

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

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

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* <u>LUSTER ALEXANDRA M</u> <hr/> (Last) (First) (Middle) 200 EXECUTIVE DRIVE, SUITE 340 <hr/> (Street) WEST ORANGE NJ 07052 <hr/> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>LINCOLN EDUCATIONAL SERVICES CORP [LINC]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner X Officer (give title below) Other (specify below) VP and General Counsel
	3. Date of Earliest Transaction (Month/Day/Year) 08/22/2006	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

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	08/22/2006		M		6,000	A	\$14	6,000	D	
Common Stock	08/22/2006		S		2,000	D	\$17.85	4,000	D	
Common Stock	08/22/2006		S		302	D	\$17.71	3,698	D	
Common Stock	08/22/2006		S		100	D	\$17.7	3,598	D	
Common Stock	08/22/2006		S		100	D	\$17.63	3,498	D	
Common Stock	08/22/2006		S		198	D	\$17.57	3,300	D	
Common Stock	08/22/2006		S		499	D	\$17.56	2,801	D	
Common Stock	08/22/2006		S		198	D	\$17.55	2,603	D	
Common Stock	08/22/2006		S		99	D	\$17.54	2,504	D	
Common Stock	08/22/2006		S		100	D	\$17.53	2,404	D	
Common Stock	08/22/2006		S		700	D	\$17.52	1,704	D	
Common Stock	08/22/2006		S		500	D	\$17.51	1,204	D	
Common Stock	08/22/2006		S		472	D	\$17.5	732	D	
Common Stock	08/22/2006		S		100	D	\$17.48	632	D	
Common Stock	08/22/2006		S		100	D	\$17.47	532	D	
Common Stock	08/22/2006		S		100	D	\$17.46	432	D	
Common Stock	08/22/2006		S		432	D	\$17.32	0	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	\$14	08/22/2006		M		1,500		04/15/2004	11/03/2013	Common Stock	1,500	\$0	13,500	D	
Employee Stock Options	\$14	08/22/2006		M		1,500		11/03/2004	11/03/2013	Common Stock	1,500	\$0	12,000	D	
Employee Stock Options	\$14	08/22/2006		M		1,500		04/15/2005	11/03/2013	Common Stock	1,500	\$0	10,500	D	
Employee Stock Options	\$14	08/22/2006		M		1,500		11/03/2005	11/03/2013	Common Stock	1,500	\$0	9,000	D	

Explanation of Responses:

/s/ Alexandra M Luster 08/24/2006

** 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.