

ITT EDUCATIONAL SERVICES INC

Form 4

September 01, 2006

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

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
FOWLER JAMES D

2. Issuer Name **and** Ticker or Trading
Symbol
**ITT EDUCATIONAL SERVICES
INC [ESI]**

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
19087 BOYER FIELDS PLACE
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
09/01/2006

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

LEESBURG,, VA 20176

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

(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	09/01/2006		M ⁽¹⁾		7,000 ₍₂₎	A \$ 10.438 ₍₃₎	16,089	D	
Common Stock	09/01/2006		S ⁽¹⁾		100	D \$ 65.94	15,989	D	
Common Stock	09/01/2006		S ⁽¹⁾		100	D \$ 65.95	15,889	D	
Common Stock	09/01/2006		S ⁽¹⁾		800	D \$ 65.96	15,089	D	
Common Stock	09/01/2006		S ⁽¹⁾		200	D \$ 65.97	14,889	D	

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Common Stock	09/01/2006	<u>S</u> (1)	300	D	\$ 65.99	14,589	D
Common Stock	09/01/2006	<u>S</u> (1)	400	D	\$ 66	14,189	D
Common Stock	09/01/2006	<u>S</u> (1)	100	D	\$ 66.01	14,089	D
Common Stock	09/01/2006	<u>S</u> (1)	100	D	\$ 66.02	13,989	D
Common Stock	09/01/2006	<u>S</u> (1)	200	D	\$ 66.03	13,789	D
Common Stock	09/01/2006	<u>S</u> (1)	500	D	\$ 66.04	13,289	D
Common Stock	09/01/2006	<u>S</u> (1)	100	D	\$ 66.05	13,189	D
Common Stock	09/01/2006	<u>S</u> (1)	300	D	\$ 66.06	12,889	D
Common Stock	09/01/2006	<u>S</u> (1)	100	D	\$ 66.07	12,789	D
Common Stock	09/01/2006	<u>S</u> (1)	600	D	\$ 66.08	12,189	D
Common Stock	09/01/2006	<u>S</u> (1)	3,100	D	\$ 66.1	9,089	D

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

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 control number.

SEC 1474
(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)	8. Amount or Number of Shares
	\$ 10.438	09/01/2006		<u>M</u> (1)	7,000	08/11/1999 08/11/2009		7,000

Stock
Option
(Right to
Buy)

Common
Stock

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
FOWLER JAMES D 19087 BOYER FIELDS PLACE LEESBURG,, VA 20176	X

Signatures

Clark D. Elwood, Attorney-In-Fact for James D.
Fowler, Jr.

09/01/2006

__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 transactions reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on February 1, 2006.
Represents a portion of the: (a) 10,000 shares subject to a stock option (right to buy) granted on August 11, 1999 ("1999 Option"); and (b)
- (2) the increase of 10,000 shares subject to the 1999 Option pursuant to the 2-for-1 split of the ESI common stock on June 6, 2002 ("June 2002 Split").
- (3) Represents an original exercise price of \$20.875 for the shares of ESI common stock subject to the 1999 Option, reduced to \$10.438 pursuant to the June 2002 Split.

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