



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549-3561

Mail Stop 3561

October 20, 2009

Mr. Patrick H. Gaines  
LML Payment Systems Inc.  
1680-1140 West Pender Street  
Vancouver, British Columbia V6E 4G1  
Canada

**Re: LML Payment Systems Inc.**  
**Form 10-K for the year ended March 31, 2009**  
**Filed June 23, 2009**  
**Form 8-K filed June 23, 2009**  
**File No. 0-13959**

Dear Mr. Gaines:

We have completed our review of your Form 10-K and related filings and have no further comments at this time on the specific issues raised.

Sincerely,

Jennifer Thompson  
Accounting Branch Chief