

Thomson Craig
Form 4
July 08, 2011

FORM 4

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

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

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

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Thomson Craig

2. Issuer Name **and** Ticker or Trading
Symbol
LML PAYMENT SYSTEMS INC
[LMLP]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
1140 W. PENDER ST., SUITE 1680
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
07/06/2011

____ Director ____ 10% Owner
____X____ Officer (give title ____ Other (specify
below) below)
President

VANCOUVER, A1 V6E 4G1

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common	07/06/2011		S(1)		33,000	D	\$ 4.1041
							933,433
							I
							Owned by 588267 B.C. Ltd.
Common	07/07/2011		S(1)		19,300	D	\$ 4.1011
							914,133
							I
							Owned by 588267 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
information contained in this form are not
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(9-02)

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

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. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				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 ⁽²⁾	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			
	Director	10% Owner	Officer	Other
Thomson Craig 1140 W. PENDER ST. SUITE 1680 VANCOUVER, A1 V6E 4G1			President	

Signatures

/s/ Craig
Thomson 07/08/2011

__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.
- (2) 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.

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- (3) 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.

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