundred thousand dollars (\$15,300,000.00) cash consideration.

B. The Defendants' Denial of Wrongdoing and Liability

Throughout the course of the Action and in this Stipulation, Defendants have denied and continue to deny each allegation of wrongdoing, fault, liability or damage whatsoever that has been asserted in the Action. Defendants continue to believe the claims asserted against them in the Action are without merit and that the Action itself should not be certified as a class action for purposes of trial and adjudication of liability and damages. Defendants have not conceded or admitted any wrongdoing or liability, are not doing so by entering into this Stipulation, and disclaim any and all wrongdoing and liability whatsoever.

Defendants have agreed to enter into this Stipulation solely to avoid the uncertainties, burden and expense of further litigation and to put the Released Claims to rest finally and forever. Nothing in this Stipulation shall be construed as or deemed evidence supporting an admission by either Defendants or any of the Released Parties with respect to any of Plaintiffs' allegations or claims, or of any wrongdoing, fault, liability or damages whatsoever.

C. Claims of Plaintiffs and Benefits of Settlement

Plaintiffs believe that the claims asserted in the Action have merit. Plaintiffs, however, recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Action against Defendants through trial and appeals. Plaintiffs have also taken into account the uncertain outcome and the risk of any litigation. In particular, Plaintiffs have considered the inherent problems of proof and possible defenses to the federal securities law violations asserted in the Action, including the defenses that have been or could be asserted by Defendants during the litigation, motion for class certification, motion for summary judgment, and

trial. Plaintiffs have also considered the financial condition of USAT and the other Defendants, as well as Defendants' ability to discharge a larger judgment after trial and the exhaustion of all appeals. Plaintiffs also considered the depletion of Defendants' directors and officers and other liability insurance policies that would result from continued litigation. Plaintiffs have therefore determined that the Settlement set forth in this Stipulation is fair, adequate, reasonable, and in the best interests of the Settlement Class.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among Plaintiffs (on behalf of themselves and each of the Settlement Class Members) and Defendants, by and through their respective undersigned counsel, that, subject to the approval of the Court, in consideration of the benefits flowing to the Parties from the Settlement set forth herein, the Action and the Released Claims as against the Released Parties shall be finally and fully compromised, settled and released, the Action shall be dismissed fully, finally and with prejudice and the Released Claims shall be finally and fully released as against the Released Parties, upon and subject to the terms and conditions of this Stipulation, as follows:

1. Definitions

In addition to the terms defined above, the following capitalized terms, used in this Stipulation, shall have the meanings specified below:

1.1. "Action" means the consolidated putative class action captioned *In re USA Technologies, Inc. Securities Litigation*, Case No. 2:19-cv-04565-JHS (E.D. Pa.).

1.2. "Additional Counsel" means counsel for the Securities Act Subclass, Wolf Popper LLP.

1.3. "Administrative Costs" means all costs and expenses associated with providing notice of the Settlement to the Settlement Class and otherwise administering or carrying out the

terms of the Settlement. Such costs may include, without limitation: escrow agent costs, the costs of publishing the summary notice, the costs of printing and mailing, and/or emailing of the Notice and Proof of Claim, as directed by the Court, and the costs of allocating and distributing the Net Settlement Fund (as defined in paragraph 7.2) to the Authorized Claimants. Such costs do not include legal fees.

1.4. “Authorized Claimant” means any Settlement Class Member who is a Claimant and whose claim for recovery has been allowed pursuant to the terms of this Stipulation, the exhibits hereto, and any order of the Court.

1.5. “Award to Plaintiffs” means the requested reimbursement to Lead Plaintiff and Named Plaintiffs for their reasonable costs and expenses (including lost wages) directly related to Plaintiffs’ representation of the Settlement Class in the Action.

1.6. “Board Defendants” means Steven Barnhart, Joel Brooks, Robert Metzger, Albin Moschner, William Reilly, Jr., and William Schoch.

1.7. “Business Day” means any day except Saturday or Sunday or any other day on which national banks are authorized by law or executive order to close in the Commonwealth of Pennsylvania.

1.8. “Claimant” means any Settlement Class Member who files a Proof of Claim in such form and manner, and within such time, as the Court shall prescribe.

1.9. “Claims” means any and all manner of claims, debts, demands, controversies, obligations, losses, costs, interest, penalties, fees, expenses, rights, duties, judgments, sums of money, suits, contracts, agreements, promises, damages, actions, causes of action and liabilities, of every nature and description in law or equity (including, but not limited to, any claims for damages, whether compensatory, special, incidental, consequential, punitive, exemplary or

otherwise, injunctive relief, declaratory relief, rescission or recissory damages, interest, attorneys' fees, expert or consulting fees, costs, or expenses), accrued or unaccrued, known or unknown, arising under federal, state, common, administrative, or foreign law, or any other law, rule, or regulation.

1.10. "Claims Administrator" means Strategic Claims Services ("SCS"), which shall administer the Settlement.

1.11. "Defendants" means USA Technologies, Inc., Stephen Herbert, Priyanka Singh, Steven Barnhart, Joel Brooks, Robert Metzger, Albin Moschner, William Reilly, Jr., William Schoch, William Blair & Company, L.L.C., Craig-Hallum Capital Group LLC, Northland Securities, Inc., and Barrington Research Associates, Inc.

1.12. "Escrow Account" means an interest-bearing escrow account established by the Escrow Agent. The Escrow Account shall be managed by the Escrow Agent, subject to the Court's supervisory authority, for the benefit of Plaintiffs and the Settlement Class in accordance with the terms of the Stipulation and any order of the Court.

1.13. The "Escrow Agent" is SCS or its appointed agents. The Escrow Agent shall perform the duties as set forth in this Stipulation and any order of the Court.

1.14. "Effective Date" shall have the meaning set forth in ¶ 10.3 of this Stipulation.

1.15. "Final" when referring to the Judgment means after exhaustion of all possible appeals, meaning (i) if no appeal or request for review is filed, the day after the date of expiration of any time for appeal or review of the Judgment, and (ii) if an appeal or request for review is filed, the day after the date all appeals or requests for review are dismissed, or the judgment is upheld on appeal or review in all material respects, and is not subject to further review on appeal or by certiorari or otherwise.

1.16. “Judgment” means the order and judgment to be entered by the Court finally approving the Settlement and dismissing the Action, materially in the form attached hereto as Exhibit B.

1.17. “Insurer(s)” means the insurers under director and officer liability policies under which USAT, Officer Defendants and Board Defendants were covered, for the period August 22, 2017 through February 6, 2019.

1.18. “Investment Vehicle” means any investment company or pooled investment fund, including but not limited to, mutual fund families, exchange traded funds, funds of funds and hedge funds, in which any of the Underwriter Defendants have, has or may have a direct or indirect interest, or as to which its affiliates may act as an investment advisor, but in which any Underwriter Defendant alone or together with its respective affiliates is not a majority owner or does not hold a majority beneficial interest. This definition of Investment Vehicle does not bring into the Settlement Class any of the Underwriter Defendants themselves.

1.19. “Lead Plaintiff” means Pinkesh Nahar as identified in the Order Consolidating Related Actions, Appointing Lead Plaintiff and Lead Counsel (Dkt. No. 23).

1.20. “Lead Counsel” means The Rosen Law Firm, P.A.

1.21. “Named Plaintiffs” means Peter Farsaci and the University of Puerto Rico Retirement System.

1.22. “Notice” means collectively, the Notice of Pendency and Proposed Settlement of Class Action (“Long Notice”), the Summary Notice of Pendency and Proposed Class Action Settlement (“Summary Notice”), and the Postcard Notice, which are to be made available to Settlement Class Members substantially in the forms attached hereto as Exhibits A-1, A-3, and A-4 on the Claims Administrator’s website and/or mailed or emailed to Settlement Class Members.

1.23. “Officer Defendants” means Stephen Herbert and Priyanka Singh.

1.24. “Opt-Out” means any one of, and “Opt-Outs” means all of, any Persons who otherwise would be Settlement Class Members and have timely and validly requested exclusion from the Settlement Class in accordance with the provisions of the Preliminary Approval Order and the Notice given pursuant thereto.

1.25. “Parties” means the Plaintiffs and Defendants.

1.26. “Person” means an individual, corporation, firm, fund, limited liability corporation, professional corporation, limited liability partnership, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity or organization, and any Person’s spouses, marital communities, heirs, predecessors, successors, representatives, or assigns.

1.27. “Plan of Allocation” means a plan or formula for allocating the Settlement Fund to Authorized Claimants after payment of Administrative Costs, Taxes and Tax Expenses (as defined in ¶ 4.1 below), and such attorneys’ fees, costs, and expenses as may be awarded by the Court.

1.28. “Plaintiffs” means Lead Plaintiff Pinkesh Nahar and Named Plaintiffs Peter Farsaci and University of Puerto Rico Retirement System.

1.29. “Plaintiffs’ Counsel” means The Rosen Law Firm, P.A. and Wolf Popper LLP.

1.30. “Preliminary Approval Order” means the proposed order preliminarily approving the Settlement and directing notice thereof to the Settlement Class substantially in the form attached hereto as Exhibit A.

1.31. “Proof of Claim” means the Proof of Claim and Release Form to be submitted by Claimants, substantially in the form attached hereto as Exhibit A-2.

1.32. “Related Parties” means, with respect to each Released Party, the immediate family members, marital communities, heirs, executors, trustees, administrators, successors, assigns, and present and former employees, officers, directors, attorneys, assigns, legal representatives, contractors, accountants, insurers, reinsurers, managers, and agents of each of them, and any person or entity which is or was related to or affiliated with any Released Party or in which any Released Party has a controlling interest, and the present, former and future direct and indirect parents, subsidiaries, divisions, affiliates, predecessors, successors, and the present and former employees, officers, directors, attorneys, assigns, legal representatives, contractors, accountants, insurers, reinsurers, managers, and agents of each of them.

1.33. “Released Claims” means and includes any and all Claims (including Unknown Claims as defined in ¶ 1.44), demands, rights, liabilities, and causes of action of every nature and description whatsoever (including, but not limited to, any claims for damages, equitable relief, restitution, rescission, interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses, or liability whatsoever), whether based on federal, state, local, statutory, common law, equity or any other law, rule or regulation, whether known or unknown, contingent or absolute, mature or immature, discoverable or undiscoverable, whether concealed or hidden, suspected or unsuspected, which now exist, or heretofore have existed, asserted or that could have been asserted by or on behalf of any of the Releasing Parties, in any capacity, arising out of or relating to, directly or indirectly, the purchase or sale or other acquisition or disposition or holding of the Company securities during the Class Period and the acts, facts, statements, or omissions that were or could have been alleged by Plaintiffs in the Action. For the avoidance of doubt, the term “Released Claims” does not include: (i) claims to enforce the terms of this Stipulation or orders or judgments issued by the Court in connection with this Settlement; or (ii) any Claims between or among

Defendants, including but not limited to Claims by any Defendant, whether brought directly or derivatively, against any of his, her or its Related Parties, including Insurers, or by any Defendant, whether brought directly or derivatively, against any other Defendant or his, her or its Related Parties, including Insurers.

1.34. “Released Parties” means (i) USAT and its past or present subsidiaries, parents, affiliates, successors, predecessors, shareholders, creditors, officers, directors, employees, insurers, reinsurers, professional advisors, attorneys, contractors, agents, and any firm, trust, corporation or other Person in which it has a controlling interest; (ii) Officer Defendants and Board Defendants, and each of their immediate family members, marital communities, heirs, representatives, administrators, executors, devisees, legatees, estates, assigns, insurers, reinsurers, attorneys, and any firm, trust, corporation or other Person in which an Officer Defendant or Board Defendant has a controlling interest; (iii) Underwriter Defendants and any and all of their past or present subsidiaries, parents, affiliates, successors, predecessors, shareholders, creditors, officers, directors, employees, insurers, reinsurers, professional advisors, attorneys, contractors, agents, and any firm, trust, corporation or other Person in which it has a controlling interest; and (iv) Plaintiffs and Settlement Class Members and each of their respective parent entities, associates, affiliates, subsidiaries, predecessors, successors, assigns, attorneys, immediate family members, marital communities, heirs, representatives, administrators, executors, devisees, legatees, and estates.

1.35. “Releasing Parties” means jointly and severally, individually and collectively, Plaintiffs, each and every Settlement Class Member, each of their respective immediate family members, heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, representatives, trustees, devisees, legatees, estates, attorneys, insurers, predecessors, successors, assigns, associates, affiliates, officers, directors, legal representatives, and agents of each of

them, and all present, former and future direct and indirect parent entities, subsidiaries, predecessors, and successors, and each of their respective officers, directors, attorneys, legal representatives, and agents, and any Person or entity which is or was related to or affiliated with any Releasing Party or in which any Releasing Party has a controlling interest, and each of their respective immediate family members, heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, representatives, trustees, devisees, legatees, estates, attorneys, insurers, predecessors, successors, assigns, associates, affiliates, officers, directors, legal representatives, and agents.

1.36. “Settlement” means the settlement contemplated by this Stipulation.

1.37. “Settlement Amount” means the sum of fifteen million three hundred thousand dollars (\$15,300,000.00). The Settlement Amount includes all Administrative Costs, Plaintiffs’ Counsel’s attorneys’ fees and expenses (as allowed by the Court), Award to Plaintiffs (as allowed by the Court), Settlement Class Member benefits, as well as any other costs, expenses, or fees of any kind whatsoever associated with the Settlement.

1.38. “Settlement Class” means all persons, entities and Investment Vehicles, other than Defendants and their affiliates, who purchased or otherwise acquired USAT common stock from August 22, 2017 through February 6, 2019, both dates inclusive, seeking to recover compensable damages caused by USAT’s and the Officer Defendants’ purported violations of the Securities Exchange Act of 1934 (“Exchange Act Class”); and a subclass consisting of all persons, entities and Investment Vehicles who purchased USAT common stock in or traceable to the Company’s May 23, 2018 follow-on public offering pursuant to the Company’s Registration Statement and Prospectus issued in connection with that offering, seeking to recover compensable damages caused by Defendants’ purported violations of the Securities Act of 1933 (“Securities Act

Subclass”). Excluded from the Exchange Act Class and Securities Act Subclass are Defendants, the present and former officers and directors of USAT at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a majority interest. Also excluded from the Settlement Class are those Persons who file valid and timely requests for exclusion in accordance with the Court’s Preliminary Approval Order.

1.39. “Settlement Class Member” means any one of, and “Settlement Class Members” means all of, the members of the Settlement Class.

1.40. “Settlement Class Period” means the period from August 22, 2017 through February 6, 2019, both dates inclusive.

1.41. “Settlement Fund” means all funds transferred to the Escrow Account pursuant to this Stipulation and any interest or other income earned thereon.

1.42. “Settlement Hearing” means the hearing at or after which the Court will make a final decision pursuant to Rule 23 of the Federal Rules of Civil Procedure as to whether the Settlement contained in the Stipulation is fair, reasonable and adequate, and therefore, should receive final approval from the Court.

1.43. “Underwriter Defendants” means William Blair & Company, L.L.C., Craig-Hallum Capital Group LLC, Northland Securities, Inc., and Barrington Research Associates, Inc.

1.44. “Unknown Claims” means and includes any and all claims that one or more Releasing Parties does not know or suspect to exist in their favor at the time of the release of the Released Parties. This includes claims which, if known by him, her or it, might have affected their settlement with and release of the Released Parties, or might have affected their decision(s) with respect to the Settlement and the Released Claims, including their decision to object or not to

object to this Settlement. The Parties and the Releasing Parties, by operation of the Judgment shall be deemed to, expressly acknowledge that he, she, it or they shall have, and shall be deemed to have expressly waived and relinquished any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or any other jurisdiction, or principle of common law that is, or is similar, comparable, or equivalent to California Civil Code ¶ 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Plaintiffs, Releasing Parties, or Released Parties may hereafter discover facts, legal theories, or authorities in addition to or different from those which they now know or believe to be true with respect to the subject matter of the Released Claims, but Plaintiffs and Defendants expressly, fully, finally, and forever settle and release, and each other Releasing Party and Released Party shall be deemed to have settled and released, and upon the Effective Date and by operation of the Judgment shall have settled and released, fully, finally, and forever, any and all Released Claims, without regard to the subsequent discovery or existence of such different or additional facts, legal theories, or authorities. The Parties expressly acknowledge, and each other Releasing Party and Released Party by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of Released Claims was separately bargained for and a material element of the Settlement.

1.45. “USAT Defendants” means USA Technologies, Inc., Stephen Herbert, Priyanka Singh, Steven Barnhart, Joel Brooks, Robert Metzger, Albin Moschner, William Reilly, Jr., and William Schoch.

2. The Settlement Consideration

2.1. In consideration of the full and final release, settlement and discharge of all Released Claims against the Released Parties, USAT and/or its Insurer(s) shall (subject to the provisions of ¶ 10.1), within twenty-one (21) calendar days after the Court has entered the Preliminary Approval Order in a form that is not materially different from the form attached hereto as Exhibit A, make a payment of fifteen million three hundred thousand dollars (\$15,300,000.00) by wire transfer or check to the Escrow Account, provided that Lead Counsel or the Escrow Agent has provided Defendants' counsel with complete wire transfer information and instructions and a completed Form W-9 at least fourteen (14) business days prior to the date of such payment.

2.2. Under no circumstances will Defendants or their Insurer(s) be required to pay, or cause payment of, more than the Settlement Amount pursuant to this Stipulation and the Settlement for any reason whatsoever, including, without limitation, as compensation to any Settlement Class Member, as payment of Administrative Costs, as payment of attorneys' fees and expenses awarded by the Court, in payment of any fees or expenses incurred by any Settlement Class Member or Plaintiffs' Counsel, or as interest on the Settlement Amount of any kind and relating to any time period (including prior to the payment of the Settlement Amount into the Escrow Account).

3. Handling and Disbursement of Funds by the Escrow Agent

3.1. No monies will be disbursed from the Settlement Fund until after the Effective Date except:

- (a) As provided in ¶ 3.4 below;
- (b) As provided in ¶ 8.2 below;
- (c) As provided in ¶ 10.9 below, if applicable; and

(d) To pay Taxes and Tax Expenses (as defined in ¶ 4.1 below) on the income earned by the Settlement Fund. Taxes and Tax Expenses shall be paid out of the Settlement Fund and shall be considered to be a cost of administration of the Settlement and shall be timely paid by the Escrow Agent without prior Order of the Court.

3.2. The Escrow Agent shall invest the Settlement Fund in short term instruments backed by the full faith and credit of the United States Government or fully insured by the United States Government or an agency thereof, and shall reinvest the proceeds of these instruments as they mature in similar instruments at their then-current market rates. The Escrow Agent shall bear all responsibility and liability for managing the Escrow Account and cannot assign or delegate its responsibilities without approval of the Parties and the Insurer(s). Defendants, their counsel, their Insurer(s) and the other Released Parties shall have no responsibility for, interest in, or any liability whatsoever with respect to any investment or management decisions executed by the Escrow Agent. The Settlement Fund shall bear all risks related to the investments of the Settlement Amount in accordance with the guidelines set forth in this ¶ 3.2.

3.3. The Escrow Agent shall not disburse the Settlement Fund except as provided in this Stipulation, by an order of the Court, or with the written agreement of counsel for Defendants.

3.4. At any time after the Court grants preliminary approval of the Settlement, the Escrow Agent may, without further approval from Defendants or the Court, disburse at the direction of Lead Counsel up to \$275,000.00 (Two Hundred Seventy Five Thousand U.S. Dollars) from the Settlement Fund to pay Administrative Costs, of which no more than \$150,000.00 (One Hundred Fifty Thousand U.S. Dollars) may be disbursed before the Effective Date.

4. Taxes

4.1. The Parties agree to treat the Settlement Fund as being at all times a “qualified settlement fund” within the meaning of Treasury Regulation § 1.468B-1. In addition, Lead Counsel or its designee shall timely make such elections as necessary or advisable to carry out the provisions of this ¶ 4.1, including the “relation-back election” (as defined in Treasury Regulation § 1.468B-1) back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of Lead Counsel or their designee to timely and properly prepare and deliver the necessary documentation for signature by all necessary parties, and thereafter to cause the appropriate filing to occur.

(a) For purposes of § 1.468B of the Internal Revenue Code of 1986, as amended, and Treasury Regulation § 1.468B-2(k)(3) promulgated thereunder, the “administrator” shall be Lead Counsel or their designee. Lead Counsel or their designee shall timely and properly file all informational and other tax returns necessary or advisable with respect to the Settlement Fund (including without limitation the returns described in Treasury Regulation § 1.468B-2(k)). Such returns (as well as the election described in this ¶ 4.1) shall be consistent with this ¶ 4.1 and in all events shall reflect that all Taxes (including any estimated Taxes, interest or penalties) on the income earned by the Settlement Fund shall be paid out of the Settlement Fund.

(b) All Taxes (including any estimated Taxes, interest or penalties) arising with respect to the income earned by the Settlement Fund, including any Taxes or tax detriments that may be imposed upon Defendants or their counsel or their Insurer(s) with respect to any income earned by the Settlement Fund for any period during which the Settlement

Fund does not qualify as a “qualified settlement fund” for federal or state income tax purposes (“Taxes”), and all expenses and costs incurred in connection with the operation and implementation of this ¶ 4.1 (including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs and expenses or penalties relating to filing (or failing to file) the returns described in this ¶ 4.1) (“Tax Expenses”), shall be paid out of the Settlement Fund, as appropriate. Defendants, their counsel, their Insurer(s) and the other Released Parties shall have no liability or responsibility for the Taxes or the Tax Expenses. Taxes and Tax Expenses shall be treated as, and considered to be, a cost of administration of the Settlement and shall be timely paid out of the Settlement Fund without prior order from the Court. The Escrow Agent shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution to Authorized Claimants any funds necessary to pay such amounts, including the establishment of adequate reserves for any Taxes and Tax Expenses (as well as any amounts that may be withheld under Treasury Regulation § 1.468B-2(1)(2)). Defendants, their counsel, their Insurer(s) and the other Released Parties shall have no responsibility for, interest in, or any liability whatsoever with respect to the foregoing provided in this ¶ 4.1. The Parties agree to cooperate with each other, and their tax attorneys and accountants, to the extent reasonably necessary to carry out the provisions of this ¶ 4.1.

5. Preliminary Approval Order, Notice Order, and Settlement Hearing

5.1. As soon as practicable after execution of this Stipulation, Lead Counsel shall submit this Stipulation and its exhibits to the Court and shall apply for preliminary approval of the Settlement set forth in this Stipulation, entry of a preliminary approval order, and approval for the dissemination of notice. The Preliminary Approval Order to be submitted to the Court shall

contain the exhibits substantially in the form set forth in: (i) the Notice (Exhibit A-1); (ii) the Proof of Claim (Exhibit A-2); (c) the Summary Notice (Exhibit A-3) and (d) the Postcard Notice (Exhibit A-4). The Notice shall include the general terms of the Settlement and the provisions of the Plan of Allocation, and shall set forth the procedure by which recipients of the Notice may object to the Settlement, Plaintiffs' Counsel's Fee and Expense Application (as defined in ¶ 8.1), the Award to Plaintiffs or the Plan of Allocation or request to be excluded from the Settlement Class. The date and time of the Settlement Hearing shall be added to the Notice, Summary Notice and Postcard Notice before they are disseminated or otherwise provided to Settlement Class Members. Defendants shall not object to, or have any responsibility for, Lead Counsel's proposed Plan of Allocation.

5.2. At the time of the submission described in ¶ 5.1 hereof, the Parties, through their counsel, shall jointly request that, after the Notice is provided and the Settlement Class Members are notified of the Settlement, the Court hold the Settlement Hearing and (i) approve the Settlement as set forth herein and (ii) enter a final order and judgment substantially in the form of Exhibit B hereto, as promptly after the Settlement Hearing as possible.

6. Releases and Covenants Not To Sue

6.1. Upon the Effective Date, the Releasing Parties, on behalf of themselves, their successors and assigns, and any other Person claiming (now or in the future) through or on behalf of them, regardless of whether any such Releasing Party ever seeks or obtains by any means, including without limitation by submitting a Proof of Claim, any disbursement from the Settlement Fund, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims against the Released Parties and shall have covenanted not to sue the Released Parties with respect to all such Released Claims,

and shall be permanently barred and enjoined from asserting, commencing, prosecuting, instituting, assisting, instigating, or in any way participating in the commencement or prosecution of any action or other proceeding, in any forum, asserting any Released Claim, in any capacity, against any of the Released Parties. Nothing contained herein shall, however, bar the Releasing Parties from bringing any action or claim to enforce the terms of this Stipulation or the Judgment.

6.2. Upon the Effective Date, Defendants, on behalf of themselves and their Related Parties, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged Plaintiffs, Settlement Class Members, Plaintiffs' Counsel, and their Related Parties from all Claims, whether known or unknown, which arise out of, concern or relate to the institution, prosecution, settlement or dismissal of the Action, and shall be permanently enjoined from prosecuting such claims against Plaintiffs, Settlement Class Members, Plaintiffs' Counsel, and their Related Parties. Nothing contained herein shall bar the Defendants or their Related Parties from bringing any action or claim to enforce the terms of this Stipulation or the Judgment.

6.3. For the avoidance of doubt, nothing contained herein shall bar any derivative claims on behalf of any Defendant or bar any Defendant from bringing any claim, directly or derivatively, against any of its Related Parties, including Insurers, or against any other Defendant or that Defendant's Related Parties, including Insurers.

7. Administration and Calculation of Claims, Final Awards, and Supervision and Distribution of the Settlement Fund

7.1. Under the supervision of Lead Counsel, acting on behalf of the Settlement Class, and subject to such supervision and direction of the Court as may be necessary or as circumstances may require, the Claims Administrator shall administer and calculate the claims submitted by

Settlement Class Members and shall oversee distribution of the Net Settlement Fund (as defined below) to Authorized Claimants.

7.2. The Settlement Fund shall be applied as follows:

- (a) To pay the Taxes and Tax Expenses described in ¶ 4.1 above;
- (b) To pay Administrative Costs;
- (c) To pay Plaintiffs' Counsel attorneys' fees with interest and expenses and the Award to Plaintiffs (the "Fee and Expense Award"), to the extent allowed by the Court; and
- (d) To distribute the balance of the Settlement Fund, that is, the Settlement Fund less the items set forth in ¶¶ 7.2(a), (b), and (c) hereof (the "Net Settlement Fund"), plus accrued interest, to the Authorized Claimants as allowed by this Stipulation, the Plan of Allocation, or the Court.

7.3. Upon and after the Effective Date, the Net Settlement Fund shall be distributed to Authorized Claimants in accordance with the terms of the Plan of Allocation set forth in the Notice and any orders of the Court.

7.4. This is not a claims-made settlement, and if all conditions of the Stipulation are satisfied and the Judgment becomes Final, no portion of the Settlement Fund will be returned to USAT or the Insurer(s). Defendants, their counsel, their Insurer(s) and the other Released Parties shall have no responsibility for, involvement in, interest in, or liability whatsoever with respect to the investment or distribution of the Settlement Fund, the Plan of Allocation, the determination, administration, or calculation of claims, the payment or withholding of Taxes or Tax Expenses, or any losses incurred in connection therewith. No Person shall have any claims against Plaintiffs' Counsel, the Claims Administrator or any other agent designated by Lead Counsel based on

distribution determinations or claim rejections made substantially in accordance with this Stipulation and the Settlement contained herein, the Plan of Allocation, or orders of the Court. Lead Counsel shall have the right, but not the obligation, to waive what they deem to be formal or technical defects in any Proofs of Claim filed, where doing so is in the interest of achieving substantial justice.

7.5. It is understood and agreed by the Parties that any proposed Plan of Allocation of the Net Settlement Fund including, but not limited to, any adjustments to an Authorized Claimant's claim set forth therein, is not a condition of this Stipulation and is to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement set forth in this Stipulation. Any order or proceedings relating to the Plan of Allocation, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to modify, terminate or cancel this Stipulation, or affect or delay the finality of the Judgment and the releases contained therein, or any other orders entered pursuant to this Stipulation.

7.6. No later than seven (7) calendar days after the date of entry of the Preliminary Approval Order, the Company, at no cost to Plaintiffs or Plaintiffs' Counsel, shall provide and/or cause its transfer agent to provide to Plaintiffs' Counsel a list of the record owners of USAT common stock in the Exchange Act Class and the Securities Act Subclass in a usable electronic format, such as an Excel spreadsheet ("Settlement Class Information"). If in the transfer agent's possession, the Settlement Class Information should include email addresses of record owners of USAT common stock in the Exchange Act Class and the Securities Act Subclass. The Parties acknowledge that any information provided to Plaintiffs' Counsel by the Company pursuant to this paragraph shall be treated as confidential and will be used by Plaintiffs' Counsel and the Claims

Administrator solely to disseminate notice, apprise Settlement Class Members of the Settlement, and/or implement the Settlement.

7.7. If any funds remain in the Net Settlement Fund by reason of uncashed checks or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants who are entitled to participate in the distribution of the Net Settlement Fund cash their distribution checks, any balance remaining in the Net Settlement Fund six (6) months after the initial distribution of such funds shall be used: (i) first, to pay any amounts mistakenly omitted from the initial distribution to Authorized Claimants who receive at least a \$10.00 payment; (ii) second, to pay any additional Administrative Costs incurred in administering the Settlement; and (iii) finally, to make a second distribution to Authorized Claimants who cashed their checks from the initial distribution and who would receive at least \$10.00 from such second distribution, after payment of the estimated costs or fees to be incurred in administering the Net Settlement Fund and in making this second distribution, if such second distribution is economically feasible. If any funds shall remain in the Net Settlement Fund six months after such second distribution, then such balance shall be contributed to a non-sectarian charity or any not-for-profit successor of it chosen by Lead Counsel, with the approval of the Court.

8. Plaintiffs' Counsel's Attorneys' Fees and Reimbursement of Expenses

8.1. Plaintiffs' Counsel may submit an application or applications (the "Fee and Expense Application") for distributions from the Settlement Fund to Plaintiffs' Counsel for: (i) an award of attorneys' fees with interest from the Settlement Fund; (ii) reimbursement of actual costs and expenses, including the fees and expenses of any experts or consultants, incurred in connection with prosecuting the Action; and (iii) the Award to Plaintiffs. Defendants shall take no position with respect to the Fee and Expense Application(s).

8.2. Except as otherwise provided in this paragraph, the attorneys' fees and expenses awarded by the Court shall be paid to Plaintiffs' Counsel from the Settlement Fund within three (3) Business Days after the date the Court enters the Judgment and an order awarding such fees and expenses, notwithstanding any objections to or appeals of such order or of the Judgment. In the event that the Effective Date does not occur, or the Judgment is reversed or modified in any way that affects the award of attorneys' fees and expenses, or the Stipulation is terminated for any other reason, then Plaintiffs' Counsel shall be obligated to refund to the Escrow Account, within ten (10) Business Days from receiving notice from Defendants' counsel or from a court of appropriate jurisdiction, either the full amount of the fees and expenses or an amount consistent with any modification of the Judgment with respect to the fee and expense award, including accrued interest at the same rate as is earned by the Settlement Fund. Plaintiffs' Counsel agree that the law firms and their partners and/or shareholders are subject to jurisdiction of the Court for the purpose of enforcing the provisions of this paragraph, and shall be liable for repayment of all attorneys' fees and expenses awarded by the Court. Furthermore, without limitation, Plaintiffs' Counsel agree that the Court may, upon application of Defendants, summarily issue orders, including, without limitation, judgments and attachment orders and may make appropriate findings of or sanctions for contempt against the firms should they fail timely to repay fees and expenses pursuant to this paragraph. Any Award to Plaintiffs shall not be paid from the Settlement Fund until after the Effective Date. All payments to Plaintiffs' Counsel required to be paid back shall be paid back on a pro rata basis based on how such fees and expenses were allocated amongst Plaintiffs' Counsel.

8.3. The procedure for, and allowance or disallowance by the Court of, the Fee and Expense Application are not a condition of the Settlement set forth in this Stipulation and are to

be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement set forth in this Stipulation. Any order or proceeding relating to the Fee and Expense Application, or any objection to, motion regarding, or appeal from any order or proceeding relating thereto or reversal or modification thereof, shall not operate to modify, terminate or cancel this Stipulation, or affect or delay the finality of the Judgment or the releases contained therein or any other orders entered pursuant to this Stipulation

8.4. Any award of attorneys' fees and interest and/or expenses to Plaintiffs' Counsel and any Award to Plaintiffs shall be paid solely from the Settlement Fund and shall reduce the settlement consideration paid to the Settlement Class accordingly. No Defendant shall have any responsibility for payment of Plaintiffs' Counsel's attorneys' fees and interest, expenses or other awards to Plaintiffs beyond the obligation of Defendants to cause the funding of the Settlement Amount as set forth in ¶ 2.1 above. After the funding of the Settlement Amount as set forth in ¶ 2.1 above, the Released Parties shall have no responsibility for, and no liability whatsoever with respect to, any payments to Plaintiffs' Counsel, Plaintiffs, the Settlement Class and/or any other Person who receives payment from the Settlement Fund.

9. Class Certification

9.1. In the Judgment, the Settlement Class shall be certified for purposes of this Settlement, but in the event that the Judgment does not become Final or the Settlement fails to become effective for any reason, all Parties reserve all their rights on all issues, including class certification. For purposes of this settlement only, in connection with the Judgment, Defendants shall consent to (i) the appointment of Plaintiffs as the class representatives, (ii) the appointment of Lead Counsel as class counsel, and (iii) the certification of the Settlement Class pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure.

10. Conditions of Settlement, Effect of Disapproval, Cancellation or Termination

10.1. Plaintiffs, on behalf of the Settlement Class, and Defendants shall each have the right to terminate the Settlement and Stipulation by providing written notice of their or its election to do so (“Termination Notice”) to all other Parties within seven (7) business days of:

- (i) entry of a Court order declining to enter the Preliminary Approval Order in any material respect;
- (ii) entry of a Court order refusing to approve this Stipulation in any material respect;
- (iii) entry of a Court order declining to enter the Judgment in any material respect;
- (iv) entry of a Court order refusing to dismiss the Action with prejudice;
- (v) entry of an order by which the Judgment is modified or reversed in any material respect;
- (vi) failure on the part of any Party to abide, in any material respect, with the terms of this Stipulation.

In the absence of any of the events enumerated in this paragraph or in paragraphs ¶ 10.2, ¶ 10.5, or ¶ 10.6, no Party shall have the right to terminate the Stipulation for any reason.

10.2. If the Settlement Amount is not paid into the Escrow Account in accordance with ¶ 2.1 of this Stipulation, then Plaintiffs, on behalf of the Settlement Class, and not Defendants, shall have the right to: (a) terminate the Settlement; or (b) reduce the Settlement Amount to a judgment against USAT only and enforce the judgment solely against USAT.

10.3. The Effective Date of this Stipulation (“Effective Date”) shall not occur unless and until each of the following events occurs, and it shall be the date upon which the last in time of the following events occurs:

(a) Defendants have not exercised their option to terminate the Settlement pursuant to ¶ 10.5;

(b) The Court has entered the Preliminary Approval Order attached hereto as Exhibit A or an order containing materially the same terms;

(c) The sum of fifteen million three hundred thousand dollars (\$15,300,000.00) has been paid into the Escrow Account, as set forth in ¶ 2.1 above;

(d) The Court has approved the Settlement, following notice to the Settlement Class and the Settlement Hearing, and has entered the Judgment;

(e) The Judgment has become Final as defined in ¶ 1.15; and

(f) The Action has been dismissed with prejudice.

10.4. Upon the occurrence of the Effective Date, any and all interest or right of Defendants or the Insurer(s) in or to the Settlement Fund, if any, shall be absolutely and forever extinguished, except as set forth in this Stipulation.

10.5. If prior to Judgment, Persons who otherwise would be Settlement Class Members have filed with the Court valid and timely requests for exclusion from the Settlement Class in accordance with the provisions of the Preliminary Approval Order and the notice given pursuant thereto (“Opt-Outs”), and such Persons in the aggregate purchased securities during the Settlement Class Period in an amount greater than the amount specified in a separate Supplemental Agreement between the Parties (the “Supplemental Agreement”), then the USAT Defendants shall each have, in her, his or its sole and absolute discretion, the option to terminate this Stipulation and Settlement in strict accordance with the requirements and procedures set forth in the Supplemental Agreement (hereinafter the “Supplemental Termination Option”). The Supplemental Agreement shall not be

filed with the Court unless and until a dispute among the Parties concerning its interpretation or application arises.

10.6. The USAT Defendants shall not have the right to terminate the Stipulation based on any failure of USAT or its Insurer(s) to fund the Settlement Amount pursuant to ¶ 2.1 (other than if the Settlement Amount is not paid because the Preliminary Approval Order entered by the Court is materially different from the form attached hereto as Exhibit A or the Settlement and Stipulation is terminated pursuant to ¶ 10.1 before payment of the Settlement Amount is due under ¶ 2.1). None of the Parties, or any of them, shall have any obligation whatsoever to proceed under any terms other than those provided for and agreed herein. If any Defendant materially breaches the terms hereof, any Plaintiff, provided he or it is in substantial compliance with the terms of this Stipulation, may terminate this Stipulation on notice to all the Parties. Likewise, if any Plaintiff materially breaches the terms hereof, any Defendant, provided he, she or it is in substantial compliance with the terms of this Stipulation, may terminate this Stipulation on notice to all the Parties.

10.7. In the event the Stipulation shall terminate, or be canceled, or shall not become effective for any reason, the Parties shall be restored to their respective positions in the Action immediately prior to March 24, 2020, and they shall proceed in all respects as if the Stipulation had not been executed and the related orders had not been entered, and in that event all of their respective claims and defenses as to any issue in the Action, including class certification, shall be preserved without prejudice.

10.8. In the event the Stipulation shall terminate, or be canceled, or shall not become effective for any reason, the terms and provisions of this Stipulation, except as otherwise provided herein, shall have no further force and effect with respect to the Parties and shall not be used in the

Action or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of this Stipulation shall be treated as vacated, *nunc pro tunc*.

10.9. In the event the Stipulation shall be terminated, or be canceled, or shall not become effective for any reason, within seven (7) Business Days (except as otherwise provided in the Supplemental Agreement) after the occurrence of such event, the Settlement Fund (less taxes already paid and any Administrative Costs which have either been disbursed or are determined to be chargeable) shall be refunded by the Escrow Agent to the Insurer(s) and/or USAT, in proportion to their contribution to the Settlement Fund, plus accrued interest attributable to that amount, by check or wire transfer pursuant to written instructions from USAT. At the request of USAT, the Escrow Agent or its designee shall apply for any tax refund owed on the Settlement Fund and pay the proceeds, after deduction of any fees or expenses incurred in connection with such application(s) for refund, to USAT or the Insurer(s) pursuant to written direction from USAT.

10.10. No order of the Court (or modification or reversal on appeal of any order of the Court) concerning the Plan of Allocation, the Award to Plaintiffs, or the Fee and Expense Application shall constitute grounds for cancellation or termination of the Stipulation.

11. No Admission of Liability or Wrongdoing

11.1. The Parties covenant and agree that neither this Stipulation, nor the fact nor any terms of the Settlement, nor any communication relating thereto, nor the Supplemental Agreement, is evidence, or an admission, presumption or concession by any Party or their counsel, any Settlement Class Member, or any of the Released Parties, of any fault, liability or wrongdoing whatsoever, as to any facts or claims alleged or that have been or could have been asserted in the Action, or in any other actions or proceedings, or as to the validity or merit of any of the claims or defenses alleged or that have been or could have been asserted in any such action or proceeding.

This Stipulation is not a finding or evidence of the validity or invalidity of any claims or defenses in the Action, any wrongdoing by any Party, Settlement Class Member, or any of the Released Parties, or any damages or injury to any Party, Settlement Class Member, or any Released Parties. Neither this Stipulation, nor the Supplemental Agreement, nor any of the terms and provisions of this Stipulation or the Supplemental Agreement, nor any of the negotiations or proceedings in connection therewith, nor any of the documents or statements referred to herein or therein, nor the Settlement, nor the fact of the Settlement, nor the Settlement proceedings, nor any statement in connection therewith, (a) shall (i) be argued to be, used or construed as, offered or received in evidence as, or otherwise constitute an admission, concession, presumption, proof, evidence, or a finding of any liability, fault, wrongdoing, injury or damages, or of any wrongful conduct, acts or omissions on the part of any Defendant or any Released Party, or of any infirmity of any defense, or of any damages to the Plaintiffs or any other Settlement Class Member, or (ii) otherwise be used to create or give rise to any inference or presumption against any of the Defendants or Released Parties concerning any fact or any purported liability, fault, or wrongdoing of the Defendants or Released Parties or any injury or damages to any Person or entity, or (b) shall otherwise be admissible, referred to or used in any proceeding of any nature, for any purpose whatsoever; provided, however, that the Stipulation or the Supplemental Agreement or the Judgment may be introduced in any proceeding, whether in the Court or otherwise, as may be necessary to enforce the Settlement or Supplemental Agreement or Judgment, or as otherwise required by law.

12. Miscellaneous Provisions

12.1. USAT warrants that, as to the payments made or to be made by it or by its Insurer(s) on behalf of Defendants, at the time of entering into this Stipulation and at the time of such payment it and, to its knowledge, without independent investigation of the Insurer(s), any

persons or entities contributing to the payment of the Settlement Amount, were not insolvent, nor will the payment required to be made by or on their behalf render them insolvent, within the meaning of and/or for the purposes of the United States Bankruptcy Code, including §§ 101 and 547 thereof. This representation is made by USAT and not by its counsel.

12.2. For the avoidance of doubt, and notwithstanding any other provisions of this Stipulation that could otherwise be construed or argued to impose such obligations or liabilities, this Stipulation does not impose on the Officer Defendants, Board Defendants or Underwriter Defendants: (a) any obligation to pay the Settlement Amount, or any part thereof, or (b) any liability to Plaintiffs or any other Settlement Class Members to pay damages for or in connection with any alleged breach of this Stipulation in the event that the Settlement Amount or any part thereof, has not been paid in the time period provided for herein.

12.3. Except in the event of the termination pursuant to ¶¶ 10.1, 10.2, 10.5 or 10.6 of this Stipulation or in accordance with the Parties' Supplemental Agreement, the Parties shall take all actions necessary to consummate this Stipulation; and agree to cooperate with each other to the extent reasonably necessary to effectuate and implement all terms and conditions of the Stipulation.

12.4. The Parties and their counsel represent that they will not encourage or otherwise influence (or seek to influence) any Settlement Class Members to request exclusion from, or object to, the Settlement.

12.5. Each of the attorneys executing this Stipulation, any of its exhibits, or any related settlement documents on behalf of any Party hereto hereby warrants and represents that he or she has been duly empowered and authorized to do so by the Party he or she represents.

12.6. Plaintiffs and Plaintiffs' Counsel represent and warrant that Plaintiffs are Settlement Class Members and none of Plaintiffs' claims or causes of action against one or more Defendants in the Action, or referred to in this Stipulation, or that could have been alleged against one or more Defendants in the Action have been assigned, encumbered or in any manner transferred in whole or in part.

12.7. This Stipulation, together with the Supplemental Agreement, constitutes the entire agreement between the Parties related to the Settlement and supersedes any prior agreements. No representations, warranties, promises, inducements or other statements have been made to or relied upon by any Party concerning this Stipulation, other than the representations, warranties and covenants expressly set forth herein and in the Supplemental Agreement. Plaintiffs on behalf of themselves and the Settlement Class, acknowledge and agree that any and all other representations and warranties of any kind or nature, express or implied, are specifically disclaimed and were not relied upon in connection with this Stipulation. In entering this Stipulation, the Parties relied solely upon their own knowledge and investigation. Except as otherwise provided herein, each Party shall bear its own costs.

12.8. This Stipulation may not be modified or amended, nor may any of its provisions be waived, except by a writing signed by all Parties or their counsel or their respective successors in interest.

12.9. This Stipulation shall be binding upon, and shall inure to the benefit of, the Parties and their respective agents, successors, executors, heirs, and assigns.

12.10. The Released Parties who are not Parties hereto and do not appear on the signature lines below, are acknowledged and agreed to be intended third party beneficiaries of this Stipulation and Settlement, including the Releases in this Stipulation. Each Released Party has

standing to enforce the relevant Releases in this Stipulation, and may file this Stipulation and/or the Judgment from this Action in any other action that may be brought against them in order to support a defense or counterclaim based on principles of res judicata, collateral estoppel, release, good faith settlement, judgment bar reduction, or any theory of claim preclusion or issue preclusion or similar defense or counterclaim.

12.11. The headings herein are used for the purpose of convenience only and are not meant to have legal effect.

12.12. This Stipulation may be executed in any number of counterparts by any of the signatories hereto and the transmission of an original signature page electronically (including by facsimile or portable document format) shall constitute valid execution of the Stipulation as if all signatories hereto had executed the same document. Copies of this Stipulation executed in counterpart shall constitute one agreement.

12.13. This Stipulation, the Settlement, the Supplemental Agreement and any and all disputes arising out of or relating in any way to this Stipulation, whether in contract, tort or otherwise, shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to conflict of laws principles.

12.14. The Court shall retain jurisdiction with respect to the implementation and enforcement of the terms of this Stipulation, and all parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in this Stipulation.

12.15. The Stipulation shall not be construed more strictly against one Party than another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of the Parties, it being recognized that it is the result of arm's-length negotiations between the Parties, and all Parties have contributed substantially and materially to the preparation of this Stipulation.

12.16. Plaintiffs, Plaintiffs' Counsel, and the attorneys, staff, experts, and consultants assisting them in this Action agree that: (a) they will not intentionally assist or cooperate with any person or entity in the pursuit of legal action related to the subject matter of this Action against the Released Parties, (b) they will not intentionally assist or cooperate with any person or entity seeking to publicly disparage or economically harm the Released Parties with respect to any matter relating to the subject matter of this Action, and (c) they will not disclose any confidential matters related to this Action, the mediation or the Settlement to anyone.

12.17. All agreements by, between or among the Parties, their counsel and their other advisors as to the confidentiality of information exchanged between or among them shall remain in full force and effect, and shall survive the execution and any termination of this Stipulation and the final consummation of the Settlement, if finally consummated, without regard to any of the conditions of the Settlement.

12.18. The Parties shall not assert or pursue any action, claim or rights that any Party violated any provision of Rule 11 of the Federal Rules of Civil Procedure and/or the Private Securities Litigation Reform Act of 1995 in connection with this Action, the Settlement, the Stipulation or the Supplemental Agreement. The Parties agree that the Action was resolved in good faith following arm's-length bargaining, in full compliance with applicable requirements of good faith litigation under the Securities Exchange Act of 1934, Rule 11 of the Federal Rules of Civil Procedure and/or the Private Securities Litigation Reform Act of 1995.

12.19. Any failure by any of the Parties to insist upon the strict performance by any other Party of any of the provisions of the Stipulation shall not be deemed a waiver of any of the provisions hereof, and such Party, notwithstanding such failure, shall have the right thereafter to

insist upon the strict performance of any and all of the provisions of this Stipulation to be performed by the other Parties to this Stipulation.

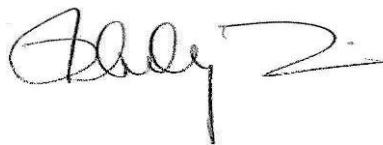
12.20. The waiver, express or implied, by any Party of any breach or default by any other Party in the performance of such Party of its obligations under the Stipulation shall not be deemed or construed to be a waiver of any other breach, whether prior, subsequent, or contemporaneous, under this Stipulation.

12.21. The Parties reserve the right, subject to the Court's approval, to make any reasonable extensions of time that might be necessary to carry out any of the provisions of this Stipulation.

IN WITNESS WHEREOF, the Parties have executed this Stipulation by their undersigned counsel effective as of the date set forth below.

Dated: May 29, 2020

THE ROSEN LAW FIRM, P.A.



By: _____
Laurence M. Rosen, Esq.
Phillip Kim, Esq.
275 Madison Avenue, 40th Floor
New York, NY 10016
Tel: (212) 686-1060
Fax: (212) 202-3827
Email: lrosen@rosenlegal.cm
Email: pkim@rosenlegal.com

Leah Heifetz-Li
Jacob A. Goldberg
101 Greenwood Avenue, Suite 440
Jenkintown, PA 19046
Telephone: (215) 600-2817
Email: lheifetz@rosenlegal.com
Email: jgoldberg@rosenlegal.com

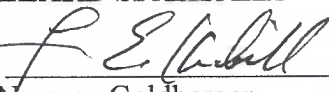
WOLF POPPER LLP

Robert C. Finkel
Chet B. Waldman
845 Third Avenue
New York, NY 10022
Telephone: (212) 759-4600
Email: rfinkel@wolfpopper.com
Email: cwaldman@wolfpopper.com

Dated: ~~April~~ ^{May} 28, 2020

Counsel for Securities Act Subclass

BALLARD SPAHR LLP

By: 
M. Norman Goldberger
Laura E. Krabill
John C. Grugan
Kahlil C. Williams
1735 Market Street, 51st Floor
Philadelphia, PA 19103
Tel: (215) 665-8500

*Counsel for Defendants USA Technologies, Inc.
and Stephen P. Herbert*

Dated: April _____, 2020

FOX ROTHSCHILD LLP

By: _____
Abraham C. Reich
Gerald E. Arth
Nathan Huddell
2000 Market Street, 20th Floor
Philadelphia PA 19103
Phone: (215) 299-2765
Fax: (215) 299-2150

*Counsel for Defendants Steven D. Barnhart, Joel
Brooks, Robert L. Metzger, Albin F. Moschner,
William J. Reilly, Jr., and William Schoch*

WOLF POPPER LLP

Robert C. Finkel
Chet B. Waldman
845 Third Avenue
New York, NY 10022
Telephone: (212) 759-4600
Email: rfinkel@wolfpopper.com
Email: cwaldman@wolfpopper.com

Counsel for Securities Act Subclass

Dated: April ____, 2020

BALLARD SPAHR LLP

By: _____
M. Norman Goldberger
Laura E. Krabill
John C. Grugan
Kahlil C. Williams
1735 Market Street, 51st Floor
Philadelphia, PA 19103
Tel: (215) 665-8500

*Counsel for Defendants USA Technologies, Inc.
and Stephen P. Herbert*

Dated: ^{MAY 19} ~~April~~ ____, 2020

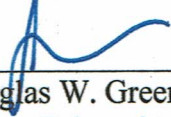
FOX ROTHSCHILD LLP

By: 
Abraham C. Reich
Gerald E. Arth
Nathan Huddell
2000 Market Street, 20th Floor
Philadelphia PA 19103
Phone: (215) 299-2765
Fax: (215) 299-2150

*Counsel for Defendants Steven D. Barnhart, Joel
Brooks, Robert L. Metzger, Albin F. Moschner,
William J. Reilly, Jr., and William Schoch*

Dated: April ____, 2020

BAKER & HOSTETLER LLP

By: 

Douglas W. Greene
Jimmy Fokas ✓
Bari R. Nadworny
45 Rockefeller Plaza
New York, NY 10111
Telephone: (212) 589-4200

BAKER & HOSTETLER LLP

Carl W. Hittinger
Tyson Y. Herrold
2929 Arch Street
Cira Centre, 12th Floor
Philadelphia, PA 19104-2891
Telephone: (215) 568-3100

Counsel for Defendant Priyanka Singh

Dated: April ____, 2020

MORGAN, LEWIS & BOCKIUS LLP

By: _____
Marc J. Sonnenfeld
Laura H. McNally
1701 Market Street
Philadelphia, PA 19103
Phone: (215) 963-5000
Fax: (215) 963-5001

*Counsel for William Blair & Company, L.L.C.,
Craig-Hallum Capital Group LLC, Northland
Securities, Inc., and Barrington Research
Associates, Inc.*

Dated: April ____, 2020

BAKER & HOSTETLER LLP

By: _____

Douglas W. Greene
Jimmy Fokas
Bari R. Nadworny
45 Rockefeller Plaza
New York, NY 10111
Telephone: (212) 589-4200

BAKER & HOSTETLER LLP

Carl W. Hittinger
Tyson Y. Herrold
2929 Arch Street
Cira Centre, 12th Floor
Philadelphia, PA 19104-2891
Telephone: (215) 568-3100

Counsel for Defendant Priyanka Singh

Dated: May 18, 2020

MORGAN, LEWIS & BOCKIUS LLP

By: 

Marc J. Sonnenfeld
Laura H. McNally
1701 Market Street
Philadelphia, PA 19103
Phone: (215) 963-5000
Fax: (215) 963-5001

*Counsel for William Blair & Company, L.L.C.,
Craig-Hallum Capital Group LLC, Northland
Securities, Inc., and Barrington Research
Associates, Inc.*

Exhibit A

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA**

IN RE USA TECHNOLOGIES, INC.
SECURITIES LITIGATION,

Master File No. 2:19-cv-04565-JHS

CLASS ACTION

**[PROPOSED] ORDER GRANTING PLAINTIFFS' MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION SETTLEMENT**

WHEREAS, Lead Plaintiff Pinkesh Nahar and Named Plaintiffs Peter Farsaci and University of Puerto Rico Retirement System (“Plaintiffs”), on behalf of themselves and the Settlement Class, and Defendants USA Technologies, Inc., Stephen Herbert, Priyanka Singh, Steven Barnhart, Joel Brooks, Robert Metzger, Albin Moschner, William Reilly, Jr., William Schoch, William Blair & Company, L.L.C., Craig-Hallum Capital Group LLC, Northland Securities, Inc., and Barrington Research Associates, Inc. (collectively, “Defendants,” and along with Plaintiffs, the “Settling Parties”), have entered into the Stipulation and Agreement of Settlement, dated May 29, 2020 (the “Settlement Stipulation”), which is subject to review under Rule 23 of the Federal Rules of Civil Procedure and which, together with the exhibits annexed thereto, sets forth the terms and conditions for the proposed settlement and dismissal of the class action pending before the Court entitled, *In re USA Technologies, Inc. Securities Litigation*, Case No. 2:19-cv-04565-JHS (E.D. Pa.) (the “Action”); and the Court having read and considered the Settlement Stipulation and the exhibits thereto and submissions made relating thereto, and finding that substantial and sufficient grounds exist for entering this Order; and the Settling Parties having consented to the entry of this Order;

NOW, THEREFORE, IT IS HEREBY ORDERED, this ____ day of _____, 2020, that:

1. Capitalized terms used herein have the meanings defined in the Settlement Stipulation.
2. Pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure and for the purposes of the Settlement only, the Action is hereby preliminarily certified as a class action on behalf of all persons, entities, and Investment Vehicles, other than Defendants and their affiliates, who purchased or otherwise acquired USAT common stock from August 22, 2017

through February 6, 2019, both dates inclusive, seeking to recover compensable damages caused by USAT's and the Officer Defendants' purported violations of the Securities Exchange Act of 1934 ("Exchange Act Class"); and a subclass consisting of all persons, entities and Investment Vehicles who purchased USAT common stock in or traceable to the Company's May 23, 2018 follow-on public offering pursuant to the Company's Registration Statement and Prospectus issued in connection with that offering, seeking to recover compensable damages caused by Defendants' purported violations of the Securities Act of 1933 ("Securities Act Subclass"). Excluded from the Exchange Act Class and Securities Act Subclass are Defendants, the present and former officers and directors of USAT at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a majority interest. Also excluded from the Settlement Class are those Persons who file valid and timely requests for exclusion in accordance with this Preliminary Approval Order.

3. This Court finds, preliminarily and for purposes of this Settlement only, that the prerequisites for a class action under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the number of Settlement Class Members is so numerous that joinder of all members of the Settlement Class is impracticable; (b) there are questions of law and fact common to the Settlement Class; (c) the claims of Plaintiffs are typical of the claims of the Settlement Class; (d) Plaintiffs fairly and adequately represent the interest of the Settlement Class; (e) questions of law and fact common to the Settlement Class predominate over any questions affecting only individual members of the Settlement Class; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the Action.

4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, preliminarily and for the purposes of this Settlement only, Plaintiffs are certified as the class representatives on behalf

of the Settlement Class (“Class Representatives”) and Lead Counsel, previously selected by Lead Plaintiff and appointed by the Court, is hereby appointed as Lead Counsel for the Settlement Class (“Class Counsel”).

5. The Court finds that (a) the Settlement Stipulation resulted from good faith, arm’s-length negotiations, and (b) the Settlement Stipulation is sufficiently fair, reasonable and adequate to the Settlement Class Members to warrant providing notice of the Settlement to Settlement Class Members and holding a Settlement Hearing.

6. The Court hereby preliminarily approves the Settlement, subject to further consideration at a hearing (the “Settlement Hearing”) pursuant to Federal Rule of Civil Procedure 23(e), which is hereby scheduled to be held before the Court on _____ 2020 at __:_____.m. for the following purposes:

(a) to determine finally whether the applicable prerequisites for class action treatment under Federal Rules of Civil Procedure 23(a) and (b) are satisfied;

(b) to determine finally whether the Settlement is fair, reasonable, and adequate, and should be approved by the Court;

(c) to determine finally whether the Order and Judgment as provided under the Settlement Stipulation should be entered, dismissing the Action on the merits and with prejudice, and to determine whether the release by the Releasing Parties of the Released Claims against the Released Parties, as set forth in the Settlement Stipulation, should be ordered, along with a permanent injunction barring efforts to prosecute or attempt to prosecute any Released Claims extinguished by the release against any of the Released Parties, as also set forth in the Settlement Stipulation;

(d) to determine finally whether the proposed Plan of Allocation for the distribution of the Net Settlement Fund is fair and reasonable and should be approved by the Court;

(e) to consider the application of Class Counsel for an award of attorneys' fees with interest and expenses and an award to the Class Representatives;

(f) to consider Settlement Class Members' objections to the Settlement, if any, whether submitted previously in writing or presented orally at the Settlement Hearing by Settlement Class Members (or by counsel on their behalf) provided that they gave proper notice that they intend to appear at the Settlement Hearing; and

(g) to rule upon such other matters as the Court may deem appropriate.

7. The Court reserves the right to adjourn the Settlement Hearing to a later date and to approve the Settlement without modification, or with such modifications as may be agreed to by the Settling Parties, and with or without further notice of any kind. The Court further reserves the right to enter its Order and Judgment approving the Settlement and dismissing the Action, on the merits and with prejudice, regardless of whether it has approved the Plan of Allocation or awarded attorneys' fees and expenses.

8. The Court reserves the right to hold the Settlement Hearing telephonically or by other virtual means. In the event the Court decides to hold the Settlement Hearing telephonically or by other virtual means, Lead Counsel will issue a press release on *GlobeNewswire* notifying Settlement Class Members, and the Claims Administrator will update its website regarding the Settlement Hearing's telephonic or virtual format.

9. The Court approves the form, substance and requirements of (a) the Notice of Pendency and Proposed Settlement of Class Action ("Long Notice"), (b) the Summary Notice of

Pendency and Proposed Class Action Settlement (“Summary Notice”), (c) the Postcard Notice, and (d) the Proof of Claim and Release Form (“Proof of Claim”), all of which are exhibits to the Settlement Stipulation.

10. Class Counsel has the authority to enter into the Settlement on behalf of the Settlement Class and has the authority to act on behalf of the Settlement Class with respect to all acts or consents required by or that may be given pursuant to the Settlement Stipulation or such other acts that are reasonably necessary to consummate the Settlement.

11. For settlement purposes only, Strategic Claims Services is appointed and approved as the Claims Administrator to supervise and administer the notice procedure as well as the processing of claims.

12. The Escrow Agent may, at any time after entry of this Order and without further approval from Defendants or the Court, disburse at the direction of Class Counsel up to \$275,000.00 (Two Hundred Seventy Five Thousand Dollars) from the Settlement Fund to pay Administrative Costs, of which up to \$150,000.00 (One Hundred Fifty Thousand Dollars) may be disbursed prior to the Effective Date.

13. No later than seven (7) calendar days after the date of this Order, the Company, at no cost to Plaintiffs or Plaintiffs’ Counsel, shall provide and/or cause its transfer agent to provide to Plaintiffs’ Counsel a list of the record owners of USAT common stock in the Exchange Act Class and the Securities Act Subclass in a usable electronic format, such as an Excel spreadsheet (“the Settlement Class Information”). If in the transfer agent’s possession, the Settlement Class Information should include email addresses of record owners of USAT common stock in the Exchange Act Class and the Securities Act Subclass. This information will be kept confidential

and not used for any purpose other than to disseminate notice, apprise Settlement Class Members of the Settlement, and/or implement the Settlement.

14. Within sixteen (16) calendar days of the entry of this Order, Class Counsel, through the Claims Administrator, shall either: (a) email the Summary Notice to Settlement Class Members for whom the Claims Administrator is able to obtain email addresses, substantially in the form annexed to the Settlement Stipulation as Exhibit A-3; or (b) if no electronic mail address can be obtained, cause the Postcard Notice, substantially in the form annexed to the Settlement Stipulation as Exhibit A-4, to be mailed, by first class mail, postage prepaid, to Settlement Class Members who can be identified with reasonable effort by Class Counsel.

15. Class Counsel, through the Claims Administrator, shall make all reasonable efforts to give notice to nominees or custodians who held USAT securities in the Exchange Act Class and the Securities Act Subclass as record owners but not as beneficial owners. Such nominees or custodians shall, within ten (10) calendar days of receipt of the notice, either: (i) request copies of the Postcard Notice sufficient to send the Postcard Notice to all beneficial owners for whom they are nominee or custodian, and within ten (10) calendar days after receipt thereof send copies to such beneficial owners; (ii) request an electronic copy of the Summary Notice and email the Summary Notice in electronic format to each beneficial owner for whom they are nominee or custodian within ten (10) calendar days after receipt thereof; or (iii) provide the Claims Administrator with lists of the names, last known addresses and email addresses (to the extent known) of such beneficial owners, in which event the Claims Administrator shall promptly deliver the Summary Notice, if email addresses are available, or Postcard Notice to such beneficial owners. If the Claims Administrator receives an email address, it will send a Summary Notice electronically. Nominees or custodians who elect to email the Summary Notice or send the

Postcard Notice to their beneficial owners shall send a written certification to the Claims Administrator confirming that the mailing has been made as directed. Copies of the Postcard Notice shall be made available to any nominee or custodian requesting same for the purpose of distribution to beneficial owners. The Claims Administrator shall, if requested, reimburse nominees or custodians out of the Settlement Fund solely for their reasonable out-of-pocket expenses incurred in providing notice to beneficial owners, which expenses would not have been incurred except for the providing of names and addresses, in amounts up to: (i) \$0.05 per name and address provided; (ii) \$0.05 per email for emailing notice; or (iii) \$0.05 per postcard, plus postage at the rate used by the Claims Administrator, for mailing Postcard Notice, subject to further order of this Court with respect to any dispute concerning such reimbursement.

16. Class Counsel shall, at least seven (7) calendar days before the Settlement Hearing, serve upon counsel for Defendants and file with the Court proof of the mailing of the Postcard Notice as required by this Order.

17. Class Counsel, through the Claims Administrator, shall cause the Settlement Stipulation and its exhibits, this Order, and a copy of the Notice and Proof of Claim to be posted on the Claims Administrator's website within sixteen (16) calendar days after entry of this Order.

18. Class Counsel, through the Claims Administrator, shall cause the Summary Notice to be published electronically once on the *GlobeNewswire* and in print once in the *Investor's Business Daily* within ten (10) calendar days after the Postcard Notice mailing or Summary Notice emailing. Class Counsel shall, at least seven (7) calendar days before the Settlement Hearing, serve upon counsel for Defendants and file with the Court proof of publication of the Summary Notice.

19. The forms and methods set forth herein of notifying the Settlement Class Members of the Settlement and its terms and conditions meet the requirements of due process, Rule 23 of

the Federal Rules of Civil Procedure, and Section 21D(a)(7) of the Exchange Act, 15 U.S.C. 78u-4(a)(7), as amended by the Private Securities Litigation Reform Act of 1995; constitute the best notice practicable under the circumstances; and constitute due and sufficient notice to all persons and entities entitled thereto. No Settlement Class Member will be relieved from the terms and conditions of the Settlement, including the releases provided for therein, based upon the contention or proof that such Settlement Class Member failed to receive actual or adequate notice.

20. In order to be entitled to participate in recovery from the Net Settlement Fund after the Effective Date, each Settlement Class Member shall take the following action and be subject to the following conditions:

(a) A properly completed and executed Proof of Claim must be submitted to the Claims Administrator: (i) electronically through the Claims Administrator's website, www.strategicclaims.net by 11:59 p.m. EDT on _____, 2020; or (ii) at the Post Office Box indicated in the Notice, postmarked no later than _____, 2020 (fifty (50) calendar days prior to the Settlement Hearing). Such deadline may be further extended by Order of the Court. Each Proof of Claim shall be deemed to have been submitted when: (i) the claim receives a confirmation notice from Strategic Claims Services for electronic submissions; or (ii) legibly postmarked (if properly addressed and mailed by first class mail) provided such Proof of Claim is actually received before the filing of a motion for an Order of the Court approving distribution of the Net Settlement Fund. Any Proof of Claim submitted in any other manner shall be deemed to have been submitted when it was actually received by the Claims Administrator at the address designated in the Notice.

(b) The Proof of Claim submitted by each Settlement Class Member must satisfy the following conditions: (i) it must be properly completed, signed and submitted

in a timely manner in accordance with the provisions of the preceding subparagraph; (ii) it must be accompanied by adequate supporting documentation for the transactions reported therein, in the form of broker confirmation slips, broker account statements, an authorized statement from the broker containing the transactional information found in a broker confirmation slip, or such other documentation as is deemed adequate by the Claims Administrator or Class Counsel; (iii) if the person executing the Proof of Claim is acting in a representative capacity, a certification of his current authority to act on behalf of the Settlement Class Member must be provided with the Proof of Claim; and (iv) the Proof of Claim must be complete and contain no material deletions or modifications of any of the printed matter contained therein and must be signed under penalty of perjury.

(c) Once the Claims Administrator has considered a timely submitted Proof of Claim, it shall determine whether such claim is valid, deficient or rejected. For each claim determined to be either deficient or rejected, the Claims Administrator shall send a deficiency letter or rejection letter as appropriate, describing the basis on which the claim was so determined. Persons who timely submit a Proof of Claim that is deficient or otherwise rejected shall be afforded a reasonable time (at least ten (10) calendar days) to cure such deficiency if it shall appear that such deficiency may be cured. If any Claimant whose claim has been rejected in whole or in part wishes to contest such rejection, the Claimant must, within ten (10) calendar days after the date of mailing of the notice, serve upon the Claims Administrator a notice and statement of reasons indicating the Claimant's ground for contesting the rejection along with any supporting documentation, and requesting a review thereof by the Court. If an issue concerning a claim cannot be otherwise resolved, Class Counsel shall thereafter present the request for review to the Court.

(d) As part of the Proof of Claim and Release Form, each Settlement Class Member shall submit to the jurisdiction of the Court with respect to the claim submitted, and shall, upon the Effective Date, release all claims as provided in the Settlement Stipulation. No discovery shall be allowed on the merits of the Action or the Settlement in connection with processing of the Proof of Claim and Release Forms, nor shall any discovery from or of Defendants be allowed on any topic.

21. All Settlement Class Members who do not submit valid and timely Proof of Claim and Release Forms will be forever barred from receiving any payments from the Net Settlement Fund, but will in all other respects be subject to and bound by the provisions of the Settlement Stipulation and the Order and Judgment, if entered.

22. Settlement Class Members shall be bound by all determinations and judgments in this Action whether favorable or unfavorable. Any Persons requesting exclusion from the Settlement Class in a timely and proper manner, as hereinafter provided, are excluded from the Settlement Class and are not deemed Settlement Class Members. A Person wishing to make such a request for exclusion shall mail it, in written form, by first class mail, postage prepaid, or otherwise deliver it, so that it is received no later than _____, 2020 (twenty-one (21) calendar days prior to the Settlement Hearing) (the “Exclusion Deadline”), to the address listed in the Notice. In order to be valid, such request for exclusion must: (a) clearly indicate the name and address and phone number and e-mail contact information (if any) of the Person seeking exclusion, and state that the sender specifically “requests to be excluded from the Settlement Class in *In re USA Technologies, Inc. Securities Litigation*, Case No. 2:19-cv-04565-JHS (E.D. Pa.);” and (b) state the date, number of shares and dollar amount of each USAT common stock purchased or acquired during the Settlement Class Period or in or traceable to USAT’s May 23, 2018 Secondary

Offering, and any sale transactions during the Settlement Class Period as well as the number of shares of USAT common stock held by the Person as of August 22, 2017 and from August 22, 2017 through February 6, 2019. In order to be valid, such request for exclusion must be submitted with documentary proof: (i) of each purchase or acquisition and, if applicable, sale transaction of USAT common stock during the Settlement Class Period; and (ii) demonstrating the Person's status as a beneficial owner of the USAT common stock. Any such request for exclusion must be signed and submitted by the beneficial owner under penalty of perjury. The request for exclusion shall not be effective unless it provides the required information, is legible, and is made within the time stated above, or the exclusion is otherwise accepted by the Court. Class Counsel may contact any Person filing a request for exclusion, or their attorney if one is designated, to discuss the exclusion.

23. The Claims Administrator shall provide all requests for exclusion and supporting documentation submitted therewith (including untimely requests and revocations of requests) to counsel for the Settling Parties as soon as possible and no later than the Exclusion Deadline or upon the receipt thereof (if later than the Exclusion Deadline). The Settlement Class will not include any Person who delivers a valid and timely request for exclusion.

24. Any Person that submits a request for exclusion may thereafter submit to the Claims Administrator a written revocation of that request for exclusion, provided that it is received no later than two (2) Business Days before the Settlement Hearing, in which event that Person will be included in the Settlement Class.

25. All Persons who submit a valid and timely request for exclusion that is not timely revoked pursuant to paragraph 24 will be forever barred from receiving any payment from the Net Settlement Fund.

26. The Court will consider comments and/or objections to the Settlement, the Plan of Allocation, or the Fee and Expense Application, provided, however, that no Settlement Class Member or other Person shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement or, if approved, the Order and Judgment, or any other order relating thereto, unless that Person has served copies of any objections, papers and briefs, via first class mail or courier, to each of the following counsel at least twenty-one (21) calendar days prior to the Settlement Hearing Date:

LEAD COUNSEL:

THE ROSEN LAW FIRM, P.A.
Phillip Kim
101 Greenwood Avenue
Suite 440
Jenkintown, PA 19046

COUNSEL FOR DEFENDANTS USAT
AND HERBERT:

BALLARD SPAHR LLP
M. Norman Goldberger
1735 Market Street, 51st Floor
Philadelphia, PA 19103

COUNSEL FOR DEFENDANTS
BARNHART, BROOKS, METZGER,
MOSCHNER, REILLY, AND SCHOCH:

FOX ROTHSCHILD LLP
Abraham C. Reich
Gerald E. Arth
2000 Market Street, 20th Floor
Philadelphia PA 19103

COUNSEL FOR DEFENDANT SINGH:

BAKER & HOSTETLER LLP
Douglas W. Greene
45 Rockefeller Plaza
New York, NY 10111

COUNSEL FOR DEFENDANTS WILLIAM
BLAIR & COMPANY, L.L.C., CRAIG-
HALLUM CAPITAL GROUP LLC,
NORTHLAND SECURITIES, INC. AND
BARRINGTON RESEARCH
ASSOCIATES, INC.:

MORGAN, LEWIS & BOCKIUS LLP
Marc J. Sonnenfeld
1701 Market Street
Philadelphia, PA 19103

and that Person has (at least twenty-one (21) calendar days prior to the Settlement Hearing date) filed said objections, papers and briefs, showing due proof of service upon counsel identified above, with the Clerk of the Court, U.S. District Court, Eastern District of Pennsylvania, James A. Byrne U.S. Courthouse, 601 Market Street, Philadelphia, PA 19106. To be valid, any such objection must contain the Settlement Class Member's: (1) name, address, and telephone number; (2) a list of all purchases and sales of USAT common stock during the Settlement Class Period in order to show membership in the Settlement Class; (3) all grounds for the objection, including any legal support known to the Settlement Class Member and/or his, her, or its counsel; (4) the name, address and telephone number of all counsel who represent the Settlement Class Member, including former or current counsel who may be entitled to compensation in connection with the objection; and (5) the number of times the Settlement Class Member and/or his, her, or its counsel has filed an objection to a class action settlement in the last five years, the nature of each such objection in each case, the jurisdiction in each case, and the name of the issuer of the security or seller of the product or service at issue in each case. Attendance at the Settlement Hearing is not necessary but Persons wishing to be heard orally in opposition to the approval of the Settlement Stipulation, the Plan of Allocation, and/or the Fee and Expense Application are required to indicate in their written objection (or in a separate writing that is submitted in accordance with the deadline and instructions pertinent to the submission of a written objection) that they intend to appear at the Settlement Hearing and identify any witnesses they may call to testify or exhibits they intend to introduce into evidence at the Settlement Hearing. Settlement Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.

27. Any Settlement Class Member who does not object in the manner prescribed above shall be deemed to have waived all such objections and shall forever be foreclosed from making

any objection to the fairness, adequacy or reasonableness of the Settlement, the Order and Judgment to be entered approving the Settlement, the Plan of Allocation, and/or the Fee and Expense Application, unless otherwise ordered by the Court; shall be bound by all the terms and provisions of the Settlement Stipulation and by all proceedings, orders and judgments in the Action; and shall also be foreclosed from appealing from any judgment or order entered in this Action.

28. The Court reserves the right to adjourn the Settlement Hearing without any further notice other than entry of an Order on the Court's docket, and to approve the Settlement without further notice to the Settlement Class.

29. All papers in support of the Settlement, the Plan of Allocation and/or the Fee and Expense Application shall be filed and served no later than twenty-eight (28) calendar days before the Settlement Hearing.

30. Any submissions filed in response to any objections or in further support of the Settlement, the Plan of Allocation and/or the Fee and Expense Application shall be filed no later than seven (7) calendar days prior to the Settlement Hearing.

31. Defendants, their counsel, their Insurers and other Released Parties shall have no responsibility for, or liability with respect to, the Plan of Allocation or any application for attorneys' fees and interest, or expenses or payments to the Class Representatives submitted by Class Counsel, and such matters will be considered separately from the fairness, reasonableness, and adequacy of the Settlement.

32. Pending final determination of whether the Settlement should be approved, all Releasing Parties shall be enjoined from commencing, prosecuting, or attempting to prosecute any Released Claims against any Released Party in any court or tribunal or proceeding. Unless and

until the Settlement Stipulation is cancelled and terminated pursuant to the Settlement Stipulation, all proceedings in the Action, other than such proceedings as may be necessary to carry out the terms and conditions of the Settlement Stipulation, are hereby stayed and suspended until further order of the Court.

33. All funds held by the Escrow Agent shall be deemed and considered to be in the custody of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed or returned pursuant to the Settlement Stipulation and Plan of Allocation and/or further order(s) of the Court.

34. Neither the Settlement Stipulation, nor any of its terms or provision, nor any of the negotiations or proceedings connected with it, shall be construed as an admission or concession by Defendants, their counsel, their Insurers or any of the other Released Parties of the truth of any of the allegations in the Action, or of any liability, fault, or wrongdoing of any kind and shall not be construed as, or deemed to be evidence of or an admission or concession that Class Representatives or any Settlement Class Members have suffered any damages, harm, or loss. Further, neither the Settlement Stipulation, nor any of its terms or provisions, nor any of the negotiations or proceedings connected with it, nor this Order shall be construed as an admission or concession by the Class Representatives of the validity of any factual or legal defense or of the infirmity of any of the claims or facts alleged in this Action.

35. In the event the Settlement is not consummated in accordance with the terms of the Settlement Stipulation, then the Settlement Stipulation and this Order (including any amendment(s) thereof, and except as expressly provided in the Settlement Stipulation or by order of the Court) shall be null and void, of no further force or effect, and without prejudice to any Settling Party, and may not be introduced as evidence or used in any action or proceeding by any

Person against the Settling Parties or the Released Parties, and each Settling Party shall be restored to his, her or its respective litigation positions as they existed prior to March 24, 2020, pursuant to the terms of the Settlement Stipulation.

36. The Court reserves the right to alter the time or the date of the Settlement Hearing without further notice to the Class Members, provided that the time or the date of the Settlement Hearing shall not be set at a time or date earlier than the time and date set forth in ¶ 6 above. The Court retains exclusive jurisdiction over the Action to consider all further matters arising out of, or relating to, the Settlement Stipulation, including by way of illustration and not limitation, any dispute concerning any Proof of Claim submitted and any future requests by one or more of the Parties that the Order and Judgment, the releases and/or the permanent injunction set forth in the Settlement Stipulation be enforced.

Dated: _____, 2020

HON. JOEL H. SLOMSKY
UNITED STATES DISTRICT JUDGE

Exhibit A-1

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA**

IN RE USA TECHNOLOGIES, INC.
SECURITIES LITIGATION,

Master File No. 2:19-cv-04565-JHS

CLASS ACTION

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

If you purchased or otherwise acquired common stock of USA Technologies, Inc. (“USAT” or the “Company”) during the period from August 22, 2017 through February 6, 2019, both dates inclusive (“Settlement Class Period”), and/or purchased USAT common stock in or traceable to USAT’s May 23, 2018 follow-on public offering (“Secondary Offering”) pursuant to the Company’s Registration Statement and Prospectus issued in connection with that offering, you could get a payment from a class action settlement (the “Settlement”).

Under law, a federal court has authorized this Notice. This is not attorney advertising.

- If approved by the Court, the Settlement will provide fifteen million three hundred thousand dollars (\$15,300,000.00) (the “Settlement Fund”) gross, plus interest as it accrues, minus attorneys’ fees, costs, administrative expenses, and net of any taxes on interest, to pay claims of investors who purchased or otherwise acquired USAT common stock in the Settlement Class Period.
- The Settlement represents an estimated average recovery of \$0.255 per share of USAT for the approximately 60 million shares outstanding during the Settlement Class Period. A share may have been traded more than once during the Settlement Class Period. This estimate solely reflects the average recovery per outstanding share of USAT common stock.
- Attorneys for Plaintiffs (“Plaintiffs’ Counsel”) will ask the Court to award them fees of up to \$3,060,000.00 (20% of the Settlement Fund) plus interest, reimbursement of no more than \$125,000 in litigation expenses, and an Award to Plaintiffs not to exceed \$20,000.00 in total, comprising of \$10,000.00 to Lead Plaintiff and \$5,000.00 each to the other two Named Plaintiffs in the litigation. Collectively, the attorneys’ fees and expenses and Plaintiffs’ award are estimated to average \$.053 per outstanding share of USAT common stock. If approved by the Court, these amounts will be paid from the Settlement Amount.
- The average approximate recovery, after deduction of attorneys’ fees and interest and expenses approved by the Court, is \$.202 per outstanding share of USAT common stock.

This estimate is based on the assumptions set forth in the preceding paragraphs. This is not an estimate of the actual recovery per share you should expect. Your actual recovery, if any, will depend on the aggregate losses of all Settlement Class Members, the date(s) you purchased and sold USAT common stock, the purchase and sales prices for your transactions, whether you purchased on the open market or in connection with the Secondary Offering, and the total number and amount of claims filed.

- The Settlement resolves the Action concerning whether USAT, Stephen Herbert, Priyanka Singh, Steven Barnhart, Joel Brooks, Robert Metzger, Albin Moschner, William Reilly, Jr., William Schoch, William Blair & Company, L.L.C., Craig-Hallum Capital Group LLC, Northland Securities, Inc., and Barrington Research Associates, Inc. (collectively “Defendants”) violated federal securities laws by allegedly making misrepresentations and/or omissions of material fact in various public statements regarding financial metrics central to USAT’s business, including revenue and net income, which violated Generally Accepted Accounting Principles and USAT’s own accounting policies. Defendants have denied and continue to deny each, any and all allegations of wrongdoing, fault, liability or damage whatsoever Plaintiffs asserted. Defendants have also denied, among other things, the allegations that Plaintiffs or the Settlement Class have suffered damages or that Plaintiffs or the Settlement Class were harmed by the conduct alleged in the Action. Defendants continue to believe the claims asserted against them in the Action are without merit.
- The Settlement Fund shall be allocated as follows. \$14,650,000 of the Settlement Fund shall be allocated to Settlement Class Members who purchased USAT common stock during the Settlement Class Period. \$650,000 of the Settlement Fund shall be allocated to Settlement Class Members who purchased USAT common stock pursuant to USAT’s Secondary Offering. This Plan of Allocation is based on a binding determination by the Hon. Daniel Weinstein, a retired judge, who mediated the negotiations that resulted in the Settlement.
- Your legal rights will be affected whether you act or do not act. If you do not act, you may permanently forfeit your right to recover on this claim. Therefore, you should read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
Submit a Claim Form	Fill out the attached Proof of Claim and Release Form and submit it no later than _____. This is the only way to get a payment.

Exclude Yourself from the Class	Submit a request for exclusion no later than _____. This is the only way you can be part of any other lawsuit against the Defendants or the other Released Parties relating to the legal claims in this case. If you exclude yourself, you will receive no payment and cannot object or speak at the hearing.
Object	Write to the Court no later than _____ about why you do not like the Settlement. You can still submit a Proof of Claim and Release Form. If the Court approves the Settlement, you will be bound by it.
Go To The Hearing	Ask to speak in Court about the fairness of the Settlement at the hearing on _____. You can still submit a Proof of Claim and Release Form. If the Court approves the Settlement, you will be bound by it.
Do Nothing	Get no payment AND give up your right to bring your own individual action relating to the claims asserted in the Action.

INQUIRIES

Please do not contact the Court regarding this Notice. All inquiries concerning this Notice, the Proof of Claim and Release Form, or the Settlement should be directed to:

USA Technologies, Inc. Securities Litigation c/o Strategic Claims Services P.O. Box 230 600 N. Jackson St., Ste. 205 Media, PA 19063 Tel.: 866-274-4004 Fax: 610-565-7985 info@strategicclaims.net	or	Phillip Kim THE ROSEN LAW FIRM, P.A. 101 Greenwood Avenue, Suite 440 Jenkintown, PA 19046 Tel: (215) 600-2817 Fax: (215) 202-3827 pkim@rosenlegal.com
---	-----------	--

DEFINITIONS

All capitalized terms not otherwise defined herein shall have the same meanings as set forth in the Stipulation and Agreement of Settlement, dated May 29, 2020 (the "Settlement Stipulation").

COMMON QUESTIONS AND ANSWERS CONCERNING THE SETTLEMENT

1. Why did I get this Notice?

You or someone in your family may have purchased or otherwise acquired the common stock of USAT from August 22, 2017 through February 6, 2019, both dates inclusive, or purchased USAT common stock in or traceable to USAT's May 23, 2018 Secondary Offering pursuant to the Registration Statement and Prospectus issued in connection with that offering.

2. What is this lawsuit about?

The case is known as *In re USA Technologies, Inc. Securities Litigation*, 2:19-cv-4565-JHS (E.D. Pa.). (the "Action"). The Court in charge of the case is the United States District Court for the Eastern District of Pennsylvania.

The Action involves allegations that Defendants violated certain federal securities laws by making misrepresentations or omissions of material fact concerning USAT's financial statements by misreporting key financial metrics central to USAT's business, including revenue and net income, which violated Generally Accepted Accounting Principles and USAT's own accounting policies. The complaint alleges that the misstatements or omissions artificially inflated the price of USAT common stock, and that the common stock price dropped in response to certain subsequent disclosures. Defendants have denied and continue to deny each, any and all allegations of wrongdoing, fault, liability or damage whatsoever asserted in the Action. The Settlement shall in no event be construed as, or deemed to be evidence of, liability, fault, wrongdoing, injury or damages, or of any wrongful conduct, acts or omissions on the part of any of the Released Parties, or of any infirmity of any defense, or of any damages to the Plaintiffs or any other Settlement Class Member.

3. Why is this a class action?

In a class action, one or more persons and/or entities, called plaintiffs, sue on behalf of all persons and/or entities who have similar claims. All of these persons and/or entities are referred to collectively as a class, and these individual persons and/or entities are known as class members. One court resolves all of the issues for all class members, except for those class members who exclude themselves from the class.

4. Why is there a Settlement?

Plaintiffs and Defendants do not agree regarding the merits of Plaintiffs' allegations and Defendants' defenses with respect to liability or the amount of damages per share, if any, that would be recoverable if Plaintiffs were to prevail at trial on each claim. The issues on which Plaintiffs and Defendants disagree include: (1) whether the challenged statements were materially false or misleading or otherwise actionable under the federal securities laws; (2) whether Defendants acted knowingly or were grossly reckless in making the allegedly misleading statements; (3) whether the alleged disclosures corrected the allegedly misleading statements; (4) the causes of the loss in the value of USAT common stock; (5) the availability of certain affirmative defenses to the Defendants; and (6) the amount of alleged damages, if any, that could be recovered at trial.

This matter has not gone to trial and the Court has not decided in favor of either Plaintiffs

or Defendants. Instead, Plaintiffs and Defendants have agreed to settle the case. Plaintiffs and Plaintiffs' Counsel believe the Settlement is best for all Settlement Class Members because of the risks associated with continued litigation and the nature of the defenses raised by Defendants. Among the reasons that Plaintiffs and Plaintiffs' Counsel believe the Settlement is fair is the fact that there is uncertainty about whether they will be able to prove that any challenged statement was false or misleading, that the alleged misstatements and omissions actually caused the Settlement Class any damages, and the amount of damages, if any, and the financial condition of the Company.

Even if Plaintiffs were to win at trial, and also prevail on any appeal, Plaintiffs might not be able to collect some, or all, of any judgment they are awarded. Moreover, it appears that, even if Plaintiffs' allegations were found to be true, the total amount of damages to which Settlement Class Members would be entitled could be small.

5. How do I know if I am part of the Settlement?

The Settlement Class consists of all persons and entities, other than Defendants and their affiliates, who purchased USAT common stock from August 22, 2017 through February 6, 2019, both dates inclusive, seeking to recover compensable damages caused by USAT's and the Officer Defendants' purported violations of the Securities Exchange Act of 1934 ("Exchange Act Class"); and a subclass consisting of all persons and entities who purchased USAT common stock in or traceable to the Company's May 23, 2018 follow-on public offering pursuant to the Company's Registration Statement and Prospectus issued in connection with that offering, seeking to recover compensable damages caused by Defendants' purported violations of the Securities Act of 1933 ("Securities Act Subclass"). Excluded from the Exchange Act Class and Securities Act Subclass are Defendants, the present and former officers and directors of USAT at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a majority interest. Also excluded from the Settlement Class are those Persons who file valid and timely requests for exclusion in accordance with the Court's Preliminary Approval Order, as described below in the response to question 11.

6. Are there exceptions to being included?

Yes. Excluded from the Settlement Class are Defendants, the present and former officers and directors of USAT at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a majority interest. You are also excluded from recovering any portion of the Settlement Fund if you have a net profit in purchases and sales of USAT common stock or otherwise suffered no compensable damages during the Settlement Class Period and/or from shares purchased in or traceable to the Secondary Offering. You may choose to be excluded from the Settlement Class by filing a valid and timely request for exclusion as described below in the response to question 11.

7. I am still not sure whether I am included.

If you are still not sure whether you are included in the Settlement Class, you can ask for free help. For more information, you can contact the Claims Administrator, Strategic Claims Services, by phone at (866) 274-4004 or by facsimile at (610) 565-7985, visit the website www.strategicclaims.net, or fill out and return the Proof of Claim and Release Form described in Question 9, to see if you qualify.

8. What does the Settlement provide?

a. What is the Settlement Fund?

The proposed Settlement provides for Defendants and/or their insurers to pay fifteen million three hundred thousand dollars (\$15,300,000.00) into a settlement fund (the “Settlement Fund”). The Settlement is subject to Court approval. Also, subject to the Court’s approval, a portion of the Settlement Fund will be used to pay attorneys’ fees with interest and reasonable litigation expenses to Plaintiffs’ Counsel, and any Award to Plaintiffs. A portion of the Settlement Fund also will be used to pay taxes due on interest earned by the Settlement Fund, if necessary, and the costs of the claims administration, including the costs of printing and mailing and/or emailing notice and the costs of publishing notice. After the foregoing deductions from the Settlement Fund have been made, the amount remaining (the “Net Settlement Fund”) will be distributed to Settlement Class Members who submit timely, valid claims, according to the Plan of Allocation to be approved by the Court.

b. What can you expect to receive under the proposed Settlement?

Your share of the Net Settlement Fund will or may depend on: (i) the number of claims filed by all Settlement Class Members; (ii) the dates you purchased and sold USAT common stock; (iii) the prices of your purchases and sales; (iv) whether you purchased your USAT stock on the open market or in or traceable to the Secondary Offering; (v) the amount of administrative costs, including the costs of notice; and (vi) the amount awarded by the Court to Plaintiffs’ Counsel for attorneys’ fees, costs, and expenses and any Award to Plaintiffs.

The Net Settlement Fund will be distributed to Settlement Class Members who submit a Proof of Claim and Release Form and whose claims for recovery are allowed by the Claims Administrator pursuant to the terms of the Settlement Stipulation or by order of the Court under the below Plan of Allocation (“Authorized Claimants”), which reflects Plaintiffs’ contention that because of the alleged misrepresentations made by Defendants, the price of USAT common stock was artificially inflated during the Settlement Class Period and that certain subsequent disclosures caused reductions in the inflated price of USAT common stock. Defendants have denied and continue to deny these allegations and any and all allegations of wrongdoing, fault, liability or damage whatsoever asserted in the Action.

The Claims Administrator will determine each Authorized Claimant’s *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant’s valid “Recognized Loss.” The Recognized Loss formula is not intended to be an estimate of the amount that a

Settlement Class Member might have been able to recover after a trial; it also is not an estimate of the amount that will be paid to Settlement Class Members pursuant to the Settlement. The Recognized Loss formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Settlement Class Members with valid claims.

PROPOSED PLAN OF ALLOCATION

The Plan of Allocation is a matter separate and apart from the proposed Settlement, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed Settlement. The Court may approve the Plan of Allocation with or without modifications agreed to among the Parties, or another plan of allocation, without further notice to Class Members. Any orders regarding a modification of the Plan of Allocation will be posted to the Claims Administrator's website, www.strategicclaims.net.

The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's Recognized Loss. **Please Note:** The Recognized Loss formula, set forth below, is not intended to be an estimate of the amount of what a Settlement Class Member might have been able to recover after a trial, nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Loss formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants. To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's Recognized Loss and subject to the provisions in the preceding paragraph. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total Recognized Loss of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's Recognized Loss bears to the total Recognized Losses of all Authorized Claimants and subject to the provisions in the preceding paragraph (*i.e.*, "*pro rata* share"). Payment in this manner shall be deemed conclusive against all Authorized Claimants. No distribution will be made on a claim where the potential distribution amount is less than ten dollars (\$10.00) in cash.

If any funds remain in the Net Settlement Fund by reason of uncashed checks, or otherwise, after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants who are entitled to participate in the distribution of the Net Settlement Fund cash their distribution checks, then any balance remaining in the Net Settlement Fund six (6) months after the initial distribution of such funds shall be used: (i) first, to pay any amounts mistakenly omitted from the initial distribution to Authorized Claimants; (ii) second, to pay any additional Notice and Administration Costs incurred in administering the Settlement; and (iii) finally, to make a second distribution to Authorized Claimants who cashed their checks from the initial distribution and who would receive at least \$10.00 from such second distribution, after payment of the estimated costs or fees to be incurred in administering the Net Settlement Fund and in making this second distribution, if such second distribution is economically feasible. If six (6) months after such second distribution, if undertaken, or if such second distribution is not undertaken, any funds shall remain in the Net Settlement Fund after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants who are entitled to participate in this Settlement cash their

checks, any funds remaining in the Net Settlement Fund shall be donated to a non-profit charitable organization(s) selected by Lead Counsel.

THE BASIS FOR CALCULATING YOUR RECOGNIZED LOSS:

(I) Recognized Loss for the USAT's common stock purchased during the Settlement Class Period (excluding shares purchased in and traceable to the Secondary Offering) will be calculated as follows:

- (A) For shares purchased or otherwise acquired during the Class Period and sold during the Class Period, the Recognized Loss per share will be the *lesser* of: (1) the inflation per share upon purchase (as set forth in Inflation Table A below) less the inflation per share upon sale (as set forth in Inflation Table A below); or (2) the purchase price per share minus the sales price per share.
- (B) For shares purchased or otherwise acquired during the Settlement Class Period and sold during the period February 7, 2019 to May 7, 2019, inclusive, the Recognized Loss will be the *lesser* of: (1) the inflation per share upon purchase (as set forth in Inflation Table A below); or (2) the difference between the purchase price per share and the average closing stock price as of date of sale provided in Table B below.
- (C) For shares purchased or otherwise acquired during the Class Period and retained as of the close of trading on May 7, 2019, the Recognized Loss will be the *lesser* of: (1) the inflation per share upon purchase (as set forth in Inflation Table A below); or (2) the purchase price per share minus \$4.41¹ per share.

(II) For shares of USAT common stock purchased during the Class Period pursuant and/or traceable to the Secondary Offering, the Recognized Loss will be calculated as follows:

- (A) For each share of USAT's common stock sold on or before the close of trading on May 17, 2019², the Recognized Loss per share is the difference between the

¹ Pursuant to Section 21(D)(e)(1) of the Private Securities Litigation Reform Act of 1995, "in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated." \$4.41 per share was the mean (average) daily closing trading price of the Company's common stock during the 90-day period beginning on February 7, 2019 and ending on May 7, 2019.

² The filing date of the initial lawsuit in this matter.

purchase price per share, not to exceed the Secondary Offering price of \$11.00 per share, and the sales price per share for each share sold.

- (B) For each share of USAT common stock held as of the close of trading on May 17, 2019, the Recognized Loss per share is the difference between the purchase price per share, not to exceed the Secondary Offering price of \$11.00 per share, and \$6.03 per share.³

INFLATION TABLE A	
USAT Common Stock Purchased During the Settlement Class Period	
Period	Inflation
August 22, 2017 to September 10, 2018, inclusive	\$13.27 per share
September 11, 2018 to September 20, 2018, inclusive	\$7.15 per share
September 21, 2018 to September 27, 2018, inclusive	\$5.75 per share
September 28, 2018 to October 7, 2018, inclusive	\$5.30 per share
October 8, 2018 to October 14, 2018, inclusive	\$4.61 per share
October 15, 2018 to November 12, 2018, inclusive	\$3.90 per share
November 13, 2018 to February 6, 2019, inclusive	\$3.37 per share
February 7, 2019 and afterwards	\$0.00 per share

Table B

Date	Closing Price	Average Closing Price	Date	Closing Price	Average Closing Price
2/7/2019	\$3.40	\$3.40	3/25/2019	\$3.91	\$3.86
2/8/2019	\$3.80	\$3.60	3/26/2019	\$3.94	\$3.86
2/11/2019	\$3.69	\$3.63	3/27/2019	\$4.01	\$3.86
2/12/2019	\$3.59	\$3.62	3/28/2019	\$4.15	\$3.87
2/13/2019	\$3.62	\$3.62	3/29/2019	\$4.28	\$3.88
2/14/2019	\$3.67	\$3.63	4/1/2019	\$4.28	\$3.89
2/15/2019	\$3.66	\$3.63	4/2/2019	\$4.42	\$3.90
2/19/2019	\$3.92	\$3.67	4/3/2019	\$4.64	\$3.91
2/20/2019	\$4.09	\$3.72	4/4/2019	\$4.50	\$3.93
2/21/2019	\$4.18	\$3.76	4/5/2019	\$4.64	\$3.94
2/22/2019	\$4.12	\$3.79	4/8/2019	\$4.57	\$3.96
2/25/2019	\$3.99	\$3.81	4/9/2019	\$4.92	\$3.97
2/26/2019	\$4.00	\$3.83	4/10/2019	\$4.93	\$4.00
2/27/2019	\$3.98	\$3.84	4/11/2019	\$4.95	\$4.02
2/28/2019	\$3.96	\$3.84	4/12/2019	\$4.98	\$4.04
3/1/2019	\$3.95	\$3.85	4/15/2019	\$5.07	\$4.06
3/4/2019	\$4.09	\$3.87	4/16/2019	\$5.07	\$4.08
3/5/2019	\$3.86	\$3.87	4/17/2019	\$5.13	\$4.10

³ This represents the closing price per share of USAT's common stock on May 17, 2019, the filing date of the initial lawsuit alleging false statements related to the Secondary Offering.

EXHIBIT A-1

3/6/2019	\$3.50	\$3.85	4/18/2019	\$5.24	\$4.12
3/7/2019	\$3.45	\$3.83	4/22/2019	\$5.33	\$4.14
3/8/2019	\$3.41	\$3.81	4/23/2019	\$5.49	\$4.16
3/11/2019	\$4.01	\$3.82	4/24/2019	\$5.50	\$4.19
3/12/2019	\$4.14	\$3.83	4/25/2019	\$5.42	\$4.21
3/13/2019	\$4.07	\$3.84	4/26/2019	\$5.67	\$4.23
3/14/2019	\$3.89	\$3.84	4/29/2019	\$5.67	\$4.26
3/15/2019	\$3.95	\$3.85	4/30/2019	\$5.62	\$4.28
3/18/2019	\$3.88	\$3.85	5/1/2019	\$5.66	\$4.31
3/19/2019	\$3.94	\$3.85	5/2/2019	\$5.89	\$4.33
3/20/2019	\$3.92	\$3.85	5/3/2019	\$6.02	\$4.36
3/21/2019	\$4.01	\$3.86	5/6/2019	\$5.85	\$4.38
3/22/2019	\$3.88	\$3.86	5/7/2019	\$5.72	\$4.41

To the extent a claimant had a trading gain or “broke even” from his, her or its overall transactions in the Company’s shares during the Class Period, the value of the Recognized Loss will be zero and the claimant will not be entitled to a share of the Net Settlement Fund. To the extent that a claimant suffered a trading loss on his, her or its overall transactions in the Company’s shares during the Class Period, but that trading loss was less than the Recognized Loss calculated above, then the Recognized Loss shall be limited to the amount of the claimant’s actual trading loss.

For purposes of calculating your Recognized Loss, the date of purchase, acquisition or sale is the “contract” or “trade” date and not the “settlement” or “payment” date. The receipt or grant by gift, inheritance or operation of law of the Company shares shall not be deemed a purchase, acquisition or sale of shares for the calculation of an Authorized Claimant’s Recognized Loss. The covering purchase of a short sale is not an eligible purchase.

For purposes of calculating your Recognized Loss, all purchases, acquisitions and sales shall be matched on a First In First Out (“FIFO”) basis in chronological order. Therefore, on the Proof of Claim and Release Form enclosed with this Notice, you must provide all of your purchases and acquisitions of the Company shares during the time period August 22, 2017 through and including May 17, 2019.

The Settlement Fund shall be allocated as follows. \$650,000 of the Settlement Fund shall be allocated to pay Recognized Losses of the Secondary Offering claims. \$14,650,000 of the Settlement Fund shall be allocated to pay Recognized Losses of the Exchange Act claims. This Plan of Allocation is based on a binding determination by the mediator, Judge Daniel Weinstein (ret.), following briefing submitted by Plaintiffs proposing competing plans of allocation concerning the allocation of settlement funds between the Exchange Act and Securities Act claims.

Payment pursuant to the Plan of Allocation approved by the Court shall be conclusive against all Authorized Claimants. No person shall have any claim against Defendants, Defendants’ Counsel, Lead Plaintiffs, Lead Counsel or the Claims Administrator or other agent designated by Lead Counsel based on the distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court. Each

claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to the claimant's Proof of Claim and Release Form. All persons involved in the review, verification, calculation, tabulation, or any other aspect of the processing of the claims submitted in connection with the Settlement, or otherwise involved in the administration or taxation of the Settlement Fund or the Net Settlement Fund shall be released and discharged from any and all claims arising out of such involvement, and all Settlement Class Members, whether or not they are to receive payment from the Net Settlement Fund, will be barred from making any further claim against the Net Settlement Fund beyond the amount allocated to them as provided in any distribution orders entered by the Court.

9. How can I get a payment?

To qualify for a payment, you must send in a form entitled "Proof of Claim and Release Form." This Proof of Claim and Release Form is attached to this Notice. You may also obtain a Proof of Claim and Release Form at www.strategicclaims.net. Read the instructions carefully, fill out the form, sign it in the location indicated. The Proof of Claim and Release Form may be completed in two ways: (1) by completing and submitting it electronically at www.strategicclaims.net **by 11:59 p.m. EDT on _____, 2020**; or (2) by mailing the claim form together with all documentation requested in the form, **postmarked no later than _____, 2020**, to:

USA Technologies, Inc. Securities Litigation
c/o Strategic Claims Services
P.O. Box 230
600 N. Jackson St., Ste. 205
Media, PA 19063
Fax: (610) 565-7985
info@strategicclaims.net

The Claims Administrator will process your claim and determine whether you are an Authorized Claimant.

10. What am I giving up to get a payment or stay in the Class?

Unless you exclude yourself from the Settlement Class by the _____, 2020 deadline, you will remain a member of the Settlement Class, receive your share of the Net Settlement Fund if you are an Authorized Claimant and submitted a valid Proof of Claim and Release Form, and will be bound by the release of claims against Defendants and other Released Parties if the Settlement is approved. That means you and all other Settlement Class Members and each of their respective present, former and future direct and indirect parent entities, associates, affiliates, subsidiaries, predecessors, successors, officers, directors, attorneys, assigns, legal representatives, and agents, immediate family members, heirs, representatives, administrators, executors, trustees, successors, assigns, devisees, legatees, and estates and any person or entity which is or was related to or affiliated with any of them will release (agreeing never to sue, continue to sue, or be part of any other lawsuit) as against Defendants and other Released Parties any and all claims arising out of or relating to, directly or indirectly, the purchase or sale or other acquisition or disposition or holding

of the Company securities during the Class Period and the acts, facts, statements, or omissions that were or could have been alleged by Plaintiffs in the Action. It means that all of the Court's orders will apply to you and legally bind you. That means you will accept a share of the Net Settlement Fund as sole compensation for any losses you suffered in the purchase, acquisitions, sale or ownership of USAT common stock during the Settlement Class Period and/or pursuant to the Secondary Offering. The specific terms of the release are included in the Settlement Stipulation.

11. How do I get out of the Settlement?

If you do not want to receive a payment from this Settlement, and you want to keep any right you may have to sue or continue to sue Defendants or other Released Parties on your own, at your own expense, on the claims being released in this Settlement, then you must take steps to exclude yourself from the Settlement. To exclude yourself from the Settlement, you must mail a letter that (A) clearly states your name, address, phone number and e-mail contact information (if any) and states that you "request to be excluded from the Settlement Class in *In re USA Technologies, Inc. Securities Litigation*, 2:19-cv-4565-JHS (E.D. Pa.)" and (B) states the date, number of shares and dollar amount of each USAT common stock purchase or acquisition you made during the Settlement Class Period and/or in or traceable to the Secondary Offering, and any sale transactions you made during the Settlement Class Period as well as the number of shares of USAT common stock held by you as of the close of trading on August 22, 2017 and February 6, 2019. In order to be valid, such request for exclusion must be submitted with documentary proof: (i) of each purchase and, if applicable, sale transaction of USAT common stock during the Settlement Class Period and/or in or traceable to the Secondary Offering; and (ii) demonstrating your status as a beneficial owner of the USAT common stock. Any such request for exclusion must be signed and submitted by you, as the beneficial owner, under penalty of perjury. You must mail your exclusion request, to be **received no later than _____, 2020**, to the Claims Administrator at the following address:

USA Technologies, Inc. Securities Litigation
c/o Strategic Claims Services
P.O. Box 230
600 N. Jackson St., Ste. 205
Media, PA 19063

You cannot exclude yourself by telephone or by e-mail.

If you properly exclude yourself, you will *not* receive a payment from the Net Settlement Fund, you cannot object to the Settlement, and you will not be legally bound by the judgment in this case.

12. If I do not exclude myself, can I sue Defendants or the other Released Parties for the same thing later?

No. Unless you follow the procedure outlined in the Notice to exclude yourself, you give up any right to sue Defendants or other Released Parties for the claims being released in

this Settlement. If you have a pending lawsuit related to any Released Claims, speak to your lawyer in that case immediately, since you must exclude yourself from this Settlement Class to continue your own lawsuit.

13. Do I have a lawyer in this case?

The Court appointed The Rosen Law Firm, P.A. as Lead Counsel to represent you and the other Settlement Class Members. If you want to be represented by your own lawyer, you may hire one at your own expense. Contact information for The Rosen Law Firm, P.A. is provided below.

14. How will the lawyers be paid?

Plaintiffs' Counsel have expended considerable time litigating this Action on a contingent fee basis and have paid for the expenses of the case themselves. They have not been paid attorneys' fees or reimbursed for their expenses in advance of this Settlement. Plaintiffs' Counsel have done so with the expectation that, if they are successful in recovering money for the Settlement Class, they will receive attorneys' fees and be reimbursed for their litigation expenses from the Settlement Fund, as is customary in this type of litigation. Plaintiffs' Counsel will not receive attorneys' fees or be reimbursed for their litigation expenses except from the Settlement Fund. Therefore, Plaintiffs' Counsel will file a motion asking the Court at the Settlement Hearing to make an award of attorneys' fees in an amount not to exceed 20% of the Settlement Fund (\$3,060,000.00) plus interest, reimbursement of litigation expenses of no more than \$125,000 and an Award to Plaintiffs not to exceed \$20,000.00 in total or \$10,000.00 to Lead Plaintiff and \$5,000.00 to each of the other two Named Plaintiffs. The Court may award less than these amounts. Any amounts awarded by the Court will come out of the Settlement Fund.

15. How do I tell the Court that I do not like the Settlement?

You can tell the Court you do not agree with the Settlement, any part of the Settlement, and/or to Plaintiffs' Counsel's motion for attorneys' fees and expenses and application for an Award to Plaintiffs, and/or that you think the Court should not approve the Settlement, by mailing a letter stating that you object to the Settlement in the matter of *In re USA Technologies, Inc. Securities Litigation*, Case No. 2:19-cv-4565-JHS (E.D. Pa.). Be sure to include: (1) your name, address, and telephone number; (2) a list of all purchases or acquisitions and sales of USAT common stock during the Settlement Class Period and/or in or traceable to the Secondary Offering in order to show membership in the Settlement Class; (3) all grounds for the objection, including any legal support known to you or your counsel; (4) the name, address and telephone number of all counsel, if any, who represent you, including your former or current counsel; and (5) the number of times you and/or your counsel has filed an objection to a class action settlement in the last five years, the nature of each such objection in each case, the jurisdiction in each case, and the name of the issuer of the security or seller of the product or service at issue in each case. Attendance at the Settlement Hearing is not necessary. Objectors wishing to be heard orally at the Settlement Hearing are required to indicate in their written objection (or in a separate writing that is

submitted in accordance with the deadline and instructions relating to the submission of a written objection) that they intend to appear at the Settlement Hearing and identify any witnesses they may call to testify or exhibits they intend to introduce into evidence at the Settlement Hearing. Be sure to serve copies of any objections, papers and briefs to **each** of the addresses listed below, to be **received no later than** _____, **2020**:

Clerk of the Court
United States District Court
Eastern District of Pennsylvania
James A. Byrne U.S. Courthouse
601 Market Street
Philadelphia, PA 19106

LEAD COUNSEL:

THE ROSEN LAW FIRM, P.A.
Phillip Kim
101 Greenwood Avenue
Suite 440
Jenkintown, PA 19046

COUNSEL FOR DEFENDANTS
USAT AND HERBERT:

BALLARD SPAHR LLP
M. Norman Goldberger
1735 Market Street, 51st Floor
Philadelphia, PA 19103

COUNSEL FOR DEFENDANTS
BARNHART, BROOKS, METZGER,
MOSCHNER, REILLY, AND
SCHOCH:

FOX ROTHSCHILD LLP
Abraham C. Reich
Gerald E. Arth
2000 Market Street, 20th Floor
Philadelphia PA 19103

COUNSEL FOR DEFENDANT
SINGH:

BAKER & HOSTETLER LLP
Douglas W. Greene
45 Rockefeller Plaza
New York, NY 10111

COUNSEL FOR DEFENDANTS
WILLIAM BLAIR & COMPANY,
L.L.C., CRAIG-HALLUM CAPITAL
GROUP LLC, NORTHLAND
SECURITIES, INC., AND
BARRINGTON RESEARCH
ASSOCIATES, INC.:

MORGAN, LEWIS & BOCKIUS
LLP
Marc J. Sonnenfeld
1701 Market Street
Philadelphia, PA 19103

16. What is the difference between objecting and requesting exclusion?

Objecting is simply telling the Court you do not like something about the Settlement or some portion thereof. You can object only if you stay in the Settlement Class. Requesting exclusion is telling the Court you do not want to be part of the Settlement Class and Settlement. If you exclude yourself, you cannot object to the Settlement because it no

longer concerns you. If you stay in the Settlement Class and object, but your objection is overruled, you will not be allowed a second opportunity to exclude yourself.

17. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Settlement Hearing on _____, 2020, at __:__ a.m., at the United States District Court for the Eastern District of Pennsylvania, James A. Byrne U.S. Courthouse, 601 Market Street, Philadelphia, PA 19106. The Court reserves the right to hold the Settlement Hearing telephonically or by other virtual means. In the event the Court decides to hold the Settlement Hearing telephonically or by other virtual means, Lead Counsel will issue a press release notifying Settlement Class Members and the Claims Administrator will update its website, on the page dedicated to this Settlement, to note the telephonic or other virtual means for the Settlement Hearing.

18. Do I have to come to the hearing?

No. Plaintiffs' Counsel will answer any questions the Court may have. However, you are welcome to attend at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mail your written objection on time, the Court will consider it.

19. What happens if I do nothing at all?

If you do nothing, you will not receive a payment from the Settlement. However, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants or the Released Parties relating to the Released Claims (as defined in the Settlement Stipulation) ever again.

SPECIAL NOTICE TO BROKERS AND OTHER NOMINEES

If you purchased, otherwise acquired, sold or otherwise disposed of USAT securities for the beneficial interest of a person or organization other than yourself during the Settlement Class Period and/or in or traceable to the Secondary Offering, the Court has directed that, WITHIN TEN (10) DAYS OF YOUR RECEIPT OF NOTICE, you either: (a) provide to the Claims Administrator the name, email address, and last known address of each person or organization for whom or which you purchased such USAT securities during such time period; (b) request an electronic copy of the Summary Notice and, within ten (10) days after receiving the Summary Notice, email the Summary Notice to the email address of each beneficial purchaser/owner of USAT securities; or (c) request additional copies of the Postcard Notice, which will be provided to you free of charge, and within ten (10) days after receiving the additional Postcard Notices, mail the Postcard Notice directly to the beneficial purchaser/owners of the USAT securities. If you choose to follow alternative procedures (b) or (c), the Court has directed that, upon such mailing, you send a statement to the Claims Administrator confirming that the mailing was made as directed. You are entitled to reimbursement from the Settlement Fund of your reasonable out-of-pocket expenses actually incurred in connection with the foregoing up to \$0.05 per name for providing names, addresses and email addresses to the Claims Administrator; up to \$0.05 per

Postcard Notice mailed by you, plus postage at the rate used by the Claims Administrator; or up to \$0.05 per notice sent by email. Those expenses will be paid upon request and submission of appropriate supporting documentation. All communications regarding the foregoing should be addressed to the Claims Administrator at the address listed on page 3 above.

DATED:

BY ORDER OF THE UNITED STATES
DISTRICT COURT FOR THE EASTERN
DISTRICT OF PENNSYLVANIA

Exhibit A-2

PROOF OF CLAIM AND RELEASE FORM

Deadline for Submission: _____

IF YOU PURCHASED OR ACQUIRED OR SOLD OR DISPOSED OF USA TECHNOLOGIES, INC. (“USAT” OR THE “COMPANY”) COMMON STOCK FROM AUGUST 22, 2017 THROUGH FEBRUARY 6, 2019, BOTH DATES INCLUSIVE (“SETTLEMENT CLASS PERIOD”), AND/OR IN OR TRACEABLE TO USAT’S MAY 23, 2018 FOLLOW-ON PUBLIC OFFERING (“SECONDARY OFFERING”) PURSUANT TO THE REGISTRATION STATEMENT AND PROSPECTUS ISSUED IN CONNECTION WITH THAT OFFERING AND WERE ALLEGEDLY DAMAGED THEREBY, YOU ARE A “SETTLEMENT CLASS MEMBER” AND YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT PROCEEDS. (EXCLUDED FROM THE CLASS ARE DEFENDANTS, THE PRESENT AND FORMER OFFICERS AND DIRECTORS OF USAT AT ALL RELEVANT TIMES, MEMBERS OF THEIR IMMEDIATE FAMILIES AND THEIR LEGAL REPRESENTATIVES, HEIRS, SUCCESSORS OR ASSIGNS AND ANY ENTITY IN WHICH DEFENDANTS HAVE OR HAD A MAJORITY INTEREST. ALSO EXCLUDED FROM THE SETTLEMENT CLASS ARE THOSE PERSONS WHO FILE VALID AND TIMELY REQUESTS FOR EXCLUSION IN ACCORDANCE WITH THE COURT’S ORDER OF PRELIMINARY APPROVAL OF SETTLEMENT.)

IF YOU ARE A SETTLEMENT CLASS MEMBER, YOU MUST COMPLETE AND SUBMIT THIS PROOF OF CLAIM AND RELEASE FORM (“PROOF OF CLAIM AND RELEASE FORM”) IN ORDER TO BE ELIGIBLE FOR ANY SETTLEMENT BENEFITS. YOU CAN COMPLETE AND SUBMIT THE ELECTRONIC VERSION OF THIS PROOF OF CLAIM AND RELEASE FORM BY 11:59 P.M. EDT ON _____, 2020 AT WWW.STRATEGICCLAIMS.NET.

IF YOU DO NOT COMPLETE AND SUBMIT AN ELECTRONIC VERSION OF THIS PROOF OF CLAIM AND RELEASE FORM, YOU MUST COMPLETE AND SIGN THIS PROOF OF CLAIM AND RELEASE FORM AND MAIL IT BY FIRST CLASS MAIL, POSTMARKED NO LATER THAN _____, 2020 TO STRATEGIC CLAIMS SERVICES, AT THE FOLLOWING ADDRESS:

USA Technologies, Inc. Securities Litigation
c/o Strategic Claims Services
600 N. Jackson St., Ste. 205
P.O. Box 230
Media, PA 19063

YOUR FAILURE TO SUBMIT YOUR CLAIM BY _____, 2020 WILL SUBJECT YOUR CLAIM TO REJECTION AND PRECLUDE YOU FROM RECEIVING ANY MONEY IN CONNECTION WITH THE SETTLEMENT OF THIS ACTION. DO NOT MAIL OR DELIVER YOUR CLAIM TO THE COURT OR TO ANY OF THE PARTIES OR THEIR COUNSEL AS ANY SUCH CLAIM WILL BE DEEMED NOT TO HAVE BEEN SUBMITTED. SUBMIT YOUR CLAIM ONLY TO THE CLAIMS ADMINISTRATOR. IF YOU ARE A SETTLEMENT CLASS MEMBER AND DO NOT SUBMIT A PROPER PROOF OF CLAIM AND RELEASE FORM, YOU WILL NOT SHARE IN THE SETTLEMENT BUT YOU NEVERTHELESS WILL BE BOUND BY THE ORDER AND FINAL JUDGMENT OF THE COURT UNLESS YOU EXCLUDE YOURSELF.

SUBMISSION OF A PROOF OF CLAIM AND RELEASE FORM DOES NOT ASSURE THAT YOU WILL SHARE IN THE PROCEEDS OF THE SETTLEMENT.

ALL CAPITALIZED TERMS NOT OTHERWISE DEFINED HEREIN SHALL HAVE THE SAME MEANINGS AS SET FORTH IN THE STIPULATION AND AGREEMENT OF SETTLEMENT, DATED MAY 29, 2020 (THE "SETTLEMENT STIPULATION").

CLAIMANT'S STATEMENT

1. I (we) purchased or acquired USA Technologies, Inc. ("USAT") common stock during the Settlement Class Period and/or in or traceable to USAT's Secondary Offering. (Do not submit this Proof of Claim and Release Form if you did not purchase or acquire USAT common stock during the Settlement Class Period or in or traceable to the Secondary Offering.)
2. By submitting this Proof of Claim and Release Form, I (we) state that I (we) believe in good faith that I am (we are) a Settlement Class Member(s) as defined above and in the Notice of Pendency and Proposed Settlement of Class Action (the "Notice"), or am (are) acting for such person(s); that I am (we are) not a Defendant in the Action or anyone excluded from the Settlement Class; that I (we) have read and understand the Notice; that I (we) believe that I am (we are) entitled to receive a share of the Net Settlement Fund, as defined in the Notice; that I (we) elect to participate in the proposed Settlement described in the Notice; and that I (we) have not filed a request for exclusion. (If you are acting in a representative capacity on behalf of a Settlement Class Member [e.g., as an executor, administrator, trustee, or other representative], you must submit evidence of your current authority to act on behalf of that Settlement Class Member. Such evidence would include, for example, letters testamentary, letters of administration, or a copy of the trust documents.)
3. I (we) consent to the jurisdiction of the Court with respect to all questions concerning the validity of this Proof of Claim and Release Form. I (we) understand and agree that my (our) claim may be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to my (our) status as a Settlement Class Member(s) and the validity and amount of my (our) claim. No discovery shall be allowed on the merits of the Action or Settlement in connection with processing the Proof of Claim and Release Form.
4. I (we) have set forth where requested below all relevant information with respect to each purchase or acquisition of USAT common stock, and each sale, if any, of such securities. I (we) agree to furnish additional information to the Claims Administrator to support this claim if requested to do so.
5. I (we) have enclosed photocopies of the stockbroker's confirmation slips, stockbroker's statements, or other documents evidencing each purchase, acquisition and/or sale of USAT common stock listed below in support of my (our) claim. (IF ANY SUCH DOCUMENTS ARE NOT IN YOUR POSSESSION, PLEASE OBTAIN A COPY OR EQUIVALENT DOCUMENTS FROM YOUR BROKER OR TAX ADVISOR BECAUSE THESE DOCUMENTS ARE NECESSARY TO PROVE AND PROCESS YOUR CLAIM.)
6. I (we) understand that the information contained in this Proof of Claim and Release Form is subject to such verification as the Claims Administrator may request or as the Court may direct, and I (we) agree to cooperate in any such verification. (The information requested herein is designed to provide the minimum amount of information necessary to process most simple claims. The Claims Administrator may request additional information as required to efficiently and reliably calculate your Recognized Loss. In some cases, the Claims Administrator may condition acceptance of the claim based upon the production of additional information, including, where applicable, information concerning transactions in any derivative securities such as options.)
7. Upon the Court's approval of the Settlement, as detailed in the Notice, I (we) agree and acknowledge that my (our) signature(s) hereto shall effect and constitute a full and complete release, remise and discharge by me (us) and my (our) immediate family members, heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, representatives, trustees, devisees, legatees, estates, predecessors, successors, attorneys, insurers and assigns (or, if I am (we are) submitting this Proof of Claim and Release Form on behalf of a corporation, a partnership, estate or one or more other persons or entities, by it, him, her or them, and by its, his, her or their immediate family members, heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, representatives, trustees, devisees, legatees, estates, attorneys, insurers, predecessors, successors, assigns, associates, affiliates, officers, directors, legal representatives, and agents

of each of them, and all present, former and future direct and indirect parent entities, subsidiaries, predecessors, and successors, and each of their respective officers, directors, attorneys, legal representatives, and agents, and any Person or entity which is or was related to or affiliated with any Releasing Party or in which any Releasing Party has a controlling interest, and each of their respective immediate family members, heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, representatives, trustees, devisees, legatees, estates, attorneys, insurers, predecessors, successors, assigns, associates, affiliates, officers, directors, legal representatives, and agents) of each of the “Released Parties” of all “Released Claims,” as those terms are defined in the Stipulation and Agreement of Settlement (the “Settlement Stipulation”).

8. Upon the Court’s approval of the Settlement, as detailed in the Notice, I (we) agree and acknowledge that my (our) signature(s) hereto shall effect and constitute a covenant by me (us) and my (our) immediate family members, heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, representatives, trustees, devisees, legatees, estates, predecessors, successors, attorneys, insurers and assigns (or, if I am (we are) submitting this Proof of Claim and Release Form on behalf of a corporation, a partnership, estate or one or more other persons or entities, by it, him, her or them, and by its, his, her or their immediate family members, heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, representatives, trustees, devisees, legatees, estates, attorneys, insurers, predecessors, successors, assigns, associates, affiliates, officers, directors, legal representatives, and agents of each of them, and all present, former and future direct and indirect parent entities, subsidiaries, predecessors, and successors, and each of their respective officers, directors, attorneys, legal representatives, and agents, and any Person or entity which is or was related to or affiliated with any Releasing Party or in which any Releasing Party has a controlling interest, and each of their respective immediate family members, heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, representatives, trustees, devisees, legatees, estates, attorneys, insurers, predecessors, successors, assigns, associates, affiliates, officers, directors, legal representatives, and agents) to permanently refrain from prosecuting or attempting to prosecute any Released Claims against any of the Released Parties.
9. “Released Parties” has the meaning laid out in the Settlement Stipulation.
10. “Released Claims” has the meaning laid out in the Settlement Stipulation.
11. “Unknown Claims” has the meaning laid out in the Settlement Stipulation.
12. I (We) acknowledge that the inclusion of “Unknown Claims” in the definition of “Released Claims” released pursuant to the Settlement Stipulation was separately bargained for and is a material element of the Settlement of which this release is a part.
13. NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All Claimants MUST submit a manually signed paper Proof of Claim and Release Form listing all their transactions whether or not they also submit electronic copies. If you wish to file your claim electronically, you must contact the Claims Administrator at efile@strategicclaims.net or visit its website at www.strategicclaims.net to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the Claimant a written acknowledgment of receipt and acceptance of electronically submitted data.

I. CLAIMANT INFORMATION

Name		
Address		
City	State	ZIP
Foreign Province	Foreign Country	
Day Phone	Evening Phone	
Email		
Social Security Number (for individuals):	OR	Taxpayer Identification Number (for estates, trusts, corporations, etc.):

II. SCHEDULE OF TRANSACTIONS IN USA TECHNOLOGIES, INC. COMMON STOCK**Beginning Holdings:**

- A. State the total number of shares of USA Technologies, Inc. ("USAT") common stock held at the close of trading on August 21, 2017 (*must be documented*). If none, write "zero" or "0."

--

Purchases/Acquisitions:

- B. Separately list each and every purchase or acquisition of USAT common stock from August 22, 2017 through May 17, 2019, both dates inclusive, and provide the following information (*must be documented*):

Trade Date (List Chronologically) (Month/Day/Year)	Number of Shares Purchased	Price per Share	Total Cost (Excluding Commissions, Taxes, and Fees)

Sales:

C. Separately list each and every sale of USAT common stock between August 22, 2017 through May 17, 2019, both dates inclusive, and provide the following information (*must be documented*):

Trade Date (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Price per Share	Amount Received (Before Reduction for Commissions, Taxes, and Fees)

Ending Holdings:

D. State the total number of shares of USAT common stock held at the close of trading on May 17, 2019 (*must be documented*). If none, write “zero” or “0.”

--

If additional space is needed, attach separate, numbered sheets, giving all required information, substantially in the same format, and print your name and Social Security or Taxpayer Identification number at the top of each sheet.

III. SUBSTITUTE FORM W-9

Request for Taxpayer Identification Number:

Enter taxpayer identification number below for the Beneficial Owner(s). For most individuals, this is your Social Security Number. The Internal Revenue Service (“I.R.S.”) requires such taxpayer identification number. If you fail to provide this information, your claim may be rejected.

Social Security Number (for individuals)	or	Taxpayer Identification Number (for estates, trusts, corporations, etc.)

IV. CERTIFICATION

I (We) submit this Proof of Claim and Release Form under the terms of the Settlement Stipulation described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the Eastern District of Pennsylvania, with respect to my (our) claim as a Settlement Class Member and for purposes of enforcing the release and covenant not to sue set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of any judgment that may be entered in this Action. I (We) have not submitted any other claim covering the same purchases or sales of USAT common stock during the Settlement Class Period and/or in connection with the Secondary Offering and know of no other Person having done so on my (our) behalf.

I (We) certify that I am (we are) NOT subject to backup withholding under the provisions of Section 3406 (a)(1)(c) of the Internal Revenue Code because: (a) I am (we are) exempt from backup withholding; or (b) I (we) have not been notified by the I.R.S. that I am (we are) subject to backup withholding as a result of a failure to report all interest or dividends; or (c) the I.R.S. has notified me (us) that I am (we are) no longer subject to backup withholding.

NOTE: If you have been notified by the I.R.S. that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above.

UNDER THE PENALTIES OF PERJURY UNDER THE LAWS OF THE UNITED STATES, I (WE) CERTIFY THAT ALL OF THE INFORMATION I (WE) PROVIDED ON THIS PROOF OF CLAIM AND RELEASE FORM IS TRUE, CORRECT AND COMPLETE.

Signature of Claimant (If this claim is being made on behalf of Joint Claimants, then each must sign):

(Signature)

(Signature)

(Capacity of person(s) signing, e.g. beneficial purchaser(s), executor, administrator, trustee, etc.)

Check here if proof of authority to file is enclosed.
(See Item 2 under Claimant's Statement)

Date: _____

THIS PROOF OF CLAIM AND RELEASE FORM MUST BE POSTMARKED NO LATER THAN _____, 2020 AND MUST BE MAILED TO:

USA Technologies, Inc. Securities Litigation
c/o Strategic Claims Services
600 N. Jackson St., Ste. 205
P.O. Box 230
Media, PA 19063
Fax: (610) 565-7985
info@strategicclaims.net

A Proof of Claim and Release Form received by the Claims Administrator shall be deemed to have been submitted when posted, if mailed by _____, 2020 and if a postmark is indicated on the envelope and it is mailed first class and addressed in accordance with the above instructions. In all other cases, a Proof of Claim and Release Form shall be deemed to have been submitted when actually received by the Claims Administrator.

You should be aware that it will take a significant amount of time to process fully all of the Proof of Claim and Release Forms and to administer the Settlement. This work will be completed as promptly as time permits, given the need to investigate and tabulate each Proof of Claim and Release Form. Please notify the Claims Administrator of any change of address.

REMINDER CHECKLIST

- Please be sure to sign this Proof of Claim and Release Form on page _____. If this Proof of Claim and Release Form is submitted on behalf of joint claimants, then each claimant must sign.
- Please remember to attach supporting documents. Do NOT send any stock certificates. Keep copies of everything you submit.
- Do NOT use highlighter on the Proof of Claim and Release Form or any supporting documents.
- If you desire an acknowledgment of receipt of your claim form, please send it Certified Mail, Return Receipt Requested, or its equivalent.
- If you move or change your address, telephone number or email address, please submit the new information to the Claims Administrator, as well as any other information that will assist us in contacting you. NOTE: Failure to submit updated information to the Claims Administrator may result in the Claims Administrator's inability to contact you regarding issues with your claim or deliver payment to you.

Exhibit A-3

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA**

IN RE USA TECHNOLOGIES, INC.
SECURITIES LITIGATION,

Master File No. 2:19-cv-04565-JHS

CLASS ACTION

**SUMMARY NOTICE OF PENDENCY AND
PROPOSED CLASS ACTION SETTLEMENT**

TO: ALL PERSONS WHO PURCHASED OR ACQUIRED USA TECHNOLOGIES, INC. (“USAT”) COMMON STOCK FROM AUGUST 22, 2017 THROUGH FEBRUARY 6, 2019 BOTH DATES INCLUSIVE, AND/OR PURCHASED USAT COMMON STOCK IN OR TRACEABLE TO USAT’S MAY 23, 2018 FOLLOW-ON PUBLIC OFFERING¹

YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States District Court for the Eastern District of Pennsylvania, that a hearing will be held on _____, 2020, at __:___ .m. before the Honorable Joel H. Slomsky, United States District Judge of the Eastern District of Pennsylvania, James A. Byrne U.S. Courthouse, 601 Market Street, Philadelphia, PA 19106 for the purpose of determining: (1) whether the proposed Settlement of the claims in the above-captioned Action for consideration including the sum of \$15,300,000.00 should be approved by the Court as fair, reasonable, and adequate; (2) whether the proposed plan to distribute the Settlement proceeds is fair, reasonable, and adequate; (3) whether the application of Plaintiffs’ Counsel for an award of attorneys’ fees of up to 20% plus interest of the Settlement Amount, reimbursement of expenses of not more than \$125,000, and an Award to Plaintiffs of no more than \$20,000 in total, should be approved; and (4) whether this Action should be dismissed with

¹ All capitalized terms not otherwise defined herein shall have the same meanings as set forth in the Stipulation and Agreement of Settlement, dated May 29, 2020 (the “Settlement Stipulation”).

prejudice as set forth in the Stipulation and Agreement of Settlement, dated May 29, 2020 (the “Settlement Stipulation”). The Court reserves the right to hold the Settlement Hearing telephonically or by other virtual means.

If you purchased or otherwise acquired USAT common stock during the period from August 22, 2017 through February 6, 2019, both dates inclusive, and/or in or traceable to USAT’s May 23, 2018 follow-on public offering pursuant to USAT’s Registration Statement and Prospectus issued in connection therewith, your rights may be affected by this Settlement, including the release and extinguishment of claims you may possess relating to your ownership interest in USAT common stock. If you have not received a detailed Notice of Pendency and Proposed Settlement of Class Action (“Notice”) and a copy of the Proof of Claim and Release Form, by First Class mail or this Summary Notice by email, you may obtain copies by writing to or calling the Claims Administrator: USA Technologies, Inc. Securities Litigation, c/o Strategic Claims Services, 600 N. Jackson St., Ste. 205, P.O. Box 230, Media, PA 19063; (Tel) (866) 274-4004; (Fax) (610) 565-7985; info@strategicclaims.net. You can also download copies of the Notice and submit your Proof of Claim and Release Form online at www.strategicclaims.net. If you are a member of the Settlement Class, in order to share in the distribution of the Net Settlement Fund, you must submit a Proof of Claim and Release Form electronically or postmarked no later than _____, 2020 to the Claims Administrator, establishing that you are entitled to recovery. Unless you submit a written exclusion request, you will be bound by any judgment rendered in the Action whether or not you make a claim.

If you desire to be excluded from the Settlement Class, you must submit to the Claims Administrator a request for exclusion so that it is received no later than _____, 2020, in the manner and form explained in the Notice. All members of the Settlement Class who have not

requested exclusion from the Settlement Class will be bound by any judgment entered in the Action pursuant to the Settlement Stipulation.

Any objection to the Settlement, Plan of Allocation, or Plaintiffs' Counsel's request for an award of attorneys' fees and reimbursement of expenses and Award to Plaintiffs must be in the manner and form explained in the detailed Notice and received no later than _____, 2020, and must be mailed to each of the following:

Clerk of the Court
United States District Court
Eastern District of Pennsylvania
James A. Byrne U.S. Courthouse
601 Market Street
Philadelphia, PA 19106

LEAD COUNSEL:

THE ROSEN LAW FIRM, P.A.
Phillip Kim
101 Greenwood Avenue
Suite 440
Jenkintown, PA 19046

COUNSEL FOR DEFENDANTS
USAT AND HERBERT:

BALLARD SPAHR LLP
M. Norman Goldberger
1735 Market Street, 51st Floor
Philadelphia, PA 19103

COUNSEL FOR DEFENDANTS
BARNHART, BROOKS, METZGER,
MOSCHNER, REILLY, AND
SCHOCH:

FOX ROTHSCHILD LLP
Abraham C. Reich
Gerald E. Arth
2000 Market Street, 20th Floor
Philadelphia PA 19103

COUNSEL FOR DEFENDANT
SINGH:

BAKER & HOSTETLER LLP
Douglas W. Greene
45 Rockefeller Plaza
New York, NY 10111

COUNSEL FOR DEFENDANTS
WILLIAM BLAIR & COMPANY,
L.L.C., CRAIG-HALLUM CAPITAL
GROUP LLC, NORTHLAND
SECURITIES, INC., AND
BARRINGTON RESEARCH
ASSOCIATES, INC.:

MORGAN, LEWIS & BOCKIUS
LLP
Marc J. Sonnenfeld
1701 Market Street
Philadelphia, PA 19103

If you have any questions about the Settlement, you may call or write to Lead Counsel:

THE ROSEN LAW FIRM, P.A.
Phillip Kim
101 Greenwood Avenue, Suite 440
Jenkintown, PA 19046
Tel: (215) 600-2817
pkim@rosenlegal.com

PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE REGARDING THIS NOTICE.

Dated: _____, 2020

BY ORDER OF THE UNITED STATES
DISTRICT COURT FOR THE EASTERN
DISTRICT OF PENNSYLVANIA

Exhibit A-4

U.S. District Court for the Eastern District of Pennsylvania
c/o Strategic Claims Services
P.O. Box 230
Media, PA 19063

PRESORTED
FIRST-CLASS
MAIL U.S.
POSTAGE PAID

**Court-Ordered Legal Notice
Forwarding Service Requested**

*Important Notice about a Securities
Class Action Settlement*

*You may be entitled to a payment.
This Notice may affect your legal
rights.*

Please read it carefully.

Case No. 2:19-cv-04565 (E.D. Pa.)

Case Pending in the United States District Court for the
Eastern District of Pennsylvania

[NAME 1]
[NAME 2]
[NAME 3]
[ADDRESS 1]
[ADDRESS 2]

THIS CARD PROVIDES ONLY LIMITED INFORMATION ABOUT THE SETTLEMENT.

PLEASE VISIT WWW.STRATEGICCLAIMS.NET OR CALL 1-866-274-4004 FOR MORE INFORMATION.

The United States District Court for the Eastern District of Pennsylvania (the “Court”) has preliminarily approved a proposed Settlement of claims against USA Technologies, Inc. (“USAT”) Stephen Herbert, Priyanka Singh, Steven Barnhart, Joel Brooks, Robert Metzger, Albin Moschner, William Reilly, Jr., William Schoch, William Blair & Company, L.L.C., Craig-Hallum Capital Group LLC, Northland Securities, Inc., and Barrington Research Associates, Inc. (collectively, the “Defendants”). The proposed Settlement would resolve a class action lawsuit alleging that, in violation of the federal securities laws, Defendants allegedly made misrepresentations and/or omissions of material fact in various public statements to the investing public concerning USAT’s financial statements. Defendants deny the allegations.

You received this notice because you may have purchased purchased or otherwise acquired the common stock of USAT: (a) between August 22, 2017 through February 6, 2019, both dates inclusive; and/or (b) in or traceable to USAT’s May 23, 2018 follow-on public offering pursuant to the Registration Statement and Prospectus issued in connection therewith, and you may be a Settlement Class Member. The Settlement dismisses and releases claims against Defendants. A fund consisting of \$15,300,000.00, less attorneys’ fees and expenses, will be divided among Settlement Class Members who timely submit valid Proof of Claim and Release Forms (“Proof of Claim”). For a full description of the Settlement and your rights and to make a claim, please view the Stipulation and Agreement of Settlement and obtain a copy of the Notice of Pendency and Proposed Settlement of Class Action (“Notice”) and Proof of Claim by visiting the website: www.strategicclaims.net. You may also request copies of the Notice and Proof of Claim from the Claims Administrator by: (1) mail: USA Technologies, Inc. Securities Litigation, c/o Strategic Claims Services, P.O. Box 230, 600 N. Jackson St., Ste. 205, Media, PA 19063; (2) phone: (866) 274-4004; (3) fax: (610) 565-7985; or (4) email: info@strategicclaims.net.

To qualify for payment, you must submit a Proof of Claim, which can be found on the website www.strategicclaims.net. **PROOFS OF CLAIM ARE DUE BY _____, 2020 TO USA TECHNOLOGIES, INC. SECURITIES LITIGATION, C/O STRATEGIC CLAIMS SERVICES, P.O. BOX 230, 600 N. JACKSON ST., STE 205, MEDIA, PA 19063** or submitted electronically at www.strategicclaims.net. If you do not want to be legally bound by the Settlement, you must exclude yourself by _____, 2020. If you exclude yourself, you cannot receive funds from this Settlement. If you stay in the Settlement, you may object to it by _____, 2020. The Notice explains how to exclude yourself or to object.

The Court will hold a hearing in this case on _____, 2020 at ____:____.m. at the Court, 601 Market Street, Courtroom 13614, Philadelphia, PA 19106, to consider whether to approve the Settlement, the Plan of Allocation, and a request by Plaintiffs’ Counsel for up to 20% of the Settlement Fund for their attorneys’ fees, plus up to \$125,000 in expenses, and Awards to Plaintiffs of no more than \$20,000 in total, for litigating the cases and negotiating the Settlement. You may, but do not have to, attend the hearing and ask to be heard by the Court. The Court reserves the right to hold the Settlement Hearing telephonically or by other virtual means.

Exhibit B

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA**

IN RE USA TECHNOLOGIES, INC.
SECURITIES LITIGATION,

Master File No. 2:19-cv-04565-JHS

CLASS ACTION

[PROPOSED] ORDER AND JUDGMENT

On the ____ day of _____, 2020, a hearing having been held before this Court to determine: (1) whether the terms and conditions of the Stipulation and Agreement of Settlement dated May 29, 2020 (the “Settlement Stipulation”) are fair, reasonable and adequate for the settlement of all claims asserted by the Settlement Class against Defendants (as defined in the Settlement Stipulation), including the release of the Released Claims against the Released Parties, and should be approved; (2) whether judgment should be entered dismissing the Action with prejudice; (3) whether to approve the proposed Plan of Allocation as a fair and reasonable method to allocate the Net Settlement Fund among Settlement Class Members; (4) whether and in what amount to award Plaintiffs’ Counsel as fees and reimbursement of expenses; and (5) whether and in what amount to award Plaintiffs; and

The Court having considered all matters submitted to it at the hearing and otherwise; and

It appearing in the record that the Notice substantially in the form approved by the Court in the Court’s Order Granting Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement, dated _____, 2020 (“Preliminary Approval Order”) was mailed to all reasonably identifiable Settlement Class Members and posted to the website of the Claims Administrator, both in accordance with the Preliminary Approval Order and the specifications of the Court; and

It appearing in the record that the Summary Notice substantially in the form approved by the Court in the Preliminary Approval Order was published and emailed to identifiable Settlement Class Members when an email address was provided to the Claims Administrator in accordance with the Preliminary Approval Order and the specifications of the Court;

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED
THAT:

1. This Order and Judgment incorporates by reference the definitions in the Settlement Stipulation, and all capitalized terms used herein shall have the same meanings as set forth therein.

2. The Court has jurisdiction over the subject matter of the Action, Plaintiffs, all Settlement Class Members, and Defendants.

3. The Court finds that, for settlement purposes only, the prerequisites for a class action under Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that:

(a) the number of Settlement Class Members is so numerous that joinder of all members thereof is impracticable;

(b) there are questions of law and fact common to the Settlement Class;

(c) the claims of the Plaintiffs are typical of the claims of the Settlement Class;

(d) Plaintiffs and Plaintiffs' Counsel fairly and adequately represent the interests of the Settlement Class;

(e) questions of law and fact common to the members of the Settlement Class predominate over any questions affecting only individual members of the Settlement Class; and

(f) a class action is superior to other available methods for the fair and efficient adjudication of this Action, considering:

i. the interests of the Settlement Class Members in individually controlling the prosecution of the separate actions;

ii. the extent and nature of any litigation concerning the controversy already commenced by Settlement Class Members;

iii. the desirability or undesirability of concentrating the litigation of these claims in this particular forum; and

- iv. the difficulties likely to be encountered in the management of the class action.

The Settlement Class is being certified for settlement purposes only.

4. The Court hereby finally certifies this action as a class action for purposes of the Settlement, pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure, on behalf of all persons, entities, and Investment Vehicles, other than Defendants and their affiliates, who purchased or otherwise acquired USAT common stock from August 22, 2017 through February 6, 2019, both dates inclusive, seeking to recover compensable damages caused by USAT's and the Officer Defendants' purported violations of the Securities Exchange Act of 1934 ("Exchange Act Class"); and a subclass consisting of all persons, entities and Investment Vehicles who purchased USAT common stock in or traceable to the Company's May 23, 2018 follow-on public offering pursuant to the Company's Registration Statement and Prospectus issued in connection with that offering seeking to recover compensable damages caused by Defendants' purported violations of the Securities Act of 1933 ("Securities Act Subclass"). Excluded from the Exchange Act Class and Securities Act Subclass are Defendants, the present and former officers and directors of USAT at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a majority interest. Also excluded from the Settlement Class are those Persons who filed valid and timely requests for exclusion in accordance with the Preliminary Approval Order.

5. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, for the purposes of this Settlement only, Plaintiffs are certified as the class representatives on behalf of the Settlement Class ("Class Representatives") and Lead Counsel previously selected by Lead Plaintiff and

appointed by the Court is hereby appointed as Class Counsel for the Settlement Class (“Class Counsel”).

6. In accordance with the Court’s Preliminary Approval Order, the Court hereby finds that the forms and methods of notifying the Settlement Class of the Settlement and its terms and conditions met the requirements of due process, Rule 23 of the Federal Rules of Civil Procedure, and Section 21D(a)(7) of the Exchange Act, 15 U.S.C. § 78u-4(a)(7), as amended by the Private Securities Litigation Reform Act of 1995; constituted the best notice practicable under the circumstances; and constituted due and sufficient notice of these proceedings and the matters set forth herein, including the Settlement and Plan of Allocation, to all persons and entities entitled to such notice. No Settlement Class Member is relieved from the terms and conditions of the Settlement, including the releases provided for in the Settlement Stipulation, based upon the contention or proof that such Settlement Class Member failed to receive actual or adequate notice. A full and fair opportunity has been offered to the Settlement Class Members to object to the proposed Settlement and to participate in the hearing thereon. The Court further finds that the notice provisions of the Class Action Fairness Act, 28 U.S.C. § 1715, were fully discharged. Thus, it is hereby determined that all Settlement Class Members are bound by this Order and Final Judgment except those persons listed on Exhibit A to this Order and Final Judgment.

7. The Settlement is approved as fair, reasonable and adequate under Rule 23 of the Federal Rules of Civil Procedure, and in the best interests of the Settlement Class. This Court further finds that the Settlement set forth in the Settlement Stipulation is the result of good faith, arm’s-length negotiations between experienced counsel representing the interests of Class Representatives, Settlement Class Members and Defendants. The Parties are directed to

consummate the Settlement in accordance with the terms and provisions of the Settlement Stipulation.

8. The Action and all claims contained therein, as well as all of the Released Claims, are dismissed with prejudice as against Defendants and the Released Parties. The Parties are to bear their own costs, except as otherwise provided in the Settlement Stipulation.

9. The Releasing Parties, on behalf of themselves, their successors and assigns, and any other Person claiming (now or in the future) through or on behalf of them, regardless of whether any such Releasing Party ever seeks or obtains by any means, including without limitation by submitting a Proof of Claim and Release Form, any disbursement from the Settlement Fund, shall be deemed to have, and by operation of this Order and Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims against the Released Parties. The Releasing Parties shall be deemed to have, and by operation of this Order and Judgment shall have, covenanted not to sue the Released Parties with respect to any and all Released Claims in any forum and in any capacity. The Releasing Parties shall be and hereby are permanently barred and enjoined from asserting, commencing, prosecuting, instituting, assisting, instigating, or in any way participating in the commencement or prosecution of any action or other proceeding, in any forum, asserting any Released Claim, in any capacity, against any of the Released Parties. Nothing contained herein shall, however, bar the Releasing Parties from bringing any action or claim to enforce the terms of the Settlement Stipulation or this Order and Final Judgment.

10. To the fullest extent permitted by law, all Persons shall be permanently enjoined, barred and restrained from bringing, commencing, prosecuting or asserting any claims, actions, or causes of action for contribution, indemnity or otherwise against any of the Released Parties

seeking as damages or otherwise the recovery of all or any part of any liability, judgment or settlement which they pay or are obligated to pay or agree to pay to the Settlement Class or any Settlement Class Member arising out of, relating to or concerning such Persons' participation in any acts, facts, statements or omissions that were or could have been alleged in the Action, whether arising under state, federal or foreign law as claims, cross-claims, counterclaims, third-party claims or otherwise, in the Court or any other federal, state, or foreign court, or in any arbitration proceeding, administrative agency proceeding, tribunal, or any other proceeding or forum. Nothing in the Settlement Stipulation or this Order and Judgment shall apply to bar or otherwise affect any claim for insurance coverage by any Defendant or any claim brought directly by or derivatively on behalf of any Defendant against any of its Related Parties, any other Defendant, or any other Defendant's Related Parties.

11. The Court hereby finds that the proposed Plan of Allocation is a fair and reasonable method to allocate the Net Settlement Fund among Settlement Class Members, and Class Counsel and the Claims Administrator are directed to administer the Plan of Allocation in accordance with its terms and the terms of the Settlement Stipulation.

12. The Court finds that the Parties and their counsel have complied with all requirements of Rule 11 of the Federal Rules of Civil Procedure and the Private Securities Litigation Reform Act of 1995 as to all proceedings herein.

13. Nothing in this Order and Judgment, the Settlement Stipulation (including the Settlement contained therein), the terms and provisions of the Settlement, or any of the negotiations, documents or proceedings connected with the Settlement and this Order and Judgment is, may be deemed to be or may be used in any civil, criminal or administrative

proceeding in any court, administrative agency or other tribunal as an admission, concession, or evidence of:

(a) the validity or invalidity of any Released Claims, the truth or falsity of any fact alleged by Class Representatives or in any pleadings in the Action, the sufficiency or deficiency of any defense that has been or could be asserted in the Action, or of any wrongdoing, liability, negligence or fault of Defendants, the Released Parties, or each or any of them;

(b) any fault or misrepresentation or omission with respect to any statement or written document attributed to, approved or made by Defendants or Released Parties;

(c) the infirmity or strength of any claim raised in the Action, the truth or falsity of any fact alleged by the Class Representatives or the Settlement Class, or the availability or lack of availability of meritorious defenses to the claims raised in the Action;

(d) the merits or lack of merit of any of Class Representatives' or Settlement Class Members' claims;

(e) the appropriateness or inappropriateness of class certification of any litigation class; or

(f) the validity or amount of any damages sought or potentially recoverable in the Action.

14. The Released Parties may file the Settlement Stipulation and/or this Order and Judgment in any other action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, full faith and credit, release, good faith settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim. The Parties may file the Settlement Stipulation

and/or this Order and Judgment in any proceedings that may be necessary to consummate or enforce the Settlement Stipulation, the Settlement, or this Order and Judgment.

15. Except as otherwise provided herein or in the Settlement Stipulation, all funds held by the Escrow Agent shall be deemed to be in *custodia legis* and shall remain subject to the jurisdiction of the Court until such time as the funds are distributed or returned pursuant to the Settlement Stipulation and/or further order of the Court.

16. Without affecting the finality of this Order and Judgment in any way, this Court hereby retains continuing exclusive jurisdiction over the Parties and the Settlement Class Members for all matters relating to the Action, including the administration, interpretation, effectuation or enforcement of the Settlement Stipulation and this Order and Judgment, and including any application for fees and expenses incurred in connection with administering and distributing the Net Settlement Fund to the Settlement Class Members.

17. Without further order of the Court, Defendants and Class Representatives may agree to reasonable extensions of time to carry out any of the provisions of the Settlement Stipulation.

18. There is no just reason for delay in the entry of this Order and Judgment and immediate entry by the Clerk of the Court is expressly directed pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

19. The finality of this Order and Judgment shall not be affected, in any manner, by rulings that the Court may make on Class Counsel's application for an award of attorneys' fees and expenses or an award to Class Representatives.

20. In the event the Settlement is not consummated in accordance with the terms of the Settlement Stipulation, then the Settlement Stipulation and this Order and Judgment (including

any amendment(s) thereof, and except as expressly provided in the Settlement Stipulation or by order of the Court) shall be null and void, of no further force or effect, and without prejudice to any Party, and may not be introduced as evidence or used in any action or proceeding by any Person against the Parties or the Released Parties, and each Settling Party shall be restored to his, her or its respective litigation positions as they existed prior to March 24, 2020, pursuant to the terms of the Settlement Stipulation.

Dated: _____, 2020

HON. JOEL H. SLOMSKY
UNITED STATES DISTRICT JUDGE