CHEROKEE INC Form 4 July 10, 2006

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. Form 4 or

January 31, Expires: 2005

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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

1(b).

Form 5

obligations

may continue.

See Instruction

(Print or Type Responses)

1. Name and Address of Reporting Person ** RIOPELLE RUSSELL J			2. Issuer Name and Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer			
(Last)	(First)	(Middle)	CHEROKEE INC [CHKE] 3. Date of Earliest Transaction	(Check all applicable)			
6835 VALJEAN AVENUE (Street)			(Month/Day/Year) 07/10/2006	Director 10% OwnerX_ Officer (give title Other (spec below) Chief Financial Officer			
			4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Che Applicable Line) _X_ Form filed by One Reporting Person			
VAN NUYS, CA 91406				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) oner Disposed of (D) (Instr. 3, 4 and 5) (A) or Amount (D) Price	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)		
Common Stock					11,704	D			
Common Stock	07/10/2006	07/10/2006	S	4,852 D \$ 41.1131	6,852	D			

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

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$\label{thm:convergence} \begin{tabular}{ll} Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned \\ (\emph{e.g.}, puts, calls, warrants, options, convertible securities) \\ \end{tabular}$

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. Transactic Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Pr Deriv Secu (Inst
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Common Stock Options	\$ 20.61					02/09/2005	02/09/2014	Common Stock	1,918	
Common Stock Options	\$ 20.61					02/09/2006	02/09/2014	Common Stock	1,918	
Common Stock Options	\$ 20.61					02/09/2007	02/09/2014	Common Stock	6,770	
Common Stock Options	\$ 23.12					04/07/2005	04/07/2011	Common Stock	9,896	
Common Stock Options	\$ 23.12					04/07/2006	04/07/2011	Common Stock	9,897	
Common Stock Options	\$ 23.12					04/07/2007	04/07/2011	Common Stock	9,897	
Common Stock Options	\$ 34.62					06/30/2006	06/30/2012	Common Stock	3,333	
Common Stock Options	\$ 34.62					06/30/2007	06/30/2012	Common Stock	3,333	
Common Stock Options	\$ 34.62					06/30/2008	06/30/2012	Common Stock	3,334	
Commn Stock	\$ 39.26					04/07/2007	04/07/2013	Common Stock	5,214	

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Options

Common Stock \$ 39.26 04/07/2008 04/07/2013 Common Stock 5,215

Options Common

Stock \$ 39.26 04/07/2009 04/07/2013 Common Stock 5,215

Options

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

RIOPELLE RUSSELL J 6835 VALJEAN AVENUE VAN NUYS, CA 91406

Chief Financial Officer

Signatures

Russell J. 07/10/2006 Riopelle

**Signature of Date Reporting Person

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).

Remarks:

On July 10, 2006 Mr. Riopelle sold 4,852 shares of Cherokee at an average price of \$41.1131. These shares were bought in Ju

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Reporting Owners 3