

Compensation Committee

I . Committee Membership

The Compensation Committee of the Board of Directors of Tsingda eEDU Corporation ("Tsingda") shall be composed of at least three Directors. The members of the Committee and its Chair shall be appointed by the Board, upon the recommendation of the Nominating and Governance Committee and removed by the Board at its discretion. All members of the Committee shall meet the applicable independence requirements of The Nasdaq Stock Market, Inc. ("Nasdaq") and all other applicable laws and regulations. At least two of the members of the Committee shall satisfy the "non-employee director" standard within the meaning of Section 16b-3 of the Exchange Act and the "outside director" standard within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended from time to time (the "Code").

II . The Committee's Purpose

The purposes of the Committee are to assist the Board in determining the compensation for the Chief Executive Officer ("CEO") and approving the compensation structure for executive officers, other members of senior management and certain highly compensated employees, in accordance with guidelines established by the Committee from time to time. The Committee shall perform any and all duties required of it under the Emergency Economic Stabilization Act, as amended, and any regulations or other legal authority promulgated at any time thereunder (EESA). The Committee will produce an annual report for inclusion in the Company's proxy statement and make such other reports, certifications, and disclosures as may be required by EESA. Further, the Committee approves broad-based and special compensation plans across the Company. Additionally, the Committee will regularly review the Company's management resources, succession planning and development activities, as well as the performance of senior management. The Committee is charged with monitoring the Company's performance toward meeting its goals on employee diversity.

III. Committee Authority and Responsibilities

The authority and responsibilities of the Compensation Committee are:

- ✧ To review and approve the objectives, evaluate the performance, and review and recommend the compensation of Tsingda's Chief Executive Officer to the full Board meeting in an executive session of independent directors. The Committee bases its recommendations regarding CEO compensation on:
 - CEO performance in light of those objectives,
 - Tsingda financial and business performance, and relative shareholder returns,
 - the CEO's compensation in prior years, and
 - the Company's objective to be competitive with comparable peer group companies.

- ✧ To review and approve the evaluation process and compensation structure for the Company's executive officers and to approve their annual compensation, including salary, annual cash incentive and long-term initiatives.
- ✧ To select appropriate peer groups against which the Company's executive compensation is compared.
- ✧ To review incentive compensation and equity based plans, and to advise management and the Board on the design and structure of Tsingda's compensation and benefits programs and policies, and to recommend changes to the Board, as needed.
- ✧ To administer and make awards under Tsingda's stock option plans, and to review and approve annual stock allocation under those plans.
- ✧ To monitor trends and best practices in Director compensation and stock ownership guidelines and recommend changes to the Board as it deems appropriate in accordance with the Corporate Governance Guidelines.
- ✧ To monitor and review the Company's overall compensation and benefits program design to ensure continued competitiveness and consistency with established Company compensation philosophy, corporate strategy and objectives and alignment with shareholder interests.
- ✧ To review and make recommendations to the Board regarding people-related strategies and initiatives, such as recruitment, retention and diversity management.
- ✧ To establish stock ownership guidelines for executive officers and other key position holders.
- ✧ To review and discuss with the Company's management the Compensation Discussion and Analysis (CD&A) to be included in the Company's annual proxy statement to shareholders.
- ✧ To submit a Compensation Committee Report recommending to the Board that the CD&A be included in the proxy.

IV. Committee Meetings, Support, Delegation and Evaluation

The Compensation Committee shall meet at least four times a year, or more often as circumstances require, keep minutes of its proceeding and report regularly to the Board.

The Compensation Committee may invite to its meetings any director, officer of the Company or such other person as it deems appropriate to assist it in performing its responsibilities, and has the authority to retain independent compensation or other

consultants to assist it in its responsibilities, and to approve related fees and other retention provisions. Non Compensation Committee directors may attend Committee meetings and participate to the extent permitted by applicable law and regulation.

The Compensation Committee may delegate specific responsibilities to one or more individual Committee members to the extent permitted by law, regulation, Nasdaq Listing Standards and the Articles of Incorporation of the Company.

The Compensation Committee shall conduct and present to the Board an annual performance evaluation of the Committee. The Committee shall review annually the adequacy of this charter and recommend any changes that it deems appropriate to the Board for approval.