

CHARLES & COLVARD LTD  
Form SD  
May 30, 2014

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

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**Form SD**

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**Specialized Disclosure Report**

**Charles & Colvard, Ltd.**

(Exact name of registrant as specified in its charter)

**Commission File Number: 000-23329**

**North Carolina**                      **56-1928817**  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

**300 Perimeter Park Drive, Suite A**  
**Morrisville, North Carolina**                      **27560**  
(Address of principal executive offices) (Zip Code)

**Kyle Macemore, Senior Vice President & Chief Financial Officer (919) 468-0399**

(Name and telephone number, including area code, of person to contact in connection with this report)

Check the appropriate box to indicate the rule pursuant to which this form is being filed, and provide the period to which the information in this form applies:

Rule 13p-1 under the Securities Exchange Act (17 CFR 240.13p-1) for the reporting period from January 1 to December 31, 2013.

## **Section 1 – Conflict Minerals Disclosure**

### **Item 1.01 Conflict Minerals Disclosure and Report**

#### **Conflicts Minerals Disclosure**

This Form SD of Charles & Colvard, Ltd. (the “Company”) is filed pursuant to Rule 13p-1 promulgated under the Securities Exchange Act of 1934, as amended, for the reporting period January 1, 2013 to December 31, 2013. Rule 13p-1 requires disclosure of certain information when a company manufactures or contracts to manufacture products for which the minerals specified in the Rule are necessary to the functionality or production of those products. The specified minerals are gold, columbite-tantalite (coltan), cassiterite and wolframite, including their derivatives, which are limited to tantalum, tin and tungsten (the “Conflict Minerals”). The “Covered Countries” for the purposes of Rule 13p-1 are the Democratic Republic of the Congo, the Republic of the Congo, the Central African Republic, South Sudan, Uganda, Rwanda, Burundi, Tanzania, Zambia and Angola.

The Company contracts to manufacture products for which gold, one of the Conflict Minerals, is necessary to the functionality or production of those products. The Company has conducted a good faith reasonable country of origin inquiry regarding its Conflict Minerals reasonably designed to determine whether any of its Conflict Minerals originated in the Covered Countries and whether any of the Conflict Minerals may be from recycled or scrap sources.

The Company requested its gold suppliers to certify, among other things, that:

- it only purchases gold from refiners that have been accredited by the London Bullion Market Association good delivery list;
- it only accepts gold from precious metal trading companies/manufacturers whose gold is approved and in compliance for conflict free gold; and
- it only accepts scrap or recycled gold from customers or suppliers that certify that such gold is identifiable as their own production.

The Company received certifications from the suppliers of approximately 97% of the gold used in the production of the Company's products for which the gold is necessary to the functionality or production of those products.

Based on this reasonable country of origin inquiry, the Company determined that it has no reason to believe that its Conflict Minerals may have originated in the Covered Countries. This information is publicly available at <http://www.charlesandcolvard.com/investors/#!irol-sec>.

## Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the duly authorized undersigned.

### Charles & Colvard, Ltd.

By: <sup>/s/ Kyle</sup>  
Macemore May 30, 2014  
Kyle Macemore  
Senior Vice  
President and Chief  
Financial Officer

(Principal  
Financial Officer  
and Chief  
Accounting Officer)