Pan Zibing Form 4 January 18, 2011

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

(Print or Type Responses)

1. Name and Address of Reporting Person * Pan Zibing

(Last) (First) (Middle)

1813 NW 176TH PL.

(Street)

EDMOND, OK 73012

(City)

2. Issuer Name and Ticker or Trading

Symbol

CHINA EDUCATION ALLIANCE INC. [CEU]

3. Date of Earliest Transaction

(Month/Day/Year) 01/18/2011

4. If Amendment, Date Original

Filed(Month/Day/Year)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if (Instr. 3)

(State)

(Month/Day/Year)

(Zip)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 8)

(Instr. 3, 4 and 5)

Reported (A)

Transaction(s) (Instr. 3 and 4) Code V Amount (D) Price

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

any

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Conversion Security or Exercise

3. Transaction Date 3A. Deemed (Month/Day/Year) Execution Date, if

4.

5. Number of **Transaction**Derivative Code Securities

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Amount of **Underlying Securities** (Instr. 3 and 4)

OMB APPROVAL

3235-0287

January 31,

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Number:

Expires:

response...

5. Relationship of Reporting Person(s) to

(Check all applicable)

Chief Financial Officer

6. Ownership

Form: Direct

(D) or Indirect Beneficial

6. Individual or Joint/Group Filing(Check

X Form filed by One Reporting Person Form filed by More than One Reporting

(T)

(Instr. 4)

below)

10% Owner

Other (specify

7. Nature of

Ownership

(Instr. 4)

Indirect

Issuer

below)

Person

5. Amount of

Securities

Owned

Beneficially

Following

Director

Applicable Line)

X_ Officer (give title

Estimated average

burden hours per

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr.	-	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)					
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option to Purchase Common Stock (1)	\$ 5.59	09/24/2009		A		30,000		09/24/2009	09/23/2012	Common stock	30,000
Option to Purchase Common Stock (2)	\$ 2.26	01/18/2011		A		30,000		01/18/2011	01/17/2014	Common stock	30,000

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Pan Zibing

1813 NW 176TH PL. Chief Financial Officer

EDMOND, OK 73012

Signatures

/s/Wei Wang, Attorney-at-Law

**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).

Effective August 20, 2009, Zibing Pan (the "Reporting Person") was appointed Chief Financial Officer of China Education Alliance, Inc. (the "Company"). Pursuant to an Incentive Stock Option Agreement between the Reporting Person and the Company, on September 24, 2009, the Reporting Person was granted an option (the "2009 Option") to purchase 30,000 shares of common stock of Company at an exercise price equivalent to the closing price per share of common stock on the date of the grant, which option shall vest in one-third installments over three years, the first installment to be exercisable on the date of the 2009 Option (the "Initial Vesting Date"), with additional installments becoming exercisable on each of the first and second anniversaries following the Initial Vesting Date.

Pursuant to the Company's 2009 Incentive Stock Option Plan and an Incentive Stock Option Agreement dated as of January 18, 2011, the Reporting Person was granted an option (the "2011 Option") to purchase 30,000 shares of common stock of the Company at an exercise price of \$2.26 per share. The 2011 Option shall vest during the term of the Reporting Person's employment with the Company in three equal annual installments of 10,000 shares each, the first installment to be exercisable on the date of the 2011 Option (the "Initial Vesting Date"), with the remaining installments becoming exercisable on each of the successive periods following the Initial Vesting Date. The 2011 Option shall expire three years from the Initial Vesting Date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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