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CAREER EDUCATION CORP
Form DFAN14A
May 04, 2006

SCHEDULE 14A

INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14 INFORMATION

Proxy Statement Pursuant To Section 14(A) Of The Securities Exchange Act of 1934

Filed by the registrant | |

Filed by party other than the registrant |X|

Check the appropriate box:

- | | Preliminary Proxy Statement
- | | Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e) (2))
- | | Definitive Proxy Statement
- |X| Definitive Additional Materials
- | | Soliciting Material Pursuant to Rule 14a-11(c) or Rule 14a-12

CAREER EDUCATION CORPORATION.

(Name of Registrant as Specified in Its Charter)

BOSTIC R STEVEN

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- |X| No fee required
- | | Fee computed on table below per Exchange Act Rules 14a-6(i) (1) and 0-11

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transactions applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11:

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid

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| | Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement no.:

(3) Filing Party:

(4) Date Filed:

Steve Bostic issued the following press release on May 4, 2006:

FOR IMMEDIATE RELEASE

Steve Bostic Expresses Disappointment with Career Education First Quarter 2006 Results

SEA ISLAND, GA, May 4, 2006 -- Steve Bostic, the beneficial owner of approximately 1% of the outstanding stock of Career Education Corporation (NASDAQ: CECO), today made the following statement regarding Career Education Corporation's first quarter 2006 results:

"I believe CEC's first quarter results urgently demonstrate that the time for stockholders to act is now. Over the last few days, management has spent hundreds of thousands of dollars of their stockholders' money mounting lavish newspaper advertising campaigns attacking me and the way I ran my business six years ago. Management continues to play its game of smoke and mirrors to distract stockholders from the facts. The reality is that they have missed their earnings and provided no outlook as to how they will solve the problems plaguing our company. What happened to all of management's hype about momentum? Enrollment at brick and mortar schools is down about 8% year over year. Online growth has slowed to a trickle. New starts are down significantly. American InterContinental University (AIU) is still on probation, and the other legal and regulatory problems have not gone away. The money management is spending on advertising to attack me would be better spent explaining to stockholders how management proposes to turn the company around. I have been speaking to other stockholders of the company in recent days, and they are also deeply concerned about the direction management has taken. The multiple analyst downgrades and 13% drop in our company's stock price as of mid-afternoon today demonstrate that these concerns are widespread. The Southern Association of Colleges and Schools has found that there was a lack of "integrity of student academic records and

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accuracy in recruiting and admission practices" at AIU under current management. Stockholders should ask themselves if management's recent advertising campaign that refused to address the fundamental issues is any better. The time for change is now. I urge my fellow stockholders to vote the blue proxy card in favor of me and my fellow nominees at the company's annual meeting on May 18."

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