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

**SCHEDULE 13D**
(Rule 13d-101)

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(a)**

**Under the Securities Exchange Act of 1934**
**(Amendment No. 2)***

# Lincoln Educational Services Corporation

(Name of Issuer)

**Common Stock, no par value per share**

(Title of Class of Securities)

**533535100**

(CUSIP Number)

**Justyn R. Putnam**
**Managing Member**
**TALANTA Investment Group, LLC**
**401 N. Tryon Street, 10th Floor**
**Charlotte, NC 28202**
**(704) 904-1450**

***with a copy to***
**Derek D. Bork**
**Thompson Hine LLP**
**3900 Key Center**
**127 Public Square**
**Cleveland, Ohio 44114**
**(216) 566-5500**

(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications)

**August 31, 2017**

(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f), or 13d-1(g), check the following box ☐

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

| | | | |
|---|---|---|---|
| **1** | NAMES OF REPORTING PERSONS<br><br>**TALANTA INVESTMENT GROUP, LLC** | | |
| **2** | CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP<br>(a) ☐<br>(b) ☐ | | |
| **3** | SEC USE ONLY | | |
| **4** | SOURCE OF FUNDS<br><br>**OO; AF** | | |
| **5** | CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) ☐ | | |
| **6** | CITIZENSHIP OR PLACE OF ORGANIZATION<br><br>**DELAWARE** | | |
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | | **7** | SOLE VOTING POWER<br><br>**0** |
| | | **8** | SHARED VOTING POWER<br><br>**1,650,732** |
| | | **9** | SOLE DISPOSITIVE POWER<br><br>**0** |
| | | **10** | SHARED DISPOSITIVE POWER<br><br>**1,650,732** |
| **11** | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON<br><br>**1,650,732** | | |
| **12** | CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES ☐ | | |
| **13** | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)<br><br>**6.7%** | | |
| **14** | TYPE OF REPORTING PERSON<br><br>**OO** | | |

| | |
|---|---|
| 1 | NAMES OF REPORTING PERSONS<br><br>**TALANTA FUND, L.P.** |
| 2 | CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP<br>(a) ☐<br>(b) ☐ |
| 3 | SEC USE ONLY |
| 4 | SOURCE OF FUNDS<br><br>**WC** |
| 5 | CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) ☐ |
| 6 | CITIZENSHIP OR PLACE OF ORGANIZATION<br><br>**DELAWARE** |

| | | |
|---|---|---|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER<br><br>**0** |
| | 8 | SHARED VOTING POWER<br><br>**1,650,732** |
| | 9 | SOLE DISPOSITIVE POWER<br><br>**0** |
| | 10 | SHARED DISPOSITIVE POWER<br><br>**1,650,732** |

| | |
|---|---|
| 11 | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON<br><br>**1,650,732** |
| 12 | CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES ☐ |
| 13 | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)<br><br>**6.7%** |
| 14 | TYPE OF REPORTING PERSON<br><br>**PN** |

| | | |
|---|---|---|
| 1 | NAMES OF REPORTING PERSONS<br><br>**JUSTYN R. PUTNAM** | |
| 2 | CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP | (a) ☐<br>(b) ☐ |
| 3 | SEC USE ONLY | |
| 4 | SOURCE OF FUNDS<br><br>**OO; AF** | |
| 5 | CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) | ☐ |
| 6 | CITIZENSHIP OR PLACE OF ORGANIZATION<br><br>**DELAWARE** | |

| | | |
|---|---|---|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER<br><br>**0** |
| | 8 | SHARED VOTING POWER<br><br>**1,650,732** |
| | 9 | SOLE DISPOSITIVE POWER<br><br>**0** |
| | 10 | SHARED DISPOSITIVE POWER<br><br>**1,650,732** |

| | | |
|---|---|---|
| 11 | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON<br><br>**1,650,732** | |
| 12 | CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES | ☐ |
| 13 | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)<br><br>**6.7%** | |
| 14 | TYPE OF REPORTING PERSON<br><br>**IN** | |

This Amendment No. 2 to Statement of Beneficial Ownership on Schedule 13D (this "Amendment No. 2") amends the Statement of Beneficial Ownership on Schedule 13D filed by the Reporting Persons on November 23, 2016 (as amended, the "Schedule 13D" or this "Statement"), with respect to the Common Stock, no par value per share (the "Common Stock"), of Lincoln Educational Services Corporation, a New Jersey corporation (the "Company"). Except as amended and supplemented by this Amendment No. 2, the Schedule 13D remains unchanged.

**Item 3. Source and Amount of Funds or Other Consideration.**

The total cost for purchasing the Common Stock reported as owned by the Reporting Persons, including brokerage commissions, was approximately $2,722,990. The source of these funds was working capital of the Fund.

**Item 4. Purpose of Transaction.**

On August 31, 2017, the Reporting Persons sent a letter to the Company and Universal Technical Institute, Inc., a copy of which is included in Exhibit 99.1 hereto and is incorporated herein by reference (the "Letter").

The Reporting Persons acquired the shares of Common Stock reported in this Statement for investment purposes. The Reporting Persons may in the future acquire additional shares of Common Stock or dispose of some or all of the shares of Common Stock held by the Reporting Persons in open-market transactions or privately negotiated transactions, on such terms and at such times as the Reporting Persons may deem advisable. The Reporting Persons may engage in short selling or hedging or similar transactions with respect to the shares of Common Stock, on such terms and at such times as the Reporting Persons may deem advisable, subject to applicable law.

Except as set forth herein and in the Letter, none of the Reporting Persons has any present plan or proposal that would result in any of the actions described in paragraphs (a) through (j) of Item 4 of Schedule 13D. The Reporting Persons reserve the right in the future to formulate any such plans or proposals, and to take any actions with respect to their investments in the Company, including any or all of the actions described in paragraphs (a) through (j) of Item 4 of Schedule 13D.

**Item 5. Interest in Securities of the Issuer.**

(a) The Reporting Persons beneficially own in the aggregate 1,650,732 shares of Common Stock, which represents approximately 6.7% of the Company's outstanding shares of Common Stock.

The Fund directly holds the number and percentage of shares of Common Stock disclosed as beneficially owned by it in the applicable table set forth on the cover page to this Statement. None of the other Reporting Persons directly hold any of the shares of Common Stock disclosed in this Statement.

Each percentage ownership of shares of Common Stock set forth in this Statement is based on 24,719,055 shares of Common Stock reported by the Company as outstanding as of August 8, 2017 in its Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 10, 2017.

The GP, as general partner of the Fund, and Mr. Putnam, as managing member of the GP, may be deemed to have the shared power to direct the voting and disposition of shares of Common Stock beneficially owned by the Fund, and consequently the GP and Mr. Putnam may be deemed to have indirect beneficial ownership of such shares. The GP and Mr. Putnam disclaim such beneficial ownership.

(c) The transactions effected by each of the Reporting Persons in the Common Stock in the last 60 days are set forth on Schedule A to this Statement. Each of these transactions was effected through the open market.

**Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.**

Information set forth under Item 4 is incorporated herein by reference.

Pursuant to Rule 13d-1(k) promulgated under the Securities Exchange Act of 1934, as amended, the Reporting Persons have entered into an agreement with respect to the joint filing of this Amendment No. 2, which agreement is set forth on the signature page to this Statement.

**Item 7. Material to Be Filed as Exhibits.**

99.1 Letter, dated August 31, 2017, from TALANTA Investment Group, LLC to the Company and Universal Technical Institute, Inc. (filed herewith).

## SIGNATURE

After reasonable inquiry and to the best of each of the undersigned's knowledge and belief, each of the undersigned certifies that the information set forth in this Statement is true, complete and correct.

In accordance with Rule 13d-1(k)(1)(iii) under the Securities Exchange Act of 1934, as amended, the persons named below agree to the joint filing on behalf of each of them of this Statement on Schedule 13D with respect to the Common Stock of the Company.

Dated: September 7, 2017

TALANTA INVESTMENT GROUP, LLC

By: /s/ Justyn R. Putnam
Name: Justyn R. Putnam
Title: Managing Member

TALANTA FUND, L.P.

By: TALANTA Investment Group, LLC,
its General Partner

By: /s/ Justyn R. Putnam
Name: Justyn R. Putnam
Title: Managing Member

/s/ Justyn R. Putnam
JUSTYN R. PUTNAM

**Schedule A**

**Transactions by the Fund in the Common Stock in the last 60 days:**

| Transaction Date | Number of Shares Bought/(Sold) | Price Per Share ($) |
|---|---|---|
| 09/06/2017 | 30,218 | 2.69 |
| 09/05/2017 | 20,179 | 2.74 |
| 09/01/2017 | 10,000 | 2.84 |
| 08/31/2017 | 198 | 2.80 |
| 07/31/2017 | 940 | 3.05 |
| 07/27/2017 | 463 | 3.05 |
| 07/11/2017 | (900) | 3.50 |

**Exhibit 99.1**

TALANTA
Investment Group, LLC

August 31st, 2017

Universal Technical Institute Board of Directors
C/O Kimberly J. McWaters, CEO, Chairman, President
16220 North Scottsdale Road, Suite 100
Scottsdale, AZ 85254

Lincoln Educational Services Corporation Board of Directors
C/O J. Barry Morrow, Non-Executive Chairman
200 Executive Drive, Suite 340
West Orange, NJ 07052

**RE: Significant Business Combination Opportunities – 120% increase in shareholder value**

Directors,

For over 120 years, combined, Universal Technical Institute and Lincoln Educational Services have been providing valuable educational training for those seeking careers in the skilled trades professions. This training has never been more important than it is now. According to the Bureau of Labor Statistics, there are over 5.7 million unfilled jobs available in the United States and most of these jobs remain unfilled because employees lack the right skills for these jobs. The training provided by Universal Technical Institute and Lincoln Educational Services is vital to bridging this skills gap.

However, as you are well aware, UTI and LES, and the for-profit education industry in general, have faced a number of significant headwinds in recent years. As shareholders of nearly 10%, combined, of UTI and LES, we applaud the efforts management has made to navigate these headwinds. The "Financial Improvement Plan" implemented by UTI in September 2016 has the potential to eliminate up to $40 million in annual costs and bring the company closer to sustainable profitability. Likewise, the efforts by LES management to close unprofitable schools, optimize and reaccredit the HOPS schools, and sell underutilized real estate will also bring LES closer to sustainable profitability.

Unfortunately, on their own, these efforts are not sufficient to bring sustained profitability without the long anticipated, but elusive, growth in revenues. We, too, are optimistic that such revenue growth is on the horizon. However, the opportunities available on the current path pale in comparison to the tremendous opportunity that currently exists for all stakeholders through a business combination.

We believe the benefits for shareholders of a business combination of UTI and LES would culminate in at least a **<u>120% increase</u>** in equity value of the combined company. This increase in value is on top of the increase in value the companies are already on track to generate. Such a combination would put the combined company in a much stronger position from a financial, regulatory, competitive, and student service perspective. Yes, synergies are a component of this increased value. A very broad stroke of the potential impact is shown in the attached exhibit. But, the most compelling reasons for a combination now are the strategic benefits and a drastic improvement in capital structure, primarily due to Financial Responsibility Score (FRS) improvements.

A significant increase in value would derive from three buckets.

**1) Strategic**

Of the many strategic benefits, we would highlight two of particular importance.

a) UTI's stated strategy of expanding into the Northeast with smaller campuses fits well with the current LES footprint. A combination would allow campus locations and programs to be optimized rather than the current value destroying path of competing for market share as separate entities. The combined benefits from both a revenue and cost standpoint would be immense.

b) A combination of UTI and LES would create a national footprint. This would allow the combined entity to have greater flexibility to optimize program offerings to fit better with specific campuses and geographies. For example, some programs work better with destination campuses and others work better with commuter campuses.

**2) Capital allocation and FRS**

Both companies currently have bloated balance sheets due to regulatory requirements. As of June 30$^{th}$, 2017, UTI and LES had a net cash position with combined cash and debt of $230 million compared to a combined equity value of $160 million. A combination would allow a significant portion of this excess liquidity to be returned to shareholders, greatly improving return on capital.

One of the primary reasons for the current excess liquidity is compliance with the Financial Responsibility Standards (34 CFR Part 668, Subpart L) and the maintenance of a composite score above 1.5 to avoid burdensome federal oversight. Excess liquidity has been required to bolster this score due to the lack of profitability. Currently, both companies are unprofitable. The Net Income Strength Factor Score makes up 30% of the overall composite score and is currently a significant drag on the composite score for both companies. A combination of UTI and LES would be solidly profitable. Thus, the Net Income Strength Factor score would contribute significantly to the overall Composite Score and support it remaining above 1.5 while allowing excess liquidity to be returned to shareholders.

**3) Synergies**

Despite recent cost cutting there exists at least another $15 million in additional costs that could be eliminated through a business combination. The savings would come from:

a) <u>Employee costs</u>. A combined company would have nearly 4,000 employees and some of these roles would be redundant. A 2-3% reduction in the combined 4,000 employee head count would save at least $4-5 million and could be potentially accomplished largely through attrition.

b) <u>Advertising costs</u>. A 15% reduction in the combined $60 million annual advertising budget could be achieved through greater efficiency and increased purchasing power. This would save approximately $9 million annually.

c) <u>Public company costs</u>. Eliminating duplicative public company costs could save $1-2 million.

For students, the benefits of a business combination would be in attending a larger, financially stronger institution with more resources that would have more program offerings and more flexibility geographically. Regulators would be happy to see these improvements, as well.

We recognize that management and the board of both companies have worked extremely hard to get us this far and that you are devoted to seeing continued improvement within your respective institutions. We also recognize that a combination would be time consuming and disruptive and that there are many other considerations beyond those addressed in this letter. However, we strongly believe that the benefits vastly outweigh the costs and that now is the time to come together to build a combined company that will be much stronger on all fronts and can thrive in the current post-secondary education environment.

We would be happy to clarify or expound on any of the ideas presented in this letter or to assist in any way possible in your efforts to maximize shareholder value.

Thank you,

/s/ Justyn R. Putnam

Justyn R. Putnam
Managing Member
TALANTA
Investment Group, LLC

Exhibit 1

## UTI - LINC Combination Value[1]

| 2017 Estimated | UTI | LINC | Adjustments | Combined |
|---|---|---|---|---|
| Revenues | 320 [2] | 260 [3] | 0 | 580 |
| Expenses | 320 | 260 | (15) [4] | 565 |
| Operating Income | 0 [5] | 0 [6] | 15 | 15 |
| D&A | 16.9 | 8.6 | 0 | 25.5 |
| EBITDA | 16.9 | 8.6 | 15 | 40.5 |
| | | | | **Valuation** EBITDA 8x |
| Enterprise Value | 60.5 | 74.8 | 189 | 324 |
| (as of 6/30/17) | | | | |
| Cash | 98.1 | 28.7 [7] | 0 | 126.8 |
| Debt/Preferreds | 70 | 32.0 | 0 | 102.0 |
| Shrs Outstanding | 24.8 | 24.7 | | 49.5 |
| $/Shr (8/30/17) | $3.58 | $2.89 | | $7.05 |
| Market value | 88.6 | 71.4 | 189 | 349 |
| **Percentage increase over current combined market value** | | | | 120% |

Notes:

1 Financial projections taken from company guidance. Combined value does not include potential strategic, corporate restructuring, or capital structure benefits.

2 Company guidance 8/3/17 "UTI continues to expect revenue to be down in the mid-to-high single digits in fiscal 2017"

3 Company guidance 8/7/17 "essentially flat to low single digit decline"

4 Employee cost reductions $4 million
Advertising cost savings $9 million
Elimination of duplicative public company costs $2 million

5 Company guidance 8/3/17 "…range between operating income of $1 million and an operating loss of $1 million"

6 Company guidance 8/7/17 "…expects to breakeven or incurr a slight operating loss, excluding impact of closed campuses"

7 Includes $15.3 million in proceeds from West Palm Beach Property sale