

ONLINE RESOURCES CORP  
 Form 4  
 May 16, 2007

**FORM 4**

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**LAWLOR MATTHEW P**

2. Issuer Name and Ticker or Trading Symbol  
**ONLINE RESOURCES CORP [ORCC]**

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
**4795 MEADOW WOOD LANE, SUITE 300**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**05/14/2007**

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**Chairman & CEO**

**CHANTILLY, VA 20151**

4. 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

(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 Indirect Ownership (Instr. 4)
			Code	V Amount (D) Price			
Common Stock	05/14/2007		M	4,566 A \$ 7.15	1,019,699	D	
Common Stock					22,828	I	by Rosemary K. Lawlor Trust
Common Stock					55,957	I	by Rosemary K. Lawlor Irrevocable Trust

Common Stock						55,956	I		by Matthew P. Lawlor Irrevocable Trust
Common Stock	05/14/2007		M	5,738	A	\$ 6.5	1,019,699	D	

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 required to respond unless the form displays a currently valid OMB control number.**

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(9-02)

**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)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 7.15	05/14/2007		M	4,566	06/04/2004 06/04/2007	Common Stock	4,566	
Stock Option	\$ 6.5	05/15/2007		M <sup>(1)</sup>	14,184	06/04/2004 06/04/2007	Common Stock	14,184	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LAWLOR MATTHEW P 4795 MEADOW WOOD LANE SUITE 300 CHANTILLY, VA 20151	X		Chairman & CEO	

## Signatures

Matthew P. Lawlor  
05/16/2007

\*\*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) 8,446 of the 14,184 shares purchased when this option was exercised were sold to cover the cost of the option.

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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