

HINES EARL R  
Form 4  
November 09, 2005

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

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**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 \*  
HINES EARL R

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)

Senior VP of Manufacturing

C/O CHARLES & COLVARD, 300 PERIMETER PARK DRIVE, SUITE A

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

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)
				(A) or (D)	Price		
				Code	V	Amount	
common stock	11/07/2005		M		20,000	A	\$ 4.248 33,828 D
common stock	11/07/2005		M		175	A	\$ 5.286 175 I Spouse
common stock	11/07/2005		M		175	A	\$ 3.952 350 I Spouse
common stock	11/07/2005		M		105	A	\$ 3.8 455 I Spouse
	11/07/2005		M		174	A	629 I Spouse

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common stock						\$ 4.876		
common stock	11/07/2005		S	629	D	\$ 24.65	0	I Spouse
common stock	11/07/2005		S	10,000	D	\$ 24.5	23,828	D
common stock	11/07/2005		S	10,000	D	\$ 24.6	13,828	D
common stock	11/07/2005		S	11,744	D	\$ 24.7	2,084	D
common stock	11/07/2005		S	1,227	D	\$ 24.65	857	D
common stock	11/08/2005		S	657	D	\$ 24.7	200	D

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

**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 control number.**

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(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. Amount or Number of Shares
stock option (right to buy)	\$ 4.248	11/07/2005		M	20,000	02/13/2003 02/12/2013	common stock	20,000
stock option (right to buy)	\$ 5.286	11/07/2005		M	175	(1) 04/22/2012	common stock	175
stock option (right to buy)	\$ 3.952	11/07/2005		M	175	(2) 07/16/2012	common stock	175

