Lein Charles D Form 4 May 23, 2011

FORM 4

OMB APPROVAL

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

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

January 31, Expires: 2005

Form 4 or Form 5 obligations **SECURITIES**

Estimated average burden hours per 0.5 response...

may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * Lein Charles D

2. Issuer Name and Ticker or Trading

5. Relationship of Reporting Person(s) to Issuer

Symbol

CHARLES & COLVARD LTD

(Check all applicable)

[CTHR]

(Month/Day/Year)

05/19/2011

(Last)

(Middle)

3. Date of Earliest Transaction

X_ Director 10% Owner Other (specify Officer (give title

C/O CHARLES & COLVARD LTD., 300 PERIMETER PARK DR.,

(Street)

(First)

STE A

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

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

MORRISVILLE, NC 27560

(City) (State) (Zip)

05/19/2011

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

1.Title of Security (Instr. 3)

common

stock

2. Transaction Date 2A. Deemed (Month/Day/Year)

Execution Date, if

(Month/Day/Year)

3. 4. Securities Acquired Transaction(A) or Disposed of Code (D) (Instr. 8) (Instr. 3, 4 and 5)

5. Amount of Securities Beneficially Owned Following Reported

Transaction(s)

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect (I) (Instr. 4)

Beneficial Ownership (Instr. 4)

Code V

Amount 16,949 Α (1)

(A)

(D)

\$0

(Instr. 3 and 4) Price 161,602

D

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transacti Code (Instr. 8)			ate	7. Title Amoun Under	nt of lying ities	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene
	Derivative Security				Securities Acquired			(Instr.	3 and 4)		Owne Follo
					(A) or Disposed						Repo Trans
					of (D) (Instr. 3, 4, and 5)						(Instr
					4, and 3)				Amount		
						Date Exercisable	Expiration Date	Title	or Number of		
				Code V	(A) (D)				Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships						
• 5	Director	10% Owner	Officer	Other			
Lein Charles D C/O CHARLES & COLVARD LTD. 300 PERIMETER PARK DR., STE A MORRISVILLE, NC 27560	X						

Signatures

/s/ Timothy Krist,
Attorney-In-Fact
05/23/2011

**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) This grant of restricted stock will vest on the date of the 2012 Annual Shareholder's Meeting

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.

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