

EXHIBIT C

100 Deerfield Lane
Suite 140
Malvern, PA 19355,
Plaintiff,

MICHAEL KUNZ, Clerk
By MS Dep. Clerk

CIVIL ACTION NO.

v.

NO.:

09 - 3899

JOHN DOE AND JANE DOE
ANONYMOUS INTERNET WEBSITE
BLOGGERS OPERATING AS
MICHAEL_MOORE_IS_FAT and
STOKKLERK,
addresses unknown,
Defendants.

COMPLAINT

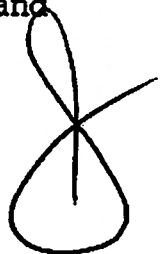
Plaintiff USA Technologies, Inc. (hereinafter "USAT"), by its attorneys, Lurio & Associates, P.C., hereby makes claim against Defendants John Doe and Jane Doe, anonymous website bloggers operating as "Michael_Moore_is_fat" and "Stokklerk" and avers in support thereof as follows:

PARTIES

1. USAT is a Pennsylvania corporation with its principal place of business at 100 Deerfield Lane, Suite 140, Malvern, PA 19355.

2. USAT is a public company whose stock is traded on the National Association of Securities Dealers, Inc.'s Global Market under the symbol "USAT".

3. USAT is a provider of cashless, micro-transactions and



FACTUAL ALLEGATIONS

10. The following messages posted by "stokklerk" contain false and defamatory information about USAT and its management:

- (a) A message posted by "stokklerk" on August 6, 2009 at 2:02 P.M. accused USAT's Chief Executive Officer George R. Jensen, Jr. (hereinafter "Jensen") of "fleecing humanity".
- (b) A message posted by "stokklerk" on August 4, 2009 at 8:29 P.M. accused Jensen of being a "known liar".
- (c) A message posted by "stokklerk" on August 16, 2009 at 11:29 P.M. accused USAT of "legalized highway robbery".
- (d) Multiple messages posted by "stokklerk" accused USAT of being a Ponzi scheme. The messages were posted on August 24, 2009 at 5:29 P.M.; August 24, 2009 at 1:00 P.M.; August 24, 2009 at 10:58 A.M.; August 19, 2009 at 4:35 P.M.; August 19, 2009 at 9:15 A.M.; August 18, 2009 at 12:26 P.M.; August 18, 2009 at 10:23 A.M.; August 18, 2009 at 8:23 A.M.; August 17, 2009 at 7:49 P.M.; August 17, 2009 at 2:04 P.M.; August 14, 2009 at 2:49 P.M.; August 14, 2009 at 11:01 A.M.; August 14, 2009 at 9:25 A.M.; August 11, 2009 at 11:56 A.M.; August 10, 2009 at 2:34 P.M.; August 6, 2009 at 2:02 P.M.; August 6, 2009 at 9:02 A.M.; August 5,

11. The following messages posted by "michael_moore_is_fat" contain false and defamatory information about USAT and its Chief Executive Officer:

- (a) A message posted by "michael_moore_is_fat" on August 5, 2009 at 11:57 A.M. accused USAT of being a scam to enrich management.
- (b) A message was posted by "michael_moore_is_fat" on August 5, 2009 at 8:14 A.M. accused USAT of criminal activity, stating "a crime is in the process of being committed".
- (c) A message was posted by "michael_moore_is_fat" on February 11, 2009 at 10:38 P.M. stated that USAT's Chief Executive Officer Jensen should be sharing a [jail] cell with Bernie [Madoff].
- (d) A message was posted by "michael_moore_is_fat" on November 3, 2008 at 9:07 P.M. stated that USAT's Management has been raiding the cash drawer for years.
- (e) Messages posted by "michael_moore_is_fat" on the following dates accused USAT of being a scam: August 5, 2009 at 8:14 A.M.; July 30, 2009 at 9:49 A.M.; November 3, 2008 at 9:07 P.M.; September 9, 2008 at 7:50 P.M.; April

COUNT I

PLAINTIFF USA TECHNOLOGIES, INC. V. DEFENDANTS ANONYMOUS INTERNET WEBSITE BLOGGERS OPERATING AS "MICHAEL MOORE IS FAT" AND "STOKKLERK" PURSUANT TO SECTION 10(b) OF THE SECURITIES EXCHANGE ACT OF 1934, 15 U.S.C. § 78j(b), AND RULE 10b-5 OF THE SECURITIES EXCHANGE COMMISSION, 17 C.F.R. § 240.10b-5

12. Paragraphs 1 through 11 hereof are incorporated by reference herein as if set forth in full.

13. Defendants made the above referenced false and fraudulent misrepresentations and statements in an attempt to manipulate the stock market price of USAT stock in violation of Section 10(b) of the Securities Exchange Act of 1934, 15 U.S.C. § 78j(b), and Rule 10b-5 of the Securities Exchange Commission, 17 C.F.R. § 240.10b-5.

14. Each of the Defendants carried out a plan, scheme and course of conduct which was intended to and did deceive the investing public and negatively affect the price of USAT's stock. In furtherance of this unlawful scheme, plan and course of conduct, Defendants, and each of them, took the actions set forth herein.

15. Defendants (i) employed devices, schemes, and artifices to defraud; (ii) made untrue statements of material fact and/or omitted to state material facts necessary to make the statements

purchasers of USAT stock, in an effort to enrich themselves through undisclosed manipulative trading tactics by which they wrongfully distorted the pricing of USAT stock in violation of Section 10(b) of the Exchange Act and Rule 10b-5.

16. The Defendants employed devices, schemes and artifices to defraud and a course of conduct and scheme as alleged herein to unlawfully manipulate and profit from secretly timed trading and thereby engaged in transactions, practices and a course of business which operated as a fraud and deceit.

17. The Defendants had actual knowledge of the misrepresentations of material facts set forth herein, or acted with reckless disregard for the truth in that they failed to ascertain and to disclose such facts, even though such facts were available to them. Such defendants' material misrepresentations and/or omissions were done knowingly or recklessly and for the purpose and effect of concealing the truth.

18. As a result of the dissemination of the materially false and misleading information and failure to disclose material facts, as set forth above, the market price of USAT's stock was distorted.

19. Defendants acted with scienter in that Defendants knew that the public documents and statements issued or disseminated on

or disseminated to the investing public, and knowingly and substantially participated or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the federal securities laws.

20. By virtue of the foregoing, Defendants have violated Section 10(b) of the Exchange Act of 1934, 15 U.S.C. § 78j(b), and Rule 10b-5 of the Securities Exchange Commission, 17 C.F.R. § 240.10b-5, and USAT has been damaged thereby.

WHEREFORE, Plaintiff USA Technologies, Inc. demands judgment in its favor and against John Doe and Jane Does, anonymous website bloggers operating as "Michael_Moore_is_fat" and "Stokklerk", for money damages plus interest, costs, and any other relief deemed appropriate by this court.

COUNT II
PLAINTIFF USA TECHNOLOGIES, INC. V. DEFENDANTS ANONYMOUS INTERNET
WEBSITE BLOGGERS OPERATING AS "MICHAEL MOORE IS FAT" AND
"STOKKLERK", DEFAMATION

21. Paragraphs 1 through 20 hereof are incorporated by reference herein as if set forth in full.

22. USAT believes and avers that there is a sufficient basis for a defamation action against the Defendants since: the communications apply to USAT; a recipient would understand their defamatory meaning applied to USAT; special harm resulted to USAT

in its favor and against John Doe and Jane Doe, anonymous website bloggers operating as "Michael_Moore_is_fat" and "Stokklerk", for money damages plus interest, costs, and any other relief deemed appropriate by this court.

LURIO & ASSOCIATES, P.C.

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