

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>PETE CLINT J.</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 _____ X Officer (give title below) _____ Other (specify below) _____ CFO		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) <u>09/05/2022</u>			6. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person		
170 SOUTHPORT DRIVE			4. If Amendment, Date of Original Filed (Month/Day/Year)					
(Street) <u>MORRISVILLE NC 27560</u>								
(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	09/05/2022		D		12,188 ⁽¹⁾	D	\$0.00	199,828	D	
Common Stock	09/05/2022		M		19,688	A	(2)	219,516	D	
Common Stock	09/05/2022		D		19,688	D	\$1.35	199,828	D	
Common Stock								49,500	I	By IRA

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						Title
Phantom Stock ⁽²⁾	(2)	09/05/2022		M			19,688	09/05/2022	09/05/2022	Common Stock	19,688	(2)	0	D	

Explanation of Responses:

- Represents cancellation of 12,188 shares of performance-based restricted stock originally granted on September 15, 2021. These shares were cancelled because certain performance goals associated with the grant were not achieved at the target level.
- Each share of phantom stock was settled in cash for \$1.35 (the closing price of one share of common stock on 07/31/2022, the vesting date of the phantom stock pursuant to Charles & Colvard, Ltd's Fiscal 2022 Senior Management Equity Incentive Program (the "Plan")). An additional 6,563 shares of phantom stock were forfeited pursuant to the Plan because certain performance goals associated with the grant were not achieved at the target level.

/s/ Clint J. Pete

09/07/2022

** 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.