

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

OMB APPROVAL

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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* <b>CARNEY DAVID F</b>			2. Issuer Name and Ticker or Trading Symbol <b>LINCOLN EDUCATIONAL SERVICES CORP [ LINC ]</b>			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <b>CEO and Chairman of the Board</b>		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) <b>05/09/2006</b>			6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person		
200 EXECUTIVE DRIVE, SUITE 340			4. If Amendment, Date of Original Filed (Month/Day/Year)					
(Street) <b>WEST ORANGE NJ 07052</b>								
(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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	05/09/2006		M		118,343	A	\$3.1	233,631	D	
Common Stock	05/09/2006		F		18,343	D	\$16.9	215,288	D	

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Employee Stock Options	\$3.1	05/09/2006		M			40,246	01/01/2002	01/01/2012	Common Stock	40,246	\$0	422,204	D	
Employee Stock Options	\$3.1	05/09/2006		M			26,484	01/01/2003	01/01/2012	Common Stock	26,484	\$0	395,720	D	
Employee Stock Options	\$3.1	05/09/2006		M			16,129	01/01/2004	01/01/2012	Common Stock	16,129	\$0	379,591	D	
Employee Stock Options	\$3.1	05/09/2006		M			16,129	04/15/2004	01/01/2012	Common Stock	16,129	\$0	363,462	D	
Employee Stock Options	\$3.1	05/09/2006		M			16,129	01/01/2005	01/01/2012	Common Stock	16,129	\$0	347,333	D	
Employee Stock Options	\$3.1	05/09/2006		M			3,226	04/15/2005	01/01/2012	Common Stock	3,226	\$0	344,107	D	

Explanation of Responses:

/s/ David F. Carney

05/11/2006

\*\* 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 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).

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.**