

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL

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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Boss Neil</u> (Last) (First) (Middle) <u>C/O CHARLES AND COLVARD LTD.</u> <u>300 PERIMETER PARK DRIVE, STE A</u> (Street) <u>MORRISVILLE NC 27560</u> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>09/30/2008</u>	3. Issuer Name and Ticker or Trading Symbol <u>CHARLES & COLVARD LTD [CTHR]</u> 4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> X Officer (give title below) <input type="checkbox"/> Other (specify below) <input type="checkbox"/> <u>Principal Accting/Finance Offc</u>	5. If Amendment, Date of 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 Person <input type="checkbox"/>
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Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
<u>Common Stock</u>	<u>2,984</u>	<u>D</u>	

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 or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date				
<u>Stock Options</u>	<u>02/24/2004</u>	<u>02/23/2011</u>	<u>common stock</u>	<u>3,375</u>	<u>0.785</u>	<u>D</u>
<u>Stock Options</u>	<u>05/14/2004</u>	<u>05/13/2011</u>	<u>common stock</u>	<u>393</u>	<u>0.99</u>	<u>D</u>
<u>Stock Options</u>	<u>07/18/2004</u>	<u>07/17/2011</u>	<u>common stock</u>	<u>393</u>	<u>0.792</u>	<u>D</u>
<u>Stock Options</u>	<u>10/18/2004</u>	<u>10/17/2011</u>	<u>common stock</u>	<u>393</u>	<u>0.823</u>	<u>D</u>
<u>Stock Options</u>	<u>02/23/2005</u>	<u>02/22/2012</u>	<u>common stock</u>	<u>1,050</u>	<u>1.646</u>	<u>D</u>
<u>Stock Options</u>	<u>04/22/2005</u>	<u>04/22/2012</u>	<u>common stock</u>	<u>656</u>	<u>4.229</u>	<u>D</u>
<u>Stock Options</u>	<u>07/17/2005</u>	<u>07/16/2012</u>	<u>common stock</u>	<u>656</u>	<u>3.162</u>	<u>D</u>
<u>Stock Options</u>	<u>10/17/2005</u>	<u>10/17/2012</u>	<u>common stock</u>	<u>393</u>	<u>3.04</u>	<u>D</u>
<u>Stock Options</u>	<u>12/21/2005</u>	<u>02/12/2013</u>	<u>common stock</u>	<u>1,312</u>	<u>3.398</u>	<u>D</u>
<u>Stock Options</u>	<u>12/21/2005</u>	<u>04/15/2013</u>	<u>common stock</u>	<u>9,843</u>	<u>3.695</u>	<u>D</u>
<u>Stock Options</u>	<u>12/21/2005</u>	<u>04/26/2014</u>	<u>common stock</u>	<u>656</u>	<u>3.901</u>	<u>D</u>
<u>Stock Options</u>	<u>02/17/2005</u>	<u>02/16/2015</u>	<u>common stock</u>	<u>6,562</u>	<u>7.238</u>	<u>D</u>
<u>Stock Options</u>	<u>12/21/2005</u>	<u>04/17/2015</u>	<u>common stock</u>	<u>131</u>	<u>11.215</u>	<u>D</u>
<u>Stock Options</u>	<u>12/21/2005</u>	<u>07/18/2015</u>	<u>common stock</u>	<u>125</u>	<u>22.48</u>	<u>D</u>
<u>Stock Options</u>	<u>12/21/2005</u>	<u>10/18/2015</u>	<u>common stock</u>	<u>125</u>	<u>16.424</u>	<u>D</u>
<u>Stock Options</u>	<u>02/14/2009⁽¹⁾</u>	<u>02/13/2016</u>	<u>common stock</u>	<u>100</u>	<u>12.34</u>	<u>D</u>

Explanation of Responses:

1. Options granted become exercisable as follows: 33 on 2/14/07, 33 on 2/14/08, and 34 on 2/14/09.

/s/ Neil Boss
10/09/2008

** Signature of Reporting Person

Date

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

* 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).

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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