

McCullough Randy N
 Form 4
 March 07, 2012

FORM 4

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

OMB APPROVAL

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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 *
 McCullough Randy N

2. Issuer Name and Ticker or Trading Symbol
 CHARLES & COLVARD LTD
 [CTHR]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
 (Month/Day/Year)

Director 10% Owner
 Officer (give title below) Other (specify below)
 President & CEO

C/O CHARLES & COLVARD, 300 PERIMETER PARK STE A

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

MORRISVILLE, NC 27560

(City) (State) (Zip)

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

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

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.

SEC 1474 (9-02)

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

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)			(Instr. 3 and 4)		
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Stock Option (right to buy)	\$ 4.48	03/05/2012	A		11,216		03/05/2012 ⁽¹⁾	03/05/2022	Common Stock	11,216
Stock Option (right to buy)	\$ 2.68						11/05/2011 ⁽²⁾	11/05/2021	Common Stock	100,000
Stock Option (right to buy)	\$ 3.46						03/07/2011 ⁽³⁾	03/07/2021	Common Stock	10,560
Stock Option (right to buy)	\$ 2.13						11/05/2010 ⁽⁴⁾	11/05/2020	Common Stock	100,000
Stock Option (right to buy)	\$ 0.58						11/05/2009 ⁽⁵⁾	11/05/2019	Common Stock	189,200

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
McCullough Randy N C/O CHARLES & COLVARD 300 PERIMETER PARK STE A MORRISVILLE, NC 27560	X		President & CEO	

Signatures

/s/ Timothy Krist, Attorney-In-Fact	03/07/2012
**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).

- (1) Option vests and becomes exercisable in four equal annual installments beginning on March 5, 2012.
- (2) Option vests and becomes exercisable in four equal annual installments beginning on November 5, 2011.
- (3) Option vests and becomes exercisable in four equal annual installments beginning on March 7, 2011.
- (4) Option vests and becomes exercisable in four equal annual installments beginning on November 5, 2010.
- (5) Option vests and becomes exercisable in four equal annual installments beginning on November 5, 2009.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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