

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

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

| OMB APPROVAL | |
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| 1. Name and Address of Reporting Person* <u>Butler Anne M</u> (Last) (First) (Middle) <u>C/O CHARLES & COLVARD, LTD.</u> <u>170 SOUTHPORT DRIVE</u> (Street) <u>MORRISVILLE NC 27560</u> (City) (State) (Zip) | 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) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below) |
| | 3. Date of Earliest Transaction (Month/Day/Year) <u>12/23/2014</u> | |
| | 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 |

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 | 12/23/2014 | | P | | 6,400 | A | \$1.43 | 257,281 | D | |
| Common Stock | 12/23/2014 | | P | | 29,357 | A | \$1.44 | 286,638 | D | |
| Common Stock | 12/23/2014 | | P | | 2,000 | A | \$1.45 | 288,638 | D | |
| Common Stock | 12/23/2014 | | P | | 2,500 | A | \$1.46 | 291,138 | D | |
| Common Stock | 12/23/2014 | | P | | 858 | A | \$1.47 | 291,996 | D | |
| Common Stock | 12/23/2014 | | P | | 8,000 | A | \$1.48 | 299,996 | D | |
| Common Stock | 12/23/2014 | | P | | 6,000 | A | \$1.53 | 305,996 | D | |
| Common Stock | 12/23/2014 | | P | | 13,167 | A | \$1.55 | 319,163 | D | |
| Common Stock | 12/23/2014 | | P | | 6,733 | A | \$1.56 | 325,896 | D | |
| Common Stock | 12/23/2014 | | P | | 4,100 | A | \$1.57 | 329,996 | D | |
| Common Stock | 12/23/2014 | | P | | 1,600 | A | \$1.58 | 331,596 | D | |
| Common Stock | 12/23/2014 | | P | | 1,000 | A | \$1.61 | 332,596 | D | |
| Common Stock | 08/15/2014 | | P | | 500 | A | \$1.62 | 333,096 | D | |
| Common Stock | 12/23/2014 | | P | | 2,900 | A | \$1.63 | 335,996 | D | |
| Common Stock | 12/23/2014 | | P | | 5,000 | A | \$1.65 | 340,996 | D | |
| Common Stock | 12/23/2014 | | P | | 100 | A | \$1.75 | 341,096 | D | |
| Common Stock | 12/23/2014 | | P | | 9,900 | A | \$1.76 | 350,996 | 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 | | | | | |

Explanation of Responses:

/s/ Steven C. Dawson,
Attorney-In-Fact

12/29/2014

** 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 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.