

OMB APPROVAL	
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

1. Name and Address of Reporting Person* <u>Krist Timothy L</u>			2. Issuer Name and Ticker or Trading Symbol <u>CHARLES & COLVARD LTD [CTHR]</u>			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director _____ 10% Owner _____ <input checked="" type="checkbox"/> Officer (give title below) _____ Chief Financial Officer			
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) <u>03/07/2011</u>						
C/O CHARLES & COLVARD LTD. 300 PERIMETER PARK DR., STE A			4. If Amendment, Date of Original Filed (Month/Day/Year)			6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person _____			
(Street)	(City)	(State)	(Zip)						
MORRISVILLE	NC		27560						
(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	(A) or (D)	Price			
Common Stock								65,000	D	

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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date					
Stock Option (Right to buy)	\$3.46	03/07/2011		A		39,990		03/07/2011 ⁽¹⁾	03/07/2021	Common Stock	\$0	39,990	D	

Explanation of Responses:

1. Option vests and becomes exercisable in four equal installments on March 7, 2011, 2012, 2013, and 2014.

Remarks:

See attached Power of Attorney Exhibit 24.1

/s/ Timothy L. Krist

** Signature of Reporting Person

03/08/2011

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 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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 Number.

POWER OF ATTORNEY

The undersigned, as a director of Charles & Colvard, Ltd., a North Carolina corporation (the "Company");
Does hereby constitute and appoint Steven C. Dawson and Bernadette R. Lindemer or any one of them acting individually to be his or her agent and attorney-in-fact;
With the power to act fully hereunder and with full power of substitution to act in the name and on behalf of the undersigned;
To sign in the name and on behalf of the undersigned, as an officer of the Company, and file with the Securities and Exchange Commission such forms or information as may be required;
This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file forms or information with respect to the undersigned;
IN WITNESS WHEREOF, the undersigned executed this Power of Attorney on the date set forth below.

/s/ Timothy L. Krist

Name: Timothy L. Krist
Date: March 8, 2011