

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

| OMB APPROVAL                                 |           |
|--|-----------|
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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|  |   |  |   |
|--|---|--|---|
| 1. Name and Address of Reporting Person*<br><u>Ballenger Brian G.</u><br><br>(Last) (First) (Middle)<br>9350 EXCELSIOR BLVD<br>SUITE 700<br><br>(Street)<br>HOPKINS MN 55343<br><br>(City) (State) (Zip) | 2. Date of Event Requiring Statement (Month/Day/Year)<br>02/06/2019 | 3. Issuer Name and Ticker or Trading Symbol<br><u>DIGI INTERNATIONAL INC [ DGII ]</u>  |   |
|  |   | 4. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br>Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)<br><u>VP Fin, Acting PFO &amp; PAO</u> | 5. If Amendment, Date of Original Filed (Month/Day/Year)<br><br>6. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br>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                    | 13,260.37 <sup>(1)</sup>                              | D  |   |

**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: Direct (D) or Indirect (I) (Instr. 5) | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|-----------------|---|--|--|---|
|  | Date Exercisable   | Expiration Date |   |  |  |   |
| Employee Stock Option (right to buy)       | (2)  | 11/24/2019      | Common Stock  | 2,000  | 8.03   | D   |
| Employee Stock Option (right to buy)       | (2)  | 11/22/2021      | Common Stock  | 2,000  | 10.63  | D   |
| Employee Stock Option (right to buy)       | (2)  | 11/20/2022      | Common Stock  | 750  | 9.35   | D   |
| Employee Stock Option (right to buy)       | (2)  | 11/20/2021      | Common Stock  | 2,000  | 10.81  | D   |
| Employee Stock Option (right to buy)       | (2)  | 11/20/2022      | Common Stock  | 1,250  | 7.4  | D   |
| Employee Stock Option (right to buy)       | (3)  | 01/26/2024      | Common Stock  | 2,500  | 9.03   | D   |
| Employee Stock Option (right to buy)       | (4)  | 11/21/2023      | Common Stock  | 3,125  | 13.5   | D   |
| Employee Stock Option (right to buy)       | (5)  | 11/28/2024      | Common Stock  | 12,500   | 10.33  | D   |
| Employee Stock Option (right to buy)       | (6)  | 12/06/2025      | Common Stock  | 12,500   | 11.23  | D   |

**Explanation of Responses:**

- Includes 11,530 Restricted Stock Units that are subject to the terms and conditions set forth in the restricted stock unit award agreement and future vesting conditions.
- Fully vested.
- The option vests as to 25% of the shares on January 26, 2017 and thereafter in 36 monthly installments.
- The option vests as to 25% of the shares on November 21, 2017 and thereafter in 36 monthly installments.
- The option vests as to 25% of the shares on November 28, 2018 and thereafter in 36 monthly installments.
- The option vests as to 25% of the shares on December 6, 2019 and thereafter in 36 monthly installments.

/s/ Joshua L. Colburn, attorney- 02/11/2019  
in-fact

\*\* Signature of Reporting Person Date

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

\* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

POWER OF ATTORNEY

I, Brian G. Ballenger, hereby authorize and designate each of David H. Sampsell, Amy C. Seidel, Joshua L. Colburn, and Amra Hosono signing singly, as my true and lawful attorney-in-fact to:

(1) execute for and on my behalf, in my capacity as an officer and/or director of Digi International Inc. (the "Company"), Form ID and Forms 3, 4 and 5 in accordance with Section 16(a) of the Securities Exchange Act of 1934 (the "Exchange Act") and the rules and regulations promulgated thereunder; and other forms or reports on my behalf as may be required to file in connection with my ownership, acquisition, or disposition of securities of the Company, including Form 144;

(2) do and perform any and all acts for and on my behalf which may be necessary or desirable to complete and execute any such Form 3, 4 or 5, or other form or report, including Form ID, complete and execute any amendment or amendments thereto and timely file such form with the Securities and Exchange Commission, any stock exchange or similar authority, and the National Association of Securities Dealers; and

(3) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney-in-fact, may be to my benefit, in my best interest, or legally required of me, it being understood that the statements executed by such attorney-in-fact on my behalf pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact may approve in such attorney-in-fact's discretion.

I hereby further grant to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I might or could do if personally present, with full power of substitutes or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this Power of Attorney and the rights and powers herein granted. I hereby acknowledge that the foregoing attorneys-in-fact, in serving in such capacity at my request, are not assuming, nor is the Company assuming, any of my responsibilities to comply with Section 16 of the Exchange Act.

This Power of Attorney shall remain in full force and effect until I am no longer required to file Forms 3, 4 and 5 with respect to my holdings of and transactions in securities issued by the Company, unless earlier revoked by me in a signed writing delivered to the foregoing attorneys-in-fact.

Notwithstanding the foregoing, if any such attorney-in-fact hereafter ceases to be at least one of the following: (i) an employee of the Company, (ii) a partner of Faegre Baker Daniels LLP, or (iii) an employee of Faegre Baker Daniels LLP, then this Power of Attorney shall be automatically revoked solely as to such individual, immediately upon such cessation, without any further action on my part.

I hereby revoke all previous Powers of Attorney that have been granted by me in connection with my reporting obligations under Section 16 of the Exchange Act with respect to my holdings of and transactions in securities issued by the Company.

IN WITNESS WHEREOF, I have caused this Power of Attorney to be duly executed as of this 6th day of February, 2019.

/s/ Brian G. Ballenger