

ATA INC.

CORPORATE GOVERNANCE GUIDELINES

(Adopted on January 7, 2008)

Mission of the Board of Directors. The responsibility of the Board of Directors (the “Board”) of ATA Inc. (the “Company”) is to review and regularly monitor the effectiveness of the Company’s fundamental operating, financial and other business plans, policies and decisions, including the execution of its strategies and objectives. The Board will seek to enhance shareholder value over the long term. The Board believes that its objectives will be best served by following the fundamental corporate governance principles described in this document and the charters of its various committees. Collectively, these principles demonstrate the Board’s accountability and its desire that the Company achieve superior business results. In fulfilling its obligations, the Board will consider legal, public policy and other factors and ethical standards and the interests of its shareholders.

These guidelines must be read in the context of the Company’s memorandum and articles of association, other corporate governance documents and all applicable laws and regulations. The guidelines do not constitute a set of legally binding obligations, and are subject to modification by the Board from time to time as the Board may deem appropriate in the best interests of the Company and its shareholders or as required by applicable laws and regulations. These guidelines are available on the Company’s website at “www.ata.net.cn” and to any shareholder who otherwise requests a copy. The Company will disclose the foregoing in its annual report filed with the U.S. Securities and Exchange Commission (“SEC”) on Form 20-F.

1. Structure of the Board

- (a) **Size.** According to the Company’s articles of association, the Board may consist of not less than two (2) members. The Board currently has five (5) members, which the Board believes that is an appropriate size based on the Company’s present circumstances. The Board periodically shall review the size of the Board and determine the size that is optimal going forward.
- (b) **Independent Directors.** As soon as practicable after the Company's initial public offering ("IPO") and in no event later than the date that is one year anniversary as of the date of completion of the Company's initial public offering, a majority of the Board shall be composed of independent directors, as required by Rule 4350(c) of the Nasdaq Marketplace Rules (the “Nasdaq Rules”), unless the Board elects to rely on the exemption from this requirement afforded to Foreign Private Issuers (the definition of which is set forth in Annex A hereto) as set forth in Rule 4350(a) of the Nasdaq Rules. An “independent director” means a person who (as determined by the Board) meets the independence standards of the Nasdaq Stock Market contained under the definition of “independent director” in Rule 4200(a)(15) of the Nasdaq Rules. With respect to Audit Committee members, “independent director” shall include the requirements of an “audit committee independent director,” as required by law or applicable Nasdaq Rules.

- (i) Each director's status as an independent director should be reviewed annually by the Board, through the Nominations Committee. Each independent director should keep the Board fully and promptly informed as to any developments that might affect the director's independence. An independent director must provide notice to the Board before taking any action that may effect his or her status as an independent director.
 - (ii) If any independent director ceases to be independent due to circumstances beyond his or her reasonable control, the Company is required to regain compliance with the Rule 4350(c) of the Nasdaq Rules with respect to independent directors by the earlier of (x) its next annual shareholders meeting or (y) one year from the occurrence of the event that caused its failure to comply with the requirement. If any Audit Committee member ceases to be independent for any reason beyond the member's reasonable control, the Audit Committee member may remain on the Audit Committee until the earlier of (x) the Company's next annual shareholders meeting or (y) one year from the occurrence of the event that caused the Audit Committee member to cease to be independent.
 - (iii) The Company must provide a notice to the Nasdaq Stock Market immediately upon learning of the event or circumstance that caused the independent director to cease being independent.
2. **Board Membership Criteria.** The Board has delegated to the Nominations Committee the responsibility for recommending the types of skills and characteristics required of directors, based on the needs of the Company from time to time. This assessment should include issues of relevant experience, intelligence, independence, commitment, compatibility with the chief executive officer and the culture of the Company and the Board, prominence, understanding of the Company's business, and other factors deemed relevant by the Nominations Committee.
 3. **Orientation and Education.** When a new director joins the Board, management will provide an orientation program to enable the new director to gain an understanding of the Company and the Company's industry. The Board, through the Nominations Committee, and the Company's management will work together to develop and provide appropriate continuing education programs for directors on matters relevant to the Company and the Company's business plan, industry and risk profile.
 4. **Term Limits.** There are no established limits on the number of terms that a director may serve. However, no director should have an expectation of permanent membership.
 5. **Directors Fees and Expenses.** The Board shall, from time to time based on the recommendation of the Compensation Committee, set the annual fees payable to directors for service on the Board. Additional remuneration may be set by the Board, based on the recommendation of the Compensation Committee, for service on any one or more Committees of the Board. Each director shall be entitled to be repaid or prepaid all documented traveling, hotel and incidental expenses reasonably incurred or expected to be incurred by him in attending meetings of the Board or Committees of the Board or general meetings or separate meetings of any class of shares or of debentures

of the Company or otherwise in connection with the discharge of his duties as a director. Changes in directors' fees and expenses arrangements, if any, should be based on the recommendation of the Compensation Committee.

6. Limitation on Other Board Service.

- (a) **Generally No Limitation.** Generally the Board does not prohibit its members from serving on boards of other organizations and has not adopted any guidelines limiting such activities, except as described below with respect to members of the Audit Committee. However, the Nominations Committee and the Board will each take into account the nature of and time involved in a director's service on other boards and/or committees in evaluating the suitability of individual director candidates and current directors and making its recommendations to the Company's shareholders.
- (b) **Audit Committee.** Because of the Audit Committee's demanding role and responsibilities, and the time commitment attendant to membership in that committee, members of the Company's Audit Committee may not serve on the audit committees of the board of directors of more than two other companies at the same time that they are serving on the Audit Committee.

7. Director Responsibilities. The business and affairs of the Company will be managed by or under the direction of the Board, including through one or more of its Committees as set forth in the Company's memorandum of association and articles of association (the "Constitutional Documents"). Each director is expected to spend the time and effort necessary to properly discharge his or her duties. The directors duties include, among others:

- (a) **Attendance and Availability.** Each director should make every reasonable effort to attend each meeting of the Board and any Board Committee of which the director is a member, and to be reasonably available to management and the other directors for consultation between meetings. Directors may attend meetings by telephone or, if available, video conference, when attendance in person is not practical due to other commitments.
- (b) **Participation in Meetings.** Each director should be sufficiently familiar with the business of the Company, including its financial statements and capital structure, and the risks and competition it faces, to facilitate active and effective participation in the deliberations of the Board and of each committee on which he or she serves. Directors should also review the materials provided by management and advisors in advance of the meetings of the Board and its Committees and should arrive prepared to discuss the issues presented.
- (c) **Corporate Opportunities.** Directors shall make business opportunities relating to the Company's business available to the Company before pursuing the opportunity for the director's own or another's account.
- (d) The Board expects all directors, as well as officers and employees, to act ethically at all times and to adhere to the Company's Code of Business Conduct and Ethics.

8. Board Meetings.

- (a) **Number of Meetings.** The Board expects to have at least four (4) regularly scheduled meetings each year. In addition, special meetings may be called from time to time as determined by the needs of the business.
- (b) **Attendance of Non-Directors at Board Meetings.** Attendance of any non-director at any Board meeting is subject to the discretion of the Board. Subject to that, the Board encourages management to bring officers and managers into Board meetings from time to time, when such managers can provide additional insight into the matters being discussed and/or have potential as future members of senior management. Board approval should be sought if the chief executive officer wishes to add additional personnel as attendees at Board meetings on a regular basis.
- (c) **Executive Sessions of Independent Directors.** The independent directors will meet in executive session at least semi-annually, and otherwise as needed. Such sessions will be chaired by the chairman of the Audit Committee or, if he is not available, by an independent director selected by a majority of the independent directors, who will also establish an agenda for such meetings. These meetings will generally include a discussion with the chief executive officer.
- (d) **Meeting Agendas.** The chairman of the Board will establish the agenda for each regularly scheduled Board meeting. Any director is free to suggest potential items for the agenda.
- (e) **Materials to be Distributed in Advance.** Any materials pertaining to Board and Committee meetings will be distributed to directors in advance of those meetings. A director is expected to review all distributed materials prior to any Board or Committee meeting that such director attends.

9. Board Committees.

- (a) **Creation and Termination of Committees.** There are currently three (3) Board Committees: the Audit Committee, the Compensation Committee, and the Nominations Committee. The Board may from time to time establish other committees subject to the Constitutional Documents, applicable law and Nasdaq Rules. The Board may, by resolution, at any time deemed desirable, discontinue any committee, subject to the requirements of its Constitutional Documents, as amended, applicable law and Nasdaq Rules.
- (b) **Committee Assignments and Rotation.** Committee assignments will be made by the Board based upon recommendations of the Nominations Committee. Committee membership and the position of committee chair will not be rotated on a mandatory basis unless the Board determines that rotation is in the Company's best interest.
- (c) **Frequency of Committee Meetings.** Each Committee will meet as provided by its charter and will also meet at the call of its chairman or any two members of such Committee.

- (d) **Committee Agenda.** The chairperson of each Committee will determine the Committee's agenda prior to a meeting, giving consideration to management recommendations.
 - (e) **Audit Committee.** The Audit Committee's duties and responsibilities will be set forth in the Audit Committee charter and include all of the responsibilities of an audit committee under applicable SEC and Nasdaq Rules and such other matters as may from time to time be delegated to the Audit Committee by the Board. Each member of the Audit Committee will satisfy the independence requirements of applicable SEC and Nasdaq Rules relating to directors and audit committee members.
 - (f) **Compensation Committee.** The Compensation Committee's duties and responsibilities will be set forth in the Compensation Committee charter and include all of the responsibilities of a compensation committee under the Nasdaq Rules and such other matters as may from time to time be delegated to the Compensation Committee by the Board. Each member of the Compensation Committee will satisfy the director independence requirements under the Nasdaq Rules.
 - (g) **Nominations Committee.** The Nominations Committee's duties and responsibilities will be set forth in the Nominations Committee charter and include all of the responsibilities of a nominations committee under the Nasdaq Rules and such other matters as may from time to time be delegated to the Nominations Committee by the Board. Each member of the Nominations Committee will satisfy director independence requirements under the Nasdaq Rules.
10. **Related Party Transactions.** Any related party transactions shall be reviewed and must be approved by the Audit Committee.
11. **Conflicts of Interest.** Directors are not precluded from having a direct or indirect interest in any contract or arrangement with the Company that is different from or in addition to the director's interest as a director or shareholder of the Company. Each director should disclose to the Board (or the Audit Committee, as the case may be) any financial or personal interest that he or she has in any contract or transaction that is being considered by the Board (or the Audit Committee, as the case may be) for approval. After such disclosure and responding to any questions the Board may have, unless disqualified by the chairman of the Board, the interested director may vote in respect of such contract or transaction and may be counted in the quorum at such meeting.
12. **Annual Performance Evaluation of the Board.** The Board will conduct an annual self-evaluation in order to determine whether it and its committees are functioning effectively. The Nominations Committee will oversee the Board's annual self-evaluation.
13. **Director Access to Management.** The Board shall have complete access to Company management in order to ensure that directors can ask any question that they may have and receive all information necessary to perform their duties adequately. Management shall comply promptly with any such requests from directors, and directors shall

exercise judgment to ensure that their contact with management does not distract the managers from their jobs or disturb the Company's business operations. The directors are expected to inform the chief executive officer of contact with management.

- 14. Director Access to Independent Advisors.** Directors and Board Committees will have complete access, as necessary and appropriate, to the Company's outside advisors as they deem necessary and appropriate. If appropriate, directors may retain independent legal, financial or other advisors.
- 15. Annual Review of the CEO.** The Compensation Committee will, at least annually, (i) review and approve corporate goals and objectives relevant to the compensation of the chief executive officer, (ii) evaluate the performance of the chief executive officer in light of those goals and objectives, (iii) report the results of such evaluation to the Board and (iv) have the authority, either as a Committee or together with the other independent directors, to determine the chief executive officer's compensation level based on this evaluation.
- 16. Management Succession.** Every year the chief executive officer will report to the Board on succession planning. The report will include policies and principles for chief executive officer selection and performance review, as well as policies regarding succession in the case of an emergency or retirement of the chief executive officer.
- 17. Policy Against Company Loans.** Neither the Company nor any of its subsidiaries or other consolidated entities shall provide loans, loan guarantees, or otherwise directly or indirectly extend credit to any executive officer of the Company, or any director of the Company. Payment advances or reimbursement for expenses will not be deemed to be loans.
- 18. Contact with Third Parties.** It is important that the Company speak to employees and outside constituencies with a single voice, and that management serves as the primary spokesperson for the Company. If an individual director intends to meet or otherwise substantively communicate with third parties regarding Company matters, this should generally be done only after consulting with the chief executive officer.
- 19. Insurance, Indemnification and Limitation of Liability.** The directors shall be entitled to have the Company purchase directors' and officers' liability insurance on their behalf as is reasonable under the circumstances, to the benefits of indemnification to the fullest extent permitted by law and the Company's memorandum and articles of association and any indemnification agreements, and to exculpation as provided by law and the Company's memorandum and articles of association.
- 20. Foreign Private Issuer.** The Board shall periodically review the Company's status as a foreign private issuer, as defined in Rule 3b-4 under the Securities Exchange Act of 1934, as amended, including a regular review of the citizenship and residence of all directors and executive officers, and recommend all necessary or appropriate actions in accordance with applicable law or Nasdaq Rules, in the event that the Company should cease to maintain its status as such. The definition of "foreign private issuer" is set forth in Annex A hereto.
- 21. Review and Amendments of Guidelines.** The Board will review these Guidelines at least annually to ensure that they remain suitable for the needs of the Company.

Annex A

Definition of “Foreign Private Issuer”

Rule 3b-4 of the Exchange Act defines “foreign private issuer” as any foreign issuer other than a foreign government, except an issuer meeting the following conditions:

- more than 50 percent of the issuer’s outstanding voting securities are directly or indirectly held of record by residents of the United States; and
- any of the following:
 - the majority of the executive officers or directors are United States citizens or residents;
 - more than 50 percent of the assets of the issuer are located in the United States; or
 - the business of the issuer is administered principally in the United States.