



**Online Resources Corporation
Board of Directors
Management Development and Compensation Committee Charter**

The purposes, responsibilities and duties of the Management Development and Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Online Resources Corporation (the “Company”) shall be as follows:

1. Purpose. The Management Development and Compensation Committee shall oversee the personnel, compensation and organizational matters of the Company, taking action on its own or making recommendations to the Board as appropriate. The Committee shall discharge the Board’s responsibilities with respect to compensation of the Company’s executives and prepare an annual report on executive compensation for inclusion in the Company’s annual proxy statement.

2. Committee Responsibilities for Compensation Matters.

- (a) Review and approve corporate goals and objectives relevant to CEO compensation, evaluate, with Board input, the CEO’s performance in light of the goals, objectives and job accountabilities, and set the CEO’s compensation level based on this evaluation.
- (b) Review and approve salaries and other compensation applicable to the CEO and the direct officer reports to the CEO.
- (c) Establish and lead a process for determination of the compensation applicable to service on the Board by non-employee directors.
- (d) Periodically review company policies concerning management benefits and benefit plans for all employees of the Company.
- (e) Make recommendations to the Board with respect to incentive compensation and equity based plans.
- (f) Administer the Company’s stock option and stock purchase plans applicable to any employee of the Company.
- (g) Determine specific grants of options or other awards, or general grant levels, under the Company’s stock option plans.
- (h) Report regularly to the Board with regard to action taken by the Committee and any issues that may arise in the course of the discharge by the Committee of its responsibilities and duties hereunder.
- (i) Where appropriate, retain (without need for further Board approval) and consult with such independent advisors as the Committee may deem necessary or appropriate in connection with fulfilling the responsibilities and duties of the Committee.
- (j) Undergo an annual review of the performance of the Committee pursuant to such process as may be established and modified from time to time by the Corporate Governance Committee.

3. Committee Responsibilities for Management Development Matters.

- (a) Review and, as appropriate, approve or recommend CEO and senior management succession planning, consulting with the CEO as appropriate.
- (b) Review recruitment and career development for key executives
- (c) Review and, as appropriate, approve or recommend the organizational structure and development of the Company

4. Composition. The Committee shall be comprised of at least three directors, each of whom shall be an independent director, as determined by the Board consistent with applicable law and the applicable requirements of any exchange or self-regulatory organization with which the Company's shares are listed for trading, and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee.

The members of the Committee shall be elected by the Board at the annual organizational meeting of the Board and shall serve for such terms as are established by the Board or until their successors shall be duly elected and qualified. The Chair of the Committee will be selected by the Board upon recommendation from the Governance Committee.

5. Meetings. The Committee shall meet at least two times annually, or more frequently as circumstances dictate. The Chair of the Committee shall have the authority to call meetings of the Committee upon reasonable notice and shall preside at all meeting of the Committee. Meetings of the Committee may be conducted by telephone conference if each of the members may simultaneously hear each other member. A majority of the Committee shall constitute a quorum for the conduct of business and the Committee shall act by majority vote of the Quorum. Action of the Committee may be taken without a meeting if unanimous written consent thereto by each of the members of the Committee is given. The Committee shall keep minutes of its meetings and shall provide copies of such minutes and of actions by written consent to the Board, and the minutes shall be placed in the Company's minute books.

6. Funding of the Committee's Functions by the Company. The Company shall provide for appropriate funding for the Committee, in its capacity as a committee of the Board, in such amounts as may be determined by the Committee, for payment of compensation to any advisors engaged by the Committee in connection with the fulfillment by the Committee of its responsibilities and duties hereunder.