## FORM 4

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

wasiiiigtoii,	D.C.	20349

OMB APPROVAL							
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# 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

LINT J.	Reporting Person*					Name <b>a</b>	nd Tick	er or Tra	dina '	Cumbal				Dolotionob	n of Denortin	n Person(s) to	ssuer
(Fi		1. Name and Address of Reporting Person*			2. Issuer Name and Ticker or Trading Symbol CHARLES & COLVARD LTD [ CTHR ]								5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  Director 10% Owner				
(First) (Middle) UTHPORT DRIVE					3. Date of Earliest Transaction (Month/Day/Year) 01/30/2018								X Officer (give title Other (special below)  CFO				
				4. If	Amer	ndment,	Date o	f Origina	l Filed	i (Month/Da	ay/Yea	ar)		ne) X Forr Forr	n filed by One n filed by Moi	e Reporting Per	son
	Tab	le I - No	n-Deriv	ative	Sec	uritie	s Acc	uired,	, Dis	posed o	f, or	Ben	eficia	ally Own	ed		
1. Title of Security (Instr. 3)		Date	Exe Day/Year) if ar		2A. Deemed Execution Date, if any (Month/Day/Year)		Transaction I		4. Securities Acquired (A)				d 5) Secur Benef Owne	rities ficially ed Following	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership	
								Code	v	Amount	0	A) or D)	Price	Trans	action(s)		(Instr. 4)
Common Stock 01				/2018				D		30,358	1)	<b>D</b> <sup>(1)</sup>	\$0.	00 4	14,642	D	
Common Stock 01/30/2				/2018	2018		A		26,250 <sup>0</sup>	2)	A <sup>(2)</sup>	\$0.	00 7	70,892	D		
Common Stock											Í				5,500	I	By IRA
	Ta													y Owned			
Derivative Conversion Date Execution or Exercise (Month/Day/Year) if any		n Date,				Expiration Date (Month/Day/Year)		Amoun or Numbe		ount	8. Price of Derivative Security (Instr. 5)	derivative Securities Beneficially Owned Following Reported	Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)			
S S S S	(Stock Stock	(State)  (State)  Tab  ccurity (Instr. 3)  Stock  Stock  Stock  Stock  Stock  Stock  Stock  (Month/Day/Year)	(State) (Zip)  Table I - No recurity (Instr. 3)  Stock Stock Stock  Table II -  2. Conversion or Exercise Price of Derivative  Table II -  3. Transaction Date Executio if any (Month/Day/Year)	(State) (Zip)  Table I - Non-Deriver (Month/E)  Stock 01/30  Stock 01/30  Stock 01/30  Table II - Derivate (e.g., procession or Exercise (Month/Day/Year)  Table II - Derivate (e.g., procession of Exercise (Month/Day/Year)	Table I - Non-Derivative  curity (Instr. 3)  Table I - Non-Derivative  curity (Instr. 3)  2. Transaction Date (Month/Day/Year)  Conversion or Exercise Price of Derivative of Derivative of Derivative  2. Transaction Date (Month/Day/Year)  3. Transaction Date (Month/Day/Year)  2. Transaction Date (Month/Day/Year)	Table I - Non-Derivative Security (Instr. 3)  Table II - Non-Derivative Security (Instr. 3)  Table II - Derivative Security  Table II - Derivative Security  Table II - Derivative Security  2. Transaction Date (Month/Day/Year)  Table II - Derivative Security  3. Transaction Date (Month/Day/Year)  Table II - Derivative Security  4. Transaction Code (Instr. 8)	(State) (Zip)  Table I - Non-Derivative Securities  Courity (Instr. 3)  2. Transaction Date (Month/Day/Year)  Stock  01/30/2018  Conversion or Exercise Price of Derivative Security  3. Transaction Date (Month/Day/Year)  3. Transaction Date (Month/Day/Year)	Table I - Non-Derivative Securities Accurity (Instr. 3)  2. Transaction Date (Month/Day/Year)  Stock  Table II - Derivative Securities Acquired (e.g., puts, calls, warrants, of Derivative Security  3. Transaction Date (Month/Day/Year)  3. Transaction Date (Month/Day/Year)	Table I - Non-Derivative Securities Acquired (Month/Day/Year)  Table I - Non-Derivative Securities Acquired (Month/Day/Year)  2. Transaction Date (Month/Day/Year) (Month/Day/Year)  Table II - Derivative Securities Acquired, Date (e.g., puts, calls, warrants, option  Table II - Derivative Securities Acquired, Date (e.g., puts, calls, warrants, option  2. Conversion Date (Month/Day/Year)  Table II - Derivative Securities Acquired, Date (Month/Day/Year)  A. Transaction Date (e.g., puts, calls, warrants, option  Table II - Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)  Date  Date	4. If Amendment, Date of Original Filed  Table I - Non-Derivative Securities Acquired, Dissecurity (Instr. 3)  2. Transaction Date (Month/Day/Year) 2A. Deemed Execution Date, if any (Month/Day/Year) 3Date (Month/Day/Year) 2Derivative Securities Acquired, Disposed of (D) (Instr. 3)  Table II - Derivative Securities Acquired, Disposed of (D) (Instr. 3)  A life Amendment, Date of Original Filed  4. If Amendment, Date of Original Filed  4. If Amendment, Date of Original Filed  3. Transaction Date, if any (Month/Day/Year) 4. In an	4. If Amendment, Date of Original Filed (Month/Datal Filed)  Table I - Non-Derivative Securities Acquired, Disposed of Execution Date (Month/Day/Year)  Table II - Derivative Securities Acquired, Disposed of George of Conversion of Exercise Price of Derivative Security  Table II - Derivative Securities Acquired, Disposed of, (e.g., puts, calls, warrants, options, convertibe Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)  A Learn of Corporation Date (Month/Day/Year)  A Date Expiration  B D Date Expiration	(State) (Zip)  Table I - Non-Derivative Securities Acquired, Disposed of, or Excurity (Instr. 3)  2. Transaction Date (Month/Day/Year) (Month/Day/Year)  (Month/Day/Year)  (Stock 01/30/2018 D 30,358(1)  (Stock 1 - Derivative Securities Acquired, Disposed of (D) (D)  (Stock 1 - Derivative Securities Acquired, Disposed of (D) (D)  (Stock 1 - Derivative Securities Acquired, Disposed of Order (D) (D)  (Stock 1 - Derivative Securities Acquired, Disposed of Order (D) (D)  (Stock 1 - Derivative Securities Acquired, Disposed of Order (D) (D)  (Stock 1 - Derivative Securities Acquired, Disposed of Order (D) (D)  (Stock 1 - Derivative Securities Acquired, Disposed of Order (D) (D)  (Stock 1 - Derivative Securities Acquired, Disposed of Order (D) (D)  (Stock 1 - Non-Derivative Securities Acquired, Disposed of Order (D) (D)  (Stock 1 - Non-Derivative Securities Acquired, Disposed of Order (D) (D)  (Stock 1 - Non-Derivative Securities Acquired, Disposed of Order (D) (D)  (Stock 1 - Non-Derivative Securities Acquired, Disposed of Order (D) (D)  (Stock 1 - Non-Derivative Securities Acquired, Disposed of Order (D) (D)  (Stock 1 - Non-Derivative Securities Acquired, Disposed of Order (D) (D)  (Stock 1 - Non-Derivative Securities Acquired, Disposed of Order (D) (D)  (Stock 1 - Non-Derivative Securities Acquired, Disposed Order (D)  (Stock 1 - Non-Derivative Securities Acquired, Disposed Order (D)  (Stock 1 - Non-Derivative Securities Acquired, Disposed Order (D)  (Stock 1 - Non-Derivative Securities Acquired, Disposed Order (D)  (Stock 1 - Non-Derivative Securities Acquired, Disposed Order (D)  (Stock 1 - Non-Derivative Securities Acquired, D)  (Stock 1 - Non-Derivative Security Order (D)  (Stock 1 - Non-Derivative Securities Acquired, D)  (Stock 1 - Non-Derivative Securities Acq	4. If Amendment, Date of Original Filed (Month/Day/Year)  Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficurity (Instr. 3)  2. Transaction Date (Month/Day/Year) (Month/Day/	(State) (Zip)  Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficial Security (Instr. 3)  2. Transaction Date (Month/Day/Year)  (Month/Day/Year)  2. Transaction Date (Month/Day/Year)  (Month/Day/Year)  (Month/Day/Year)  2. Transaction Date (Instr. 3)  2. Transaction Date (Month/Day/Year)  (Month/Day/Year)  (Month/Day/Year)  2. Transaction Date (Instr. 3)  2. Transaction Date (Instr. 3)  3. Transaction Date (Instr. 3)  4. Securities Acquired (Instr. 3)  4. Securities Acquired (Instr. 3)  5. Number of Date (Month/Day/Year)  6. Date Exercisable and Expiration Date (Month/Day/Year)  7. Title and Amount of Securities	4. If Amendment, Date of Original Filed (Month/Day/Year)  (State) (Zip)  Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owner (Month/Day/Year)  2. Transaction Date (Month/Day/Year)  (Month/Day/Year)  2. Transaction Date (Month/Day/Year)  (Month/Day/Year)  (Month/Day/Year)  (Month/Day/Year)  Table II - Derivative Securities Acquired, Disposed of (D) (Instr. 3, 4 and 5)  (Instr. 3)  Table II - Derivative Securities Acquired, Disposed of (D) (Instr. 3, 4 and 5)  Table II - Derivative Securities Acquired, Disposed of (D) (Instr. 3, 4 and 5)  Table II - Derivative Securities Acquired, Disposed of (D) (Instr. 3, 4 and 5)  Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)  Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)  2. Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)  3. Transaction Date (month/Day/Year)  (Month/Day/Year)  A Demed Expiration Date (Month/Day/Year)  A Derivative Security (Instr. 3, 4 and 5)  Date Expiration Oate (Month/Day/Year)  A Derivative Security (Instr. 3)  A Amount of Or Number of Number	4. If Amendment, Date of Original Filed (Month/Day/Year)  Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned  Courity (Instr. 3)  2. Transaction Date (Month/Day/Year)  Month/Day/Year)  A mount (A) or Price (Instr. 3 and 4)  Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)  Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)  Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)  Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)  3. Transaction Date (Month/Day/Year)  Month/Day/Year)  A couried (Month/Day/Year)  A couried (Month/Day/Year	(State) (Zip)  Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned Courty (Instr. 3)  2. Transaction Date (Month/Day/Year) (Month/

# **Explanation of Responses:**

1. Represents cancellation of 30,358 shares of performance-based restricted stock originally granted on February 23, 2017. This equity award was modified on January 30, 2018 to reflect 75% achievement of 2017 shared performance goals, resulting in a portion of these shares being cancelled. In addition, a portion of these shares was forfeited in connection with the restructuring of the award from 100% restricted stock to 70% restricted stock and 30% cash.

## Remarks:

Exhibit 24.1 - Power of Attorney

/s/ Clint J. Pete

02/01/2018

\*\* 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.

<sup>2.</sup> Performance-based restricted stock will vest, subject to achievement of performance goals, on July 31, 2018.

## **LIMITED POWER OF ATTORNEY**

Know all by these presents, that the undersigned hereby makes, constitutes and appoints Maria Flanagan, Andrew Wright and Amy S. Wallace, and each of them singly, as the undersigned's true and lawful attorneys-in-fact with full power and authority as hereinafter described to:

- 1. execute for and on behalf of the undersigned, in the undersigned's capacity as an officer and/or director of CHARLES & COLVARD, LTD. (the "Company"), (i) Forms 3, 4, and 5 (including amendments thereto) in accordance with Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules thereunder, (ii) Form 144 in accordance with Rule 144 under the Securities Act of 1933, as amended (the "Securities Act"), and (iii) Schedules 13D and 13G (including amendments thereto) in accordance with Sections 13(d) and 13(g) of the Exchange Act and the rules thereunder;
- 2. do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such Form 3, 4, or 5 (including amendments thereto), Form 144, or Schedule 13D or 13G (including amendments thereto) and timely file such form with the United States Securities and Exchange Commission (the "SEC") and any stock exchange or similar authority, including, but not limited to, executing a Form ID for and on behalf of the undersigned and filing such Form ID with the SEC; and
- 3. take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney-in-fact, may be of benefit to, in the best interest of, or legally required by, the undersigned, it being understood that the documents executed by such attorney-in-fact on behalf of the undersigned pursuant to this Limited Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact may approve in such attorney-in-fact's discretion.

The undersigned hereby grants to each attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all the acts such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this Limited Power of Attorney and the rights and powers herein granted. The undersigned acknowledges that each of the foregoing attorneys-in-fact, in serving in such capacity at the request of the undersigned, is not assuming any of the undersigned's responsibilities to comply with Sections 13 or 16 of the Exchange Act or Rule 144 under the Securities Act.

The undersigned hereby revokes any and all prior powers of attorney executed for this purpose. This Limited Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Forms 3, 4, and 5 (including amendments thereto), Form 144, and Schedules 13D and 13G (including amendments thereto) with respect to the undersigned's holdings of and transactions in securities issued by the Company, unless earlier revoked by the undersigned in a signed writing delivered to each of the foregoing attorneys-in-fact. In addition, at such time as any attorney-in-fact (i) ceases to serve as an employee or counsel of the Company or any subsidiary of the Company or (ii) resigns as attorney-in-fact by the execution of a written resignation delivered to the undersigned or the Company, without any action on the part of the undersigned, this Limited Power of Attorney shall be partially revoked solely with respect to such individual; such individual shall cease to be an attorney-in-fact under this Limited Power of Attorney; and the authority of the other attorneys-in-fact then existing hereunder shall remain in full force and effect.

IN WITNESS WHEREOF,	the undersigned has c	aused this Limited Power	of Attorney to be executed	l as of this 12 <sup>th</sup> day of	December, 2017.
III TOTAL TO	and amaderongmed mas c	adoca ano minica i on ci	or recorney to be effective	1 do 01 dino 1 = day 01	

By: /s/ Clint J. Pete
Clint J. Pete