DIGI INTERNATIONAL INC

Form 4

November 29, 2006

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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 *

Young Joel K

(City)

(Instr. 3)

(Last)

11001 BREN ROAD EAST

(First)

(Middle)

(Zip)

(Street)

(State)

Filed(Month/Day/Year)

2. Issuer Name and Ticker or Trading

Symbol

[DGII] 3. Date of Earliest Transaction

DIGI INTERNATIONAL INC

(Month/Day/Year) 11/27/2006

4. If Amendment, Date Original

OMB APPROVAL

OMB Number:

3235-0287 January 31,

2005

Expires:

Estimated average burden hours per

response...

0.5

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner X_ Officer (give title Other (specify

below) Sr VP Research-Develop. & CTO

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

5. Amount of

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

MINNETONKA, MN 55343

1. Title of 2. Transaction Date 2A. Deemed Security

(Month/Day/Year)

Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code (Instr. 8)

Disposed of (D) (Instr. 3, 4 and 5)

Code V Amount (D) Price

(A)

Securities Beneficially Owned Following Reported

Transaction(s) (Instr. 3 and 4)

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial (I)

Ownership (Instr. 4) (Instr. 4)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Conversion Security or Exercise

3. Transaction Date 3A. Deemed (Month/Day/Year)

Execution Date, if any

4. 5. Number of TransactionDerivative Code Securities

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Amount of 8 **Underlying Securities** (Instr. 3 and 4)

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(Instr. 3)	Price of Derivative Security	(Month/Day/	Year) (Instr. 8	or Dispose (D)	or Disposed of (D) (Instr. 3, 4,			
			Code	V (A)	(D) Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (right to buy)	\$ 13.41	11/27/2006	A	35,000	<u>(1)</u>	11/27/2016	Common Stock	35,000

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Young Joel K Sr VP

11001 BREN ROAD EAST Research-Develop. &

MINNETONKA, MN 55343 CTO

Signatures

/s/ Joel K. Young 11/29/2006

**Signature of Date
Reporting Person

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) The option vests as to 25% on November 27, 2007 and thereafter in 36 equal monthly installments.
- (2) Not applicable.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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