Pautz Thomas G Form 3 March 02, 2010

FORM 3

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

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF

OMB APPROVAL

OMB Number:

3235-0104

Expires:

January 31, 2005

0.5

Estimated average burden hours per response...

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 *

A Pautz Thomas G

(Last) (First)

C/O CHARLES & COLVARD, LTD., Â 300 PERIMETER

PARK, SUITE A

(Street)

Statement (Month/Day/Year)

12/16/2009

2. Date of Event Requiring 3. Issuer Name and Ticker or Trading Symbol

CHARLES & COLVARD LTD [CTHR]

4. Relationship of Reporting

Person(s) to Issuer

5. If Amendment, Date Original

Filed(Month/Day/Year)

(Check all applicable)

10% Owner Director _X__ Officer Other

(give title below) (specify below) VP of Sales & Marketing

6. Individual or Joint/Group

Filing(Check Applicable Line) _X_ Form filed by One Reporting

Person

Form filed by More than One

Reporting Person

4. Nature of Indirect Beneficial

MORRISVILLE, Â NCÂ 27560

(City) (State)

1. Title of Security

(Instr. 4)

(Zip)

(Middle)

Table I - Non-Derivative Securities Beneficially Owned 2. Amount of Securities

Beneficially Owned

(Instr. 4)

3.

Ownership

Form: Direct (D)

Ownership (Instr. 5)

or Indirect (I) (Instr. 5)

Common Stock

0

D

Â

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 1473 (7-02)

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 Security (Instr. 4)

4. Conversion

5. Ownership Form of

6. Nature of Indirect Beneficial Ownership

or Exercise (Instr. 5) Derivative

Price of Derivative Security:

Edgar Filing: Pautz Thomas G - Form 3

	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Security	Direct (D) or Indirect (I) (Instr. 5)	
Stock Option (Right to Buy)	(1)	11/11/2019	Common Stock	30,000	\$ 0.69	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships				
. 9	Director	10% Owner	Officer	Other	
Pautz Thomas G C/O CHARLES & COLVARD, LTD. 300 PERIMETER PARK, SUITE A	Â	Â	VP of Sales & Marketing	Â	
MORRISVILLE, NC 27560					

Signatures

Timothy L. Krist,
attorney-in-fact

**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).
- (1) These options vest in three equal installments on 10/12/2009, 10/12/2010, and 10/12/2011

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.

Reporting Owners 2