FORM 3

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

| OMB APPROVAL             |     |  |  |  |  |  |  |  |
|--------------------------|-----|--|--|--|--|--|--|--|
| OMB Number: 3235-010     |     |  |  |  |  |  |  |  |
| Estimated average burden |     |  |  |  |  |  |  |  |
| hours per response:      | 0.5 |  |  |  |  |  |  |  |

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

| NAWAZ AHMED   | Date of Event equiring Statem Month/Day/Year) | ent 1              | 3. Issuer Name <b>and</b> Ticker or Trading Symbol  DIGI INTERNATIONAL INC [ DGII ] |  |  |                                  |  |   |   |  |  |  |
|---|---|--------------------|---|--|--|----------------------------------|--|---|---|--|--|--|
| (Last) (First) (Middle) 11001 BREN ROAD EAST  |   |                    |   | tionship of Reporting Perso<br>all applicable)<br>Director | on(s) to Issuer                        |                                  | 5. If Amendment, Date of Original Filed (Month/Day/Year)   |   |   |  |  |  |
| (Street)  MINNETONKA MN 55343  (City) (State) (Zip)   |   |                    |   | Officer (give title below)                                 | Other (spe<br>below)                   | cify                             | Individual or Joint/Group Filing (Check Applicable Line)     X Form filed by One Reporting Person     Form filed by More than One Reporting Person |   |   |  |  |  |
| Table I - Non-Derivative Securities Beneficially Owned  |   |                    |   |  |  |                                  |  |   |   |  |  |  |
| 1. Title of Security (Instr. 4)   |   |                    |   | ally Owned (Instr. 4)                                      |  |                                  | 4. Nature of Indirect Beneficial Ownership<br>(Instr. 5)   |   |   |  |  |  |
| No securities beneficially owned.   |   |                    |   | 0  | D                                      |                                  |  |   |   |  |  |  |
| Table II - Derivative Securities Beneficially Owned<br>(e.g., puts, calls, warrants, options, convertible securities) |   |                    |   |  |  |                                  |  |   |   |  |  |  |
| 1. Title of Derivative Security (Instr. 4)  2. Date Exerci Expiration Da (Month/Day/Y                                 |   |                    | 3. Title and Amount of Secur<br>Underlying Derivative Secur                         |  | ity (Instr. 4) Conv                    |                                  | sion<br>cise   | 5.<br>Ownership<br>Form:                    | 6. Nature of Indirect<br>Beneficial Ownership<br>(Instr. 5) |  |  |  |
|   |   | Expiration<br>Date | Title   |  | Amount<br>or<br>Number<br>of<br>Shares | Price of<br>Derivati<br>Security | ive  | Direct (D)<br>or Indirect<br>(I) (Instr. 5) |   |  |  |  |

Explanation of Responses:

/s/ Amy C. Seidel on behalf of Ahmed Nawaz

10/20/2006

\*\* Signature of Reporting Person

Date

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

- $^{\star}$  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.

- I, Ahmed Nawaz, hereby authorize and designate each of James E. Nicholson, W. Morgan Burns, Amy C. Seidel, Sarah A. Kolar and Joel Johnson 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"), 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;
- (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 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 substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-infact'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 or any such attorney-in-fact's substitute or substitutes 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.

IN WITNESS WHEREOF, I have caused this Power of Attorney to be duly executed as of this 20th day of October, 2006.