

Stephenson Bradley J
 Form 4
 February 24, 2011

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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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 *
 Stephenson Bradley J

2. Issuer Name and Ticker or Trading Symbol
 DIEBOLD INC [DBD]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 02/22/2011

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 VP, Security Division

C/O DIEBOLD, INCORPORATED, 5995 MAYFAIR ROAD

(Street)

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

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

NORTH CANTON, OH 44720

(City) (State) (Zip)

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| Common Stock | | | | | 4,665 | I | 401(k) ⁽¹⁾ |
| Common Stock | 02/22/2011 | | A | 3,950 ⁽²⁾ | \$ 33.75 | 15,997 ⁽³⁾ | D |
| Common Stock | 02/22/2011 | | F | 1,263 ⁽²⁾ | \$ 33.75 | 14,734 ⁽³⁾ | D |

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

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SEC 1474 (9-02)

displays a currently valid OMB control number.

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 |
| Non-qualified Stock Option | \$ 36.59 | | | | | 02/06/2003 | 02/05/2012 | Common Stock | 1,500 |
| Non-qualified Stock Option | \$ 36.31 | | | | | 02/05/2004 | 02/04/2013 | Common Stock | 1,500 |
| Non-qualified Stock Option | \$ 53.1 | | | | | 02/11/2005 | 02/10/2014 | Common Stock | 900 |
| Non-qualified Stock Option | \$ 55.23 | | | | | 02/10/2006 | 02/09/2015 | Common Stock | 1,400 |
| Non-qualified Stock Option | \$ 39.43 | | | | | 02/20/2007 | 02/19/2016 | Common Stock | 2,500 |
| Non-qualified Stock Option | \$ 47.27 | | | | | 02/14/2008 | 02/13/2017 | Common Stock | 3,500 |
| Non-qualified Stock Option | \$ 25.53 | | | | | 02/13/2009 | 02/12/2018 | Common Stock | 3,500 |
| Non-qualified Stock Option | \$ 24.79 | | | | | 02/11/2010 | 02/10/2019 | Common Stock | 5,000 |
| Non-qualified Stock Option | \$ 27.88 | | | | | 02/11/2011 | 02/10/2020 | Common Stock | 8,000 |
| Non-qualified Stock Option | \$ 32.67 | | | | | 02/10/2012 | 02/09/2021 | Common Stock | 7,250 |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Stephenson Bradley J
C/O DIEBOLD, INCORPORATED
5995 MAYFAIR ROAD
NORTH CANTON, OH 44720

VP, Security Division

Signatures

Chad F. Hesse, Att'y.-in-fact for Bradley J.
Stephenson

02/24/2011

__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) Number of 401(k) shares owned as of most current statement; fractional shares omitted.
 - (2) Reflects delivery of performance shares earned for performance period 2008-2010 under the Equity and Performance Incentive Plan, as amended, and withholding of shares pursuant to tax withholding right.
 - (3) Number includes restricted stock units

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