

McCullough Randy N  
Form 4  
March 07, 2012

**FORM 4**

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

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

## OMB APPROVAL

OMB  
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response... 0.5

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

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/05/2012

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

(Street)  
MORRISVILLE, NC 27560

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

(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 Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(D)	Price

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

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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 <sup>(1)</sup>	03/05/2022	Common Stock	11,21		
Stock Option (right to buy)	\$ 2.68						11/05/2011 <sup>(2)</sup>	11/05/2021	Common Stock	100,00		
Stock Option (right to buy)	\$ 3.46						03/07/2011 <sup>(3)</sup>	03/07/2021	Common Stock	10,56		
Stock Option (right to buy)	\$ 2.13						11/05/2010 <sup>(4)</sup>	11/05/2020	Common Stock	100,00		
Stock Option (right to buy)	\$ 0.58						11/05/2009 <sup>(5)</sup>	11/05/2019	Common Stock	189,23		

## 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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