

CHINA EDUCATION ALLIANCE INC.

Form 3

November 15, 2007

FORM 3**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB
Number: 3235-0104Expires: January 31,
2005Estimated average
burden hours per
response... 0.5**INITIAL STATEMENT OF 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

*
YU XIQUN
(Last) (First) (Middle)2. Date of Event
Requiring Statement
(Month/Day/Year)
12/13/20043. Issuer Name and Ticker or Trading Symbol
CHINA EDUCATION ALLIANCE INC. [CEUA.OB]4. Relationship of Reporting
Person(s) to Issuer5. If Amendment, Date Original
Filed(Month/Day/Year)

(Check all applicable)

☒ Director ☒ 10%
Owner
☒ Officer ☐ Other
(give title below) (specify below)
President & CEO6. Individual or Joint/Group
Filing(Check Applicable Line)
☒ Form filed by One Reporting
Person
☐ Form filed by More than One
Reporting PersonC/O CHINA EDUCATION
ALLIANCE, INC., 58 HENG
SHAN ROAD, KUN LUN
SHOPPING MALL

(Street)

HARBIN,
HEILONGJIANG, F4 150090

(City) (State) (Zip)

Table I - Non-Derivative Securities Beneficially Owned1. Title of Security
(Instr. 4)2. Amount of Securities
Beneficially Owned
(Instr. 4)3. Ownership
Form:
Direct (D)
or Indirect
(I)
(Instr. 5)4. Nature of Indirect Beneficial
Ownership
(Instr. 5)Common Stock, \$0.001 par value per share 12,683,333 ⁽¹⁾ ⁽²⁾

D A

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

SEC 1473 (7-02)

**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.****Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**1. Title of Derivative Security
(Instr. 4)2. Date Exercisable and
Expiration Date
(Month/Day/Year)3. Title and Amount of
Securities Underlying
Derivative Security4. Conversion
or Exercise5. Ownership
Form of6. Nature of Indirect
Beneficial Ownership
(Instr. 5)

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Date Exercisable	Expiration Date	Title (Instr. 4)	Amount or Number of Shares	Price of Derivative Security	Derivative Security: Direct (D) or Indirect (I) (Instr. 5)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
YU XIQUN C/O CHINA EDUCATION ALLIANCE, INC. 58 HENG SHAN ROAD, KUN LUN SHOPPING MALL HARBIN, HEILONGJIANG, F4 150090	X	X	President & CEO	

Signatures

/s/ Xiqun Yu 11/15/2007

Signature of
Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 5(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).

An initial Form 3 was required to be filed within 10 calendar days of December 13, 2004, the closing of the Plan of Exchange between China Education Alliance, Inc. (the "Company"), Zhong He Li Da Education Technology, Inc., a corporation organized and existing under the laws of the People's Republic of China ("ZHLD") and Duane Bennett. The Reporting Person is filing this initial Form 3 on November 15, 2007, and it reflects his shareholdings as of such date. There has been no other reportable change in beneficial ownership of the Reporting Person since December 13, 2004. The numbers herein have been adjusted to reflect a 1-for-3 reverse stock split which was effective as of October 12, 2007.

Includes 944,444 shares of common stock (the "Escrow Shares"), which the Reporting Person has placed in escrow pursuant to the terms of a certain Securities Purchase Agreement dated as of May 8, 2007, as amended on May 23, 2007 and June 8, 2007 (the "Purchase Agreement"), between the Company and certain investors parties thereto, and a certain Escrow Agreement dated as of May 2007, between the Company, the Reporting Person, Sichenzia Ross Friedman Ference LLP, as Escrow Agent, and other persons parties thereto. All or a portion of the Escrow Shares will be released from escrow and delivered to the Company, based on a formula set forth in the Purchase Agreement, for cancellation, if the Company does not meet certain levels of EBITDA for the year ended December 31, 2007. If such EBITDA levels are met, the Escrow Shares will be returned to the Reporting Person.

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.