

MOTIVE, INC.

CODE OF BUSINESS CONDUCT AND ETHICS

(As adopted by Motive's Board of Directors on April 16, 2004.)

This Code of Business Conduct and Ethics of Motive, Inc. ("**Motive**") covers a range of business practices and procedures affecting all directors, officers and employees of Motive (hereinafter referred to as "**Employees**"). It does not cover every issue that may arise, but it sets out basic principles to guide the Employees. Motive expects all Employees to act in accordance with the highest standards of personal and professional integrity, to comply with all applicable laws, rules and regulations, to deter wrongdoing and abide by this Code of Business Conduct and Ethics and all other policies and procedures adopted by Motive that govern the conduct of its directors, officers and employees.

Honest and ethical conduct; conflicts of interest. In carrying out their duties and responsibilities, all Employees should engage in and promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. All Employees should strive to identify and raise potential issues before they lead to problems.

A conflict of interest occurs when an individual's personal interest is adverse to, or otherwise in conflict with, the interests of Motive. Employees should avoid taking actions that would create actual or apparent conflicts of interest. In those rare occasions in which an unanticipated conflict of interest may arise, the affected Covered Person should promptly bring the situation to the attention of Motive's Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, General Counsel or any member of Motive's Audit Committee (the individual members of which are set forth on Annex A) so that appropriate steps may be taken to eliminate the conflict or take other preventative action. Conflicts of interest may involve not only situations in which a Covered Person has a direct personal interest, but also those in which a family member of a Covered Person has an interest or those in which the interest is indirect, such as through a corporation, partnership or other entity.

Full and fair disclosure. It is Motive's policy that the information in its public communications, including filings with the Securities and Exchange Commission, be timely, understandable, fair, complete and accurate in all material respects. All Covered Persons should exercise diligence and care to do their part in acting in furtherance of this policy. Employees (a) are prohibited from knowingly misrepresenting, omitting, or causing others to misrepresent or omit, material facts about Motive to anyone having a role in Motive's financial reporting and disclosure processes, and (b) must not directly or indirectly take any action to coerce, manipulate, mislead or fraudulently influence Motive's or its subsidiaries' independent auditors or any internal accounting personnel for the purpose or with the effect of rendering the financial statements of Motive and its subsidiaries misleading, or direct anyone else to do so.

It is the responsibility of each Employee promptly to bring to the attention of a member of Motive's Audit Committee or Disclosure Committee (the individual members of which are set forth on Appendix A) any material information of which the individual may become aware that affects the disclosures made by Motive in its public filings or otherwise, and to otherwise assist the Audit Committee and the Disclosure Committee in fulfilling their respective responsibilities. In addition, each Employee shall promptly bring to the attention of a member of the Audit Committee or the Disclosure Committee any information he or she may have concerning (a) significant deficiencies or material weaknesses in the design or operation of internal controls which could adversely affect Motive's ability to record, process, summarize and report financial information, or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in Motive's financial reporting, disclosures or internal controls.

Compliance with laws and regulations. Employees should comply with all applicable governmental laws, rules and regulations. Although no single individual is expected to know the details of all policies, laws, rules and regulations, it is important to know enough to determine when to seek advice or guidance. Each Employee should promptly bring to the attention of Motive's General Counsel or to a member of the Audit Committee or the Disclosure Committee evidence of any material violations of Company policies, or any laws, rules or regulations applicable to Motive, by Motive or anyone acting on its behalf.

Reporting of violations of this code. Each Employee is responsible for reporting any violation of this Code of Business Conduct and Ethics or circumstances that such individual considers to involve a possible violation, to Motive's General Counsel or to a member of the Audit Committee or the Disclosure Committee. A person may choose to remain anonymous in reporting violations or circumstances that may involve a violation, and such person may do so by leaving an anonymous concern on the Ethics Hotline.

Accountability. Each Employee will be held accountable for his or her adherence to this Code of Business Conduct and Ethics. The failure to observe the terms of this Code of Business Conduct and Ethics may result in disciplinary action, up to and including termination of position with Motive. Violations of this Code of Business Conduct and Ethics may also constitute violations of law that may result in civil and criminal penalties.

Waivers. Any waiver of this Code of Business Conduct and Ethics for executive officers or directors of Motive may be made only by Motive's Board of Directors and will be promptly disclosed as required by law, the regulations of the Securities and Exchange Commission and the rules of the Nasdaq Stock Market, Inc.

Non-Retaliation. Motive prohibits retaliation of any kind against individuals who have made good faith reports or complaints of violations of this Code of Business Conduct and Ethics or other known or suspected illegal conduct. If an Employee suspects that he or she has been retaliated against for reporting possible misconduct, the Employee should contact Motive's General Counsel or a member of the Audit Committee or the Disclosure Committee or report the suspected retaliation by leaving an anonymous concern on the Ethics Hotline.

Compliance Officer and Ethics Hotline. The Compliance Officer for purposes of this Code of Business Conduct and Ethics is Mr. Wes Jones, Motive's General Counsel. Mr. Jones can be reached at (512) 339-8335. You can send a letter to Mr. Jones at the following address: Wes Jones, Motive, Inc., 12515 Research Blvd., Building 5, Austin, Texas 78759. Additionally, an anonymous concern can be left on Motive's Ethics Hotline at 1-800-799-6371.

Compliance Procedures. All Employees are encouraged to talk to supervisors, managers or other appropriate personnel about observed illegal or unethical conduct. Motive and all Employees must work together to ensure prompt and consistent action against violations of this Code of Business Conduct and Ethics. However, in some situations it is difficult to know if a violation has occurred. Since it is not possible to anticipate every situation that will arise, Motive has set forth below a way to approach new questions or problems. The following are guidelines you should follow in connection with your responsibilities under this Code of Business Conduct and Ethics:

- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with, and the available alternatives. Use judgment and common sense; if something seems unethical and improper, it probably is.
- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question, and will appreciate being brought into the decision-making process.
- Seek help from Company resources. In the event that it may not be appropriate or you do not feel comfortable discussing an issue with your supervisor, contact Motive's General Counsel.
- Always ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.

APPENDIX A

Members of Motive's Audit Committee

Tom Meredith

David Sikora

Harvey White

Members of Motive's Disclosure Committee

Logan Wray (Chief Operating Officer)

Paul Baker (Chief Financial Officer)

Wes Jones (VP and General Counsel)