

DONNELLY MICHAEL
Form 3
June 14, 2006

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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

(Print or Type Responses)

1. Name and Address of Reporting Person *

Â DONNELLY MICHAEL

(Last) (First) (Middle)

C/O STOCKGROUP
INFORMATION SYSTEMS
INC.,Â 599 LEXINGTON AVE,
SUITE 4102

(Street)

NEW YORK,Â NYÂ 10022

(City) (State) (Zip)

2. Date of Event Requiring Statement

(Month/Day/Year)
05/31/2006

3. Issuer Name and Ticker or Trading Symbol
STOCKGROUP INFORMATION SYSTEMS INC
[sweb]

4. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer Other
(give title below) (specify below)
Vice President Sales

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

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

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)

2. Amount of Securities Beneficially Owned (Instr. 4)

3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)

4. Nature of Indirect Beneficial Ownership (Instr. 5)

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

SEC 1473 (7-02)

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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

1. Title of Derivative Security (Instr. 4)

2. Date Exercisable and Expiration Date (Month/Day/Year)

3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)

4. Conversion or Exercise Price of Derivative

5. Ownership Form of Derivative Security:

6. Nature of Indirect Beneficial Ownership (Instr. 5)

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| | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | Security | Direct (D) or Indirect (I) (Instr. 5) | |
|------------------------------|------------------|-----------------|---------------|----------------------------|----------|---------------------------------------|---|
| Stock Options ⁽¹⁾ | 08/31/2006 | 05/31/2011 | Common Shares | 200,000 | \$ 0.425 | D | Â |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| DONNELLY MICHAEL C/O STOCKGROUP INFORMATION SYSTEMS INC., 599 LEXINGTON AVE, SUITE 4102 NEW YORK, NY 10022 | Â | Â | Â Vice President Sales | Â |

Signatures

Michael
Donnelly 06/14/2006

 Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(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) 6.25% of the options becomes exercisable on Aug 31, 2006; and each additional 6.25% of these options vest and become exercisable on a quarterly basis thereafter

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.