

McCullough Randy N  
Form 4  
November 18, 2009

**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)

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

11/17/2009

President & CEO

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)

MORRISVILLE, NC 27560

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 Ownership (Instr. 4)
				(A) or (D)	Price		
				Code	V	Amount	
Common Stock	11/17/2009		P	A	\$ 100 0.8773	100	I By Diamond Fire LTD (1)
Common Stock	11/17/2009		P	A	\$ 300 0.8686	400	I By Diamond Fire LTD (1)
Common Stock	11/17/2009		P	A	\$ 300 0.8484	700	I By Diamond Fire LTD

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Common Stock	11/17/2009	P	600	A	\$ 0.84	1,300	I	<u>(1)</u> By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	100	A	\$ 0.8325	1,400	I	<u>(1)</u> By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	200	A	\$ 0.8897	1,600	I	<u>(1)</u> By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	873	A	\$ 0.8926	2,473	I	<u>(1)</u> By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	1,400	A	\$ 0.8838	3,873	I	<u>(1)</u> By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	600	A	\$ 0.8243	4,473	I	<u>(1)</u> By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	5,200	A	\$ 0.82	9,673	I	<u>(1)</u> By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	1,200	A	\$ 0.83	10,873	I	<u>(1)</u> By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	1,300	A	\$ 0.85	12,173	I	<u>(1)</u> By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	100	A	\$ 0.8771	12,273	I	<u>(1)</u> By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	100	A	\$ 0.88	12,373	I	<u>(1)</u> By Diamond Fire LTD <u>(1)</u>

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Common Stock	11/17/2009	P	200	A	\$ 0.8896	12,573	I	By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	400	A	\$ 0.8859	12,973	I	By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	500	A	\$ 0.87	13,473	I	By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	700	A	\$ 0.8671	14,173	I	By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	900	A	\$ 0.86	15,073	I	By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	200	A	\$ 0.8585	15,273	I	By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	100	A	\$ 0.8998	15,373	I	By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	399	A	\$ 0.8899	15,772	I	By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	1,200	A	\$ 0.9	16,972	I	By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	100	A	\$ 0.8997	17,072	I	By Diamond Fire LTD <u>(1)</u>
Common Stock	11/17/2009	P	200	A	\$ 0.895	17,272	I	By Diamond Fire LTD <u>(1)</u>
	11/17/2009	P	3,200	A		20,472	I	

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Common Stock					\$ 0.8999				By Diamond Fire LTD (1)
Common Stock	11/17/2009	P	200	A	\$ 0.8964	20,672	I		By Diamond Fire LTD (1)
Common Stock	11/17/2009	P	100	A	\$ 0.8875	20,772	I		By Diamond Fire LTD (1)
Common Stock	11/17/2009	P	3,028	A	\$ 0.89	23,800	I		By Diamond Fire LTD (1)
Common Stock	11/17/2009	P	300	A	\$ 0.8893	24,100	I		By Diamond Fire LTD (1)

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 Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction (Instr. 6)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## 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			President & CEO	

## Signatures

/s/ Timothy Krist,  
Attorney-In-Fact

11/18/2009

\_\_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) Randy McCullough is a limited partner in this family limited partnership

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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