

DIGITAL RIVER INC /DE
 Form 4
 March 14, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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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 *
RONNING JOEL A

(Last) (First) (Middle)

**C/O DIGITAL RIVER, INC., 9625
 W. 76TH STREET**

(Street)

EDEN PRAIRIE, MN 55344

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

DIGITAL RIVER INC /DE [DRIV]

3. Date of Earliest Transaction (Month/Day/Year)

03/12/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|-----------|---|
| | | | Code | V | Amount | (A) or (D) | Price | | |
| Common Stock | 03/12/2007 | | M | | 102,082 | A | \$ 3 | 829,189 | D |
| Common Stock | 03/12/2007 | | M | | 31,372 | A | \$ 6.375 | 860,561 | D |
| Common Stock | 03/12/2007 | | M | | 19,512 | A | \$ 5.125 | 880,073 | D |
| Common Stock | 03/12/2007 | | M | | 423,834 | A | \$ 5.125 | 1,303,907 | D |
| Common Stock | 03/12/2007 | | S | | 1,000 | D | \$ 54.21 | 1,302,907 | D |

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| | | | | | | | |
|--------------|------------|---|-------|---|------------|-----------|---|
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 54.166 | 1,297,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 54.1207 | 1,292,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 54.0318 | 1,287,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 53.9759 | 1,282,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 53.9125 | 1,277,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 53.8904 | 1,272,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 53.8479 | 1,267,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 53.7622 | 1,262,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 53.7571 | 1,257,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 53.7415 | 1,252,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 53.7262 | 1,247,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 53.6393 | 1,242,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 53.6392 | 1,237,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 53.6145 | 1,232,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 53.6121 | 1,227,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 53.608 | 1,222,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 53.5815 | 1,217,907 | D |
| Common Stock | 03/12/2007 | S | 5,000 | D | \$ 53.5759 | 1,212,907 | D |
| Common Stock | 03/12/2007 | S | 6,336 | D | \$ 53.57 | 1,206,571 | D |
| Common Stock | 03/12/2007 | S | 600 | D | \$ 53.51 | 1,205,971 | D |
| | 03/12/2007 | S | 5,000 | D | | 1,200,971 | D |

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| | | | | | | | |
|--------------|------------|--|---|-------|----|------------|-------------|
| Common Stock | | | | | \$ | 53.5026 | |
| Common Stock | 03/12/2007 | | S | 5,000 | D | \$ 53.35 | 1,195,971 D |
| Common Stock | 03/12/2007 | | S | 5,000 | D | \$ 53.2673 | 1,190,971 D |
| Common Stock | 03/12/2007 | | S | 5,000 | D | \$ 53.2018 | 1,185,971 D |
| Common Stock | 03/12/2007 | | S | 5,000 | D | \$ 53.1887 | 1,180,971 D |

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

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(9-02)

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

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| Stock Option (Right to Buy) | \$ 3 | 03/12/2007 | | M | 102,082 | <u>(1)</u> 05/08/2008 | Common Stock 102,082 |
| Stock Option (Right to Buy) | \$ 6.375 | 03/12/2007 | | M | 31,372 | <u>(2)</u> 08/06/2010 | Common Stock 31,372 |
| Stock Option (Right to Buy) | \$ 5.125 | 03/12/2007 | | M | 19,512 | <u>(3)</u> 02/21/2011 | Common Stock 19,512 |
| Stock Option (Right to Buy) | \$ 5.125 | 03/12/2007 | | M | 423,834 | <u>(3)</u> 02/21/2011 | Common Stock 423,834 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| RONNING JOEL A C/O DIGITAL RIVER, INC. 9625 W. 76TH STREET EDEN PRAIRIE, MN 55344 | X | | CEO | |

Signatures

/s/ Kevin L. Crudden, Attorney-in-Fact for Joel A.

Ronning

03/14/2007

__Signature of Reporting Person

Date

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 shares were fully vested as of May 8, 2002.
- (2) The shares were fully vested as of August 6, 2004.
- (3) The shares were fully vested as of February 1, 2005.

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.