

USA TECHNOLOGIES, INC.
NOMINATING AND CORPORATE GOVERNANCE COMMITTEE
CHARTER

Purpose

The Nominating And Corporate Governance Committee (the “Committee”) is appointed by the Board of Directors of USA Technologies, Inc. (the “Company”) to assist the Board by: (i) developing and recommending to the Board the corporate governance principles and guidelines to be adopted by the Board; (ii) in consultation with the Lead Independent Director and Chairman of the Board, recommending to the Board the members and Chair for each Board Committee; (iii) conducting an annual assessment as to the effectiveness of the Board; and (iv) identifying and recommending to the Board individuals qualified to become Board members.

Membership

The Committee shall be comprised of not more than four (4) and not less than two (2) independent directors, each of whom shall meet all applicable requirements of the Securities and Exchange Commission (“SEC”), The NASDAQ Stock Market, LLC (“NASDAQ”) and other regulatory agencies, as in effect from time to time. The Board appoints the members of the Committee who shall serve until their successors shall have been duly elected and qualified or until their earlier death, resignation or removal, with or without cause, at the discretion of the Board. Should any member of the Committee cease to be independent, such member shall immediately resign his or her membership on the Committee.

The Board shall appoint one member to act as the Chair. The Chair (or a member designated by the Chair) shall preside at all meetings of the Committee. The Chair shall be responsible for leadership of the Committee, including scheduling meetings, preparing agendas and making reports to the Board.

Operations

The Committee shall meet as frequently as necessary (at least once each year). The Committee will report on its actions and activities to the Board. The Committee is governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent with (a) any provision of this Charter, (B) any provision of the Articles of Incorporation or By-laws of the Company, or (c) the laws of the Commonwealth of Pennsylvania.

The Committee shall keep records of its activities, meetings, etc., at the office of the Corporate Secretary, and keep regular minutes of its meetings.

Authority

The Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes of the Committee.

The Committee may, in the course of its duties, and with the approval of the Board of Directors, at the Company’s expense, retain and terminate such consultants, search firms or other external advisers, as the Committee deems advisable, including determining their fees and other retention terms.

Responsibilities

The Committee shall:

1. Review and make recommendations to the Board on the range of skills and expertise and other appropriate criteria which should be represented on the Board, including any criteria for membership on the Board required by

or in accordance with the rules and regulations of any governmental or regulatory body exercising authority over the Company, including, without limitation, the SEC and NASDAQ.

2. Identify and recommend, for selection by the Board, nominees for election or re-election to the Board, or to fill any vacancies on the Board.
3. Advise and provide input to the Board of Directors for its consideration of the appropriate size of the Board of Directors.
4. Review and consider shareholder recommended candidates for nomination to the Board. The Committee may adopt procedures from time to time for the submission of candidates by shareholders.
5. The Committee shall work with management to provide an orientation and education program for new Directors to allow them to understand (i) the business of the Company and the role of its Board of Directors, (ii) the role of the Committees of the Board and (iii) the contribution individual directors are expected to make, including in particular, the commitment of time and energy that the Company expects of its directors.
6. In consultation with the Lead Independent Director and Chairman of the Board, make recommendations to the Board regarding the composition of Board Committees, and annually review the composition of each Committee and present recommendations for Committee memberships to the Board as needed.
7. Provide to the Board the Committee's assessment of which directors should be deemed independent directors under applicable SEC and NASDAQ rules and regulations.
8. Establish procedures for, conduct and administer, an annual performance and effectiveness evaluation of the Board and report annually to the Board the results of its assessment.
9. Recommend to the Chair of each Committee guidelines and metrics for the annual self-evaluation assessment to be used by each Committee in connection with its respective annual self-evaluation assessment.
10. Review corporate governance policies and systems against applicable laws, regulation, and industry specific standards and practices, if any, including any securities regulatory authority or NASDAQ guidelines applicable to the Company.
11. Identify best practices and develop and recommend to the Board corporate governance principles. Make any recommendations to the Board of Directors deemed appropriate or necessary for good corporate governance practices and oversee implementation and operation of process, structures and effective systems of corporate governance as approved by the Board of Directors.
12. Recommend to the Board such additional actions related to corporate governance matters as the Committee may deem necessary or advisable from time to time.
13. Conduct an annual review of its performance, and annually assess the effectiveness of the Committee against its general role and mandate (as specified in this Charter) and report the results of the assessment to the Board of Directors.
14. In consultation with management, annually review the D&O liability insurance policy, including its coverage and terms.

Amendments

This Charter of the Committee may be amended only by a resolution of the Board. The Committee shall review and reassess the adequacy of this Charter periodically and recommend any proposed changes to the Board for approval.

Adopted: October 26, 2012