

ONLINE RESOURCES CORP
 Form 3
 November 20, 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 *
 TENNENBAUM CAPITAL PARTNERS LLC

2. Date of Event Requiring Statement
 (Month/Day/Year)
 07/03/2006

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

(Last) (First) (Middle)

4. Relationship of Reporting Person(s) to Issuer

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

2951 28TH STREET, SUITE 1000

(Check all applicable)

(Street)

___ Director ___X___ 10% Owner
 ___ Officer ___ Other
 (give title below) (specify below)

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

SANTA MONICA, CA 90405

(City) (State) (Zip)

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)

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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 Security

5. Ownership Form of Derivative Security: Direct (D)

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

Date Exercisable

Expiration Date

Title

Amount or Number of

| | | Shares | | | or Indirect (I) (Instr. 5) | |
|--|--------------------------|--------------|------------------|-------------------|----------------------------------|------------------|
| Series A-1 Convertible Preferred Stock | 07/03/2006 \hat{A} (1) | Common Stock | 4,621,570 (1) | \$ 16.2283 (1) | I | See footnote (2) |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-------------|-----------|-----------|
| | Director | 10% Owner | Officer | Other |
| TENNENBAUM CAPITAL PARTNERS LLC 2951 28TH STREET SUITE 1000 SANTA MONICA, CA 90405 | \hat{A} | \hat{A} X | \hat{A} | \hat{A} |
| TENNENBAUM & CO LLC 2951 28TH STREET SUITE 1000 SANTA MONICA, CA 90405 | \hat{A} | \hat{A} X | \hat{A} | \hat{A} |
| TENNENBAUM MICHAEL E 2951 28TH STREET SUITE 1000 SANTA MONICA, CA 90405 | \hat{A} | \hat{A} X | \hat{A} | \hat{A} |

Signatures

| | |
|--|------------|
| /s/ David A. Hollander, under P.O.A. for Michael E. Tennenbaum, as Managing Member of Tennenbaum Capital Partners, LLC | 11/20/2006 |
| **Signature of Reporting Person | Date |
| /s/ David A. Hollander, under P.O.A. for Michael E. Tennenbaum, as Managing Member of Tennenbaum & Co., LLC | 11/20/2006 |
| **Signature of Reporting Person | Date |
| /s/ David A. Hollander, under P.O.A. for Michael E. Tennenbaum | 11/20/2006 |
| **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) The Series A-1 Convertible Preferred Stock is initially convertible at a rate of \$16.22825 per share into 4,621,570 shares of Common Stock of Online Resources Corporation, subject to certain anti-dilution adjustments, and has no expiration date
By reason of (a) the position of Tennenbaum Capital Partners, LLC ("TCP") as investment advisor to, inter alia, Special Value Opportunities Fund, LLC, a Delaware limited liability company, and Special Value Expansion Fund, LLC, a Delaware limited liability company, which are the registered holders of the shares of Series A-1 Convertible Preferred Stock convertible into shares of Common
- (2) Stock of Online Resources Corporation, (b) the position of Tennenbaum & Co., LLC ("TCO") as managing member of TCP and (c) Michael E. Tennenbaum's position as managing member of TCO, each of TCP, TCO and Mr. Tennenbaum may be deemed to share the powers of voting and disposition over the securities described herein. The reporting persons disclaim beneficial ownership of the reported securities, except to the extent of their pecuniary interest therein.

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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