

Downing April B
Form 3
January 30, 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 * | | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol | |
| Â Downing April B | | (Month/Day/Year) | MOTIVE INC [MOTV] | |
| (Last) | (First) | (Middle) | 4. Relationship of Reporting Person(s) to Issuer | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| | | 01/20/2006 | | |
| 12515 RESEARCH BLVD.,Â BUILDING 5 | | | (Check all applicable) | |
| (Street) | | | <input type="checkbox"/> Director | <input type="checkbox"/> 10% Owner |
| AUSTIN,Â TXÂ 78759 | | | <input checked="" type="checkbox"/> Officer | <input type="checkbox"/> Other |
| (City) | (State) | (Zip) | (give title below) | (specify below) |
| | | | Principal Accounting Officer | |
| | | | | 6. Individual or Joint/Group Filing(Check Applicable Line) |
| | | | | <input checked="" type="checkbox"/> Form filed by One Reporting Person |
| | | | | <input type="checkbox"/> 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) |
|---------------------------------|---|--|---|
| Common Stock | 20,000 ⁽¹⁾ | D | Â |
| Common Stock | 417 ⁽²⁾ | D | Â |

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 | 5. Ownership Form of Derivative | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|---|------------------------------------|---------------------------------|---|
|--|--|---|------------------------------------|---------------------------------|---|

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| | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | Derivative Security | Security: Direct (D) or Indirect (I) (Instr. 5) | |
|-----------------------------|---------------------------|-----------------|--------------|----------------------------|---------------------|---|---|
| Stock Option (right to buy) | 03/01/2000 | 02/28/2010 | Common Stock | 3,125 | \$ 12 | D | Â |
| Stock Option (right to buy) | 03/31/2003 ⁽³⁾ | 03/30/2010 | Common Stock | 2,588 | \$ 5 | D | Â |
| Stock Option (right to buy) | 09/05/2003 ⁽⁴⁾ | 09/04/2010 | Common Stock | 5,500 | \$ 10 | D | Â |
| Stock Option (right to buy) | 06/22/2005 ⁽⁵⁾ | 06/24/2011 | Common Stock | 250 | \$ 10 | D | Â |
| Stock Option (right to buy) | 01/01/2005 ⁽⁶⁾ | 06/24/2011 | Common Stock | 5,063 | \$ 10 | D | Â |
| Stock Option (right to buy) | 08/04/2005 ⁽⁷⁾ | 08/11/2011 | Common Stock | 3,500 ⁽⁷⁾ | \$ 8.2 | D | Â |
| Stock Option (right to buy) | 01/06/2006 ⁽⁸⁾ | 02/06/2012 | Common Stock | 4,000 | \$ 10.98 | D | Â |
| Stock Option (right to buy) | 04/01/2006 ⁽⁹⁾ | 04/15/2012 | Common Stock | 5,000 | \$ 8.2 | D | Â |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Downing April B 12515 RESEARCH BLVD. BUILDING 5 AUSTIN, TX 78759 | Â | Â | Â Principal Accounting Officer | Â |

Signatures

/s/ Cindy Lindsey,
Attorney-In-Fact

01/30/2006

__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).
- Grant of restricted shares pursuant to Issuer's Amended and Restated Equity Incentive Plan. Restricted shares will vest in full upon
- (1) November 1, 2006, or earlier upon reporting person's death, disability, or a Change in Control (as such term is defined in the Amended and Restated Equity Incentive Plan).
 - (2) Shares purchased pursuant to Issuer's Employee Stock Purchase Plan.
 - (3) These stock options are immediately exercisable per the terms of the applicable stock option grant agreement. 12.5% of the shares became vested on 3/31/2003, the remaining options vest quarterly until 9/30/2006.

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- (4) These stock options are immediately exercisable per the terms of the applicable stock option grant agreement. 20% of the shares became vested on 9/5/2004, the remaining options vest quarterly for 4 years.
- (5) 25% of the option became vested and exercisable on 6/22/2005, the remaining options vest quarterly for 3 years.
- (6) 25% of the option became vested and exercisable on 1/1/2005, the remaining options vest quarterly for 3 years.
- (7) 25% of the option became vested and exercisable on 8/4/2005, the remaining options vest quarterly for 3 years.
- (8) 25% of the option became vested and exercisable on 1/6/2006, the remaining options vest quarterly for 3 years.
- (9) 25% of the option become vested and exercisable on 4/1/2006, the remaining options vest quarterly for 3 years.

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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