

TANNER GLENN E  
Form 4  
June 19, 2007

**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 \*  
TANNER GLENN E

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)

3. Date of Earliest Transaction (Month/Day/Year)  
06/18/2007

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
Senior VP, Marketing

13000 NORTH MERIDIAN STREET

(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

CARMEL, IN 46032

(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)			
				(A) or (D)						
			Code	V	Amount					
					Price					
Common Stock	06/18/2007		M <sup>(1)</sup>		8,000 <u>(2)</u>	A	\$ 9.719 <u>(3)</u>	8,000	D	
Common Stock	06/18/2007		M <sup>(1)</sup>		6,000 <u>(4)</u>	A	\$ 17.25 <u>(5)</u>	14,000	D	
Common Stock	06/18/2007		S <sup>(1)</sup>		100	D	\$ 112.55	13,900	D	
Common Stock	06/18/2007		S <sup>(1)</sup>		200	D	\$ 112.58	13,700	D	
Common Stock	06/18/2007		S <sup>(1)</sup>		100	D	\$ 112.59	13,600	D	

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Common Stock	06/18/2007	<u>S(1)</u>	200	D	\$ 112.6	13,400	D
Common Stock	06/18/2007	<u>S(1)</u>	500	D	\$ 112.61	12,900	D
Common Stock	06/18/2007	<u>S(1)</u>	200	D	\$ 112.63	12,700	D
Common Stock	06/18/2007	<u>S(1)</u>	400	D	\$ 112.65	12,300	D
Common Stock	06/18/2007	<u>S(1)</u>	100	D	\$ 112.68	12,200	D
Common Stock	06/18/2007	<u>S(1)</u>	300	D	\$ 112.69	11,900	D
Common Stock	06/18/2007	<u>S(1)</u>	400	D	\$ 112.71	11,500	D
Common Stock	06/18/2007	<u>S(1)</u>	200	D	\$ 112.72	11,300	D
Common Stock	06/18/2007	<u>S(1)</u>	300	D	\$ 112.73	11,000	D
Common Stock	06/18/2007	<u>S(1)</u>	200	D	\$ 112.74	10,800	D
Common Stock	06/18/2007	<u>S(1)</u>	300	D	\$ 112.75	10,500	D
Common Stock	06/18/2007	<u>S(1)</u>	100	D	\$ 112.77	10,400	D
Common Stock	06/18/2007	<u>S(1)</u>	200	D	\$ 112.78	10,200	D
Common Stock	06/18/2007	<u>S(1)</u>	200	D	\$ 112.79	10,000	D
Common Stock	06/18/2007	<u>S(1)</u>	200	D	\$ 112.8	9,800	D
Common Stock	06/18/2007	<u>S(1)</u>	200	D	\$ 112.81	9,600	D
Common Stock	06/18/2007	<u>S(1)</u>	100	D	\$ 112.82	9,500	D
Common Stock	06/18/2007	<u>S(1)</u>	1,800	D	\$ 112.83	7,700	D
Common Stock	06/18/2007	<u>S(1)</u>	300	D	\$ 112.85	7,400	D
Common Stock	06/18/2007	<u>S(1)</u>	400	D	\$ 112.86	7,000	D
	06/18/2007	<u>S(1)</u>	300	D		6,700	D

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Common Stock						\$ 112.87		
Common Stock	06/18/2007		S <sup>(1)</sup>	200	D	\$ 112.88	6,500	D
Common Stock	06/18/2007		S <sup>(1)</sup>	100	D	\$ 112.93	6,400	D
Common Stock	06/18/2007		S <sup>(1)</sup>	200	D	\$ 113.05	6,200	D
Common Stock	06/18/2007		S <sup>(1)</sup>	100	D	\$ 113.06	6,100	D

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

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(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 (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
Common Stock	\$ 9.719 (3)	06/18/2007		M <sup>(1)</sup>	8,000 (2)	(6) 01/25/2011	Common Stock	8,000 (2)
Common Stock	\$ 17.25 (5)	06/18/2007		M <sup>(1)</sup>	6,000 (4)	(7) 01/24/2012	Common Stock	6,000 (4)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
TANNER GLENN E 13000 NORTH MERIDIAN STREET CARMEL, IN 46032			Senior VP, Marketing	

## Signatures

Christine G. Long, Attorney-In-Fact for Glenn E.  
Tanner

06/19/2007

\_\_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 May 15, 2007.
  - (2) Represents the: (a) 4,000 shares subject to a stock option (right to buy) granted on January 23, 2001 ("2001 Option"); and (b) the increase of 4,000 shares subject to the 2001 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 \$19.438 for the shares of ESI common stock subject to the 2001 Option, reduced to \$9.719 pursuant to the June 2002 Split.
  - (4) Represents the: (a) 3,000 shares subject to a stock option (right to buy) granted on January 22, 2002 ("2002 Option"); and (b) the increase of 3,000 shares subject to the 2002 Option pursuant to the June 2002 Split.
  - (5) Represents an original exercise price of \$34.50 for the shares of ESI common stock subject to the 2002 Option, reduced to \$17.25 pursuant to the June 2002 Split.
  - (6) The option vested in three equal installments on January 23, 2002, 2003 and 2004.
  - (7) The option vested in three equal installments on January 22, 2003, 2004 and 2005.

### Remarks:

Power of Attorney is attached hereto as exhibit 24.

This is the first of two Form 4s filed by the reporting person for transactions that occurred on June 18, 2007. Due to software limitations, all of the transactions that occurred on that date cannot be reported on one Form 4.

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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