Thomson Craig Form 4 July 12, 2011

FORM 4

OMB APPROVAL

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

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16.

January 31, Expires: 2005

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Estimated average burden hours per response... 0.5

Form 4 or Form 5 obligations may continue. See Instruction

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading **Thomson Craig** Issuer Symbol LML PAYMENT SYSTEMS INC (Check all applicable) [LMLP] (Last) (First) (Middle) 3. Date of Earliest Transaction Director 10% Owner X_ Officer (give title Other (specify (Month/Day/Year) below) below) 1140 W. PENDER ST., SUITE 1680 07/08/2011 President (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person

VANCOUVER, A1 V6E 4G1

(State)

(Zip)

(City)

(City)	(State)	Table	e I - Non-Do	erivative S	Securi	ties Ac	quired, Disposed	of, or Beneficia	lly Owned
1.Title of	2. Transaction Date	2A. Deemed	3.	4. Securi	ties		5. Amount of	6. Ownership	7. Nature of
Security	(Month/Day/Year)	Execution Date, if	Transactio	nAcquired	d (A) c	or	Securities	Form: Direct	Indirect
(Instr. 3)		any	Code	Disposed	d of (D))	Beneficially	(D) or	Beneficial
		(Month/Day/Year)	(Instr. 8)	(Instr. 3,	4 and	5)	Owned	Indirect (I)	Ownership
							Following	(Instr. 4)	(Instr. 4)
					(4)		Reported		
					(A)		Transaction(s)		
			Code V	Amount	or (D)	Price	(Instr. 3 and 4)		
						\$			Owned by
Common	07/08/2011		S(1)	3,400	D	\$ 4.1	910,733	I	588267
						4.1			B.C. Ltd.

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transactic Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			7. Title and A Underlying S (Instr. 3 and	Securities
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Incentive Stock Options (right to buy)	\$ 1.62					08/18/2010 <u>(2)</u>	08/18/2015	Common	200,000
Incentive Stock Options (right to buy)	\$ 3.9					04/04/2008(3)	10/04/2012	Common	300,000

Reporting Owners

Reporting Owner Name / Address	Relationships						
Transfer de la companya de la compan	Director	10% Owner	Officer	Other			
Thomson Craig 1140 W. PENDER ST. SUITE 1680 VANCOUVER, A1 V6E 4G1			President				

Signatures

/s/ Craig
Thomson 07/12/2011

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The securities were sold pursuant to a Rule 10b5-1 trading plan entered into June 23, 2011.
- Options exercisable as to 50,000 options on August 18, 2010 and the remaining 150,000 options exercisable as to 25,000 options every 6 months thereafter.
- Options exercisable as to 50,000 options on April 4, 2008 and the remaining 250,000 options exercisable as to 50,000 options every 6 months thereafter.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Reporting Owners 2

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