

Capital Sisters International, Inc.

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Prospectus for

Sister Bonds®

Capital Sisters Investment Notes

December 31, 2025

Investment Notes	
Total Aggregate Offering	Up to \$5,000,000*
Term/Rate Pairings**	
1	0%
2	0%
3	0%
4	0%
5	0%
Minimum Investment Requirement***	\$1,000
Status	Senior Unsecured Debt

**Investor dollars are not used to pay sales commissions or any other expenses of the offering.*

***Capital Sisters reserves the right to vary the term or amount of one or more of the Notes offered and would indicate any such change in a supplement to this prospectus.*

****Capital Sisters reserves the right to change the minimum investment amount in the future.*

Capital Sisters International, Inc. (“Capital Sisters”), a 501(c)(3) non-profit corporation located in Golden, Colorado, and organized under the laws of Colorado, is offering up to \$5,000,000 of its Sister Bonds® Investment Notes (each a “Note” or an “Investment Note” and, collectively, the “Notes” or the “Investment Notes”).

Capital Sisters is a nonprofit organization committed to a world where impoverished women have access to credit for income generating activities that allow them to provide for their families and live with dignity. To this end, Capital Sisters will use the proceeds from the sale of its \$1,000 zero-interest Investment Notes to make loans to international microfinance institutions (“MFIs”), which, in turn, lend to impoverished women in developing countries who do not have access to credit. The proceeds from each \$1,000 Investment Note are used to fund ten women’s businesses at \$100 each for each year of the Investment Note.

As of the date of this prospectus, Capital Sisters has \$895,000 aggregate principal of Investment Notes outstanding and a \$15,000 recoverable grant, used to partially fund \$1,000,000 of loans to two MFIs (the difference between MFI loans outstanding and Investment Notes outstanding was funded by donations specifically made to fund MFI loans). One MFI operates in Guatemala, and the other in the Philippines. From the October 2011 launch of the investment fund to the date of this prospectus, Capital Sisters has raised \$10,265,000 from bond capital to finance 102,650 micro loans from Investment Notes, some of which extend to 2031, and donations made for this purpose.

Capital Sisters offers the Investment Notes directly – no broker-dealer, underwriter, or trustee is being used. Capital Sisters is responsible for repayment of the Notes. The offering of the Investment Notes is a public offering in the states where the organization is authorized to offer the Notes. Please refer to the website at www.capitalsisters.org for a list of eligible states. The information that is found on or accessible through the website is not incorporated into, and does not form a part of, this prospectus.

Capital Friends International, Inc. (“Capital Friends”), a supporting organization for Capital Sisters under Section 509(a)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) has agreed to provide credit enhancement for the Investment Notes in the form of a capital reserve account (the “Capital Reserve Account”). It will use the funds in this account to reimburse Capital Sisters for losses, up to a certain amount, if any MFI does not repay its loan to Capital Sisters.

Payment from each investor, also referred to as a “Noteholder” in this prospectus, will be due upon Capital Sisters’ acceptance of the Capital Sisters Investment Notes Investment Application attached hereto as Appendix I (the “Investment Application”) from the investor, subject to certain customary informational conditions.

INVESTORS SHOULD READ THIS PROSPECTUS IN CONJUNCTION WITH THE DISCLOSURES IN THE INVESTMENT APPLICATION FORM FOUND IN APPENDIX I CAREFULLY BEFORE INVESTING. THIS FORM MAY ALSO BE OBTAINED FREE OF CHARGE BY CONTACTING CAPITAL SISTERS AT accounts@capitalsisters.org.

THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY FROM ANY PERSON IN ANY STATE OR ANY OTHER POLITICAL JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION MAY NOT LAWFULLY BE MADE. FEDERAL AND STATE SECURITIES LAWS AFFECT CAPITAL SISTERS’ ABILITY TO CONTINUE TO SELL NOTES IN CERTAIN STATES.

The Investment Notes are being offered under an exemption from federal registration in accordance with Section 3(a)(4) of the Securities Act of 1933, as amended (the “Securities Act”) and Section 3(c)(10) of the Investment Company Act of 1940, as amended (the “Investment Company Act”). The Securities and Exchange Commission has not made an independent determination that these securities are exempt from registration.

This prospectus contains all of the representations by Capital Sisters concerning this offering. Investors are advised to read this prospectus and the Investment Application form carefully prior to making any decision to purchase the Notes. Investors are cautioned not to rely on any information not expressly set forth in this prospectus. No person has been authorized to give any information or to make any representation in connection with this offering other than those contained in this prospectus and, if given or made, such information or representations must not be relied upon as having been made by Capital Sisters.

Capital Sisters reserves the right to suspend the sale of the Notes for a period of time or to reject any specific purchase order, with or without a reason. Capital Sisters may also choose to accept a portion of a committed investment on the condition that the investor will make the remainder of the funds available at some point in the future.

This prospectus is intended to provide prospective investors with information necessary for an informed investment decision. However, nothing contained herein is intended as legal, accounting, tax or investment advice, and it should not be taken as such. A prospective investor should consult his or her own legal counsel and/or financial advisor with respect to his or her investment in the Notes. An investor must rely on his or her own examinations of Capital Sisters, the Notes, and the terms of this offering, including the merits and risks involved. An investor should be willing and have the financial capacity to purchase a high-risk investment that cannot easily be liquidated.

This prospectus contains summaries of certain agreements and other documents, but all such summaries are qualified in their entirety by reference to such agreements and other documents. Copies of other pertinent documents will be made available to qualified prospective investors upon request.

This prospectus contains forward-looking statements, and additional written forward-looking statements may be made by Capital Sisters from time to time. The words “believe,” “expect,” “intend,” “anticipate,” “estimate,” “project,” and similar expressions identify forward-looking statements, which speak only as of the date the statement was made. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Future events and actual results could differ materially from those set forth in, contemplated by, or underlying the forward-looking statements. Statements in this prospectus, including those contained in the section entitled “Risk Factors,” describe some of the factors that could contribute to or cause such differences. Further, no independent examiner has evaluated the reasonableness of Capital Sisters’ forward-looking statements.

The repayment of Notes of any investor is dependent upon the financial condition of Capital Sisters, as the issuer, and Capital Friends (its “Supporting Organization”). The nature of Capital Sisters’ investments, Capital Sisters’ lending activities, the risk of nonpayment by MFIs, and a number of other factors make the Notes high-risk investments. From a financial point of view, the Notes should not be a primary investment in relation to the overall size of an investor’s portfolio. Investors should consult with their financial adviser when determining the amount of Notes that would be appropriate for them in relation to their overall investment portfolio and personal financial needs.

An investment in the Notes is subject to various material risks and investors may lose all or part of their investment. Prior to making any purchase, investors should carefully consider, among other matters, the risk factors disclosed in this prospectus beginning on page 4. However, there can be no guarantee that this list is comprehensive. Furthermore, other risks that are unknown to Capital Sisters or presently considered immaterial could potentially impair Capital Sisters’ financial condition, operational performance, and prospects for growth at some point in the future.

Neither the Securities and Exchange Commission, any state securities commission nor any other regulatory body has approved, disapproved, or recommended the securities described in this offering, nor has any of the aforementioned determined whether this offering is accurate or complete. Any representation to the contrary is a criminal offense.

The Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and applicable state securities laws, or pursuant to registration or exemption therefrom. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. The Notes are not insured or guaranteed by the Federal Deposit Insurance Company (FDIC), the Securities Investment Protection Corporation (SIPC), or any other federal, state, or local governmental agency.

FOR RESIDENTS OF ALABAMA ONLY: THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED WITH NOR APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR BY THE SECURITIES REGULATORY AUTHORITY OF ANY STATE AND SUCH REGISTRATION IS NOT CONTEMPLATED. THE SHARES REPRESENTED BY THIS CERTIFICATE MAY NOT BE TRANSFERRED IN WHOLE OR IN PART IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT OR AN OPINION OF COUNSEL SATISFACTORY TO THE CORPORATION THAT AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR RESIDENTS OF ARIZONA ONLY: NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF OR DETERMINED IF THE PROSPECTUS IS TRUTHFUL OR COMPLETE; ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR RESIDENTS OF CALIFORNIA ONLY: IT IS UNLAWFUL TO CONSUMMATE A SALE OR TRANSFER OF THIS SECURITY, OR ANY INTEREST THEREIN, OR TO RECEIVE ANY CONSIDERATION THEREFOR, WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA, EXCEPT AS PERMITTED IN THE COMMISSIONER’S RULES.

FOR RESIDENTS OF COLORADO ONLY: THESE SECURITIES HAVE NOT BEEN REGISTERED IN THE STATE OF COLORADO UNDER THE COLORADO SECURITIES ACT OF 1991 BY REASON OF SPECIFIC EXEMPTIONS. CAPITAL SISTERS HAS RECEIVED A NO-ACTION LETTER FROM THE STAFF OF THE COLORADO DIVISION OF SECURITIES WITH REGARD TO THE OFFER AND SALE OF THE SECURITIES INDICATING THAT THE STAFF WILL NOT RECOMMEND THAT FORMAL ENFORCEMENT PROCEEDINGS BE INITIATED AGAINST CAPITAL SISTERS, OR ITS RESPECTIVE OFFICERS, DIRECTORS, OR CONTROL PERSONS, IF THE SECURITIES ARE OFFERED AND SOLD WITHOUT BEING REGISTERED UNDER THE COLORADO SECURITIES ACT. NEITHER THE COLORADO DIVISION OF SECURITIES NOR THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION HAS PASSED UPON THE VALUE OF THESE SECURITIES, MADE ANY RECOMMENDATIONS AS TO THEIR PURCHASE, APPROVED OR DISAPPROVED THE OFFERING, OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR RESIDENTS OF THE DISTRICT OF COLUMBIA ONLY: THESE SECURITIES ARE OFFERED FOR SALE IN THE DISTRICT OF COLUMBIA PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE DISTRICT OF COLUMBIA DEPARTMENT OF INSURANCE AND SECURITIES REGULATION. THE DEPARTMENT OF INSURANCE AND SECURITIES REGULATION HAS NOT PASSED IN ANY WAY UPON THE MERITS OF, RECOMMENDED, OR GIVEN APPROVAL TO THESE SECURITIES. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR RESIDENTS OF FLORIDA ONLY: THESE SECURITIES HAVE BEEN REGISTERED BY THE STATE OF FLORIDA, OFFICE OF FINANCIAL REGULATION, AS HAVING COMPLIED WITH CHAPTER 517, F.S. THE OFFICE OF FINANCIAL REGULATION, HAS NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS, AND SUCH REGISTRATION DOES NOT CONSTITUTE A RECOMMENDATION OF THE SECURITIES FOR INVESTMENT PURPOSES.

FOR RESIDENTS OF HAWAII ONLY: THE SECURITY(IES) DESCRIBED IN THIS PROSPECTUS ARE SPECULATIVE. NEITHER THIS PROSPECTUS NOR THE SECURITIES DESCRIBED HEREIN HAVE BEEN APPROVED OR DISAPPROVED BY THE COMMISSIONER OF SECURITIES OF THE STATE OF HAWAII, NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. THIS OFFERING IS MADE ONLY TO BONA FIDE RESIDENTS OF THE STATE OF HAWAII.

FOR RESIDENTS OF ILLINOIS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECRETARY OF STATE OF ILLINOIS OR THE STATE OF ILLINOIS, NOR HAS THE SECRETARY OF STATE OF ILLINOIS OR THE STATE OF ILLINOIS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR RESIDENTS OF INDIANA ONLY: THESE ARE SPECULATIVE SECURITIES THE INDIANA SECURITIES DIVISION HAS NOT IN ANY WAY PASSED UPON THE MERITS OR QUALIFICATIONS OF OR RECOMMENDED OR GIVEN APPROVAL TO, THE SECURITIES HEREBY OFFERED OR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR RESIDENTS OF MARYLAND ONLY: THESE SECURITIES ARE OFFERED FOR SALE IN THE STATE OF MARYLAND PURSUANT TO REGISTRATION WITH THE DIVISION OF SECURITIES OF THE DEPARTMENT OF LAW OF MARYLAND, BUT REGISTRATION IS PERMISSIVE ONLY AND DOES NOT CONSTITUTE A FINDING THAT THIS PROSPECTUS IS TRUE, COMPLETE, AND NOT MISLEADING, NOR HAS THE DIVISION OF SECURITIES PASSED IN ANY WAY UPON THE MERITS OF, RECOMMENDED, OR GIVEN APPROVAL TO THESE SECURITIES. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR RESIDENTS OF MICHIGAN ONLY: THESE SECURITIES ARE OFFERED PURSUANT TO A REGISTRATION ORDER ISSUED BY THE STATE OF MICHIGAN. THE STATE OF MICHIGAN DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY SECURITIES, NOR DOES IT PASS UPON THE TRUTH, MERITS, OR COMPLETENESS OF ANY PROSPECTUS OR ANY OTHER INFORMATION FILED WITH THIS STATE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR RESIDENTS OF MINNESOTA ONLY: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER CHAPTER 80A OF THE MINNESOTA SECURITIES LAWS. THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE MINNESOTA DEPARTMENT OF COMMERCE NOR HAS THE DIVISION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR RESIDENTS OF MISSISSIPPI ONLY: IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY GENERALLY NOT BE TRANSFERRED OR RESOLD FOR A PERIOD OF ONE (1) YEAR EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE MISSISSIPPI SECURITIES ACT OR IN A TRANSACTION IN COMPLIANCE WITH THE MISSISSIPPI SECURITIES ACT. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

FOR RESIDENTS OF NEW JERSEY ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE BUREAU OF SECURITIES OF THE STATE OF NEW JERSEY NOR HAS THE BUREAU PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. THE FILING OF THE WITHIN OFFERING DOES NOT CONSTITUTE APPROVAL OF THE ISSUE OR SALE THEREOF BY THE BUREAU OF SECURITIES. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

FOR RESIDENTS OF NORTH CAROLINA ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR NEW MEXICO RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES DIVISION OF THE NEW MEXICO DEPARTMENT OF REGULATION AND LICENSING, NOR HAS THE SECURITIES DIVISION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE

FOR NORTH DAKOTA RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR RESIDENTS OF OREGON ONLY: IN DECIDING WHETHER OR NOT TO INVEST IN THE SECURITIES OFFERED, YOU SHOULD RELY ON YOUR OWN EXAMINATION OF THE COMPANY ISSUING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY. ALSO, NO SUCH AGENCY HAS DETERMINED IF THIS DOCUMENT IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. YOU WILL NOT BE ABLE TO TRANSFER OR RESELL THESE SECURITIES EXCEPT PURSUANT TO REGISTRATION UNDER THE FEDERAL SECURITIES ACT OF 1933 OR AN EXEMPTION FROM REGISTRATION IF AVAILABLE. CONSEQUENTLY, YOU MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

FOR SOUTH DAKOTA RESIDENTS ONLY: NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE; or (ii) NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR TENNESSEE RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR UTAH RESIDENTS ONLY: THESE SECURITIES ARE BEING OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE UTAH SECURITIES ACT. THE SECURITIES CANNOT BE TRANSFERRED OR SOLD EXCEPT IN TRANSACTIONS WHICH ARE EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.

FOR VERMONT RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES DIVISION OF THE STATE OF VERMONT NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

FOR WASHINGTON RESIDENTS ONLY: A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE WASHINGTON STATE SECURITIES DIVISION, BUT IT IS SUBJECT TO COMPLETION AND/OR AMENDMENT. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS OFFERING CIRCULAR SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY. IF YOU PURCHASE INVESTMENT NOTES, WHEN YOUR INVESTMENT NOTE MATURES, WE WILL PROMPTLY PAY YOU THE PRINCIPAL AMOUNT OF THE INVESTMENT NOTE UNLESS BEFORE YOUR INVESTMENT NOTE MATURES, YOU COMPLETE, SIGN, DATE AND RETURN A SEPARATE MATURITY OPTION FORM TO US INDICATING A DIFFERENT PREFERENCE.

FOR WISCONSIN RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR RESIDENTS OF OTHER STATES: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY ANY STATE SECURITIES COMMISSION NOR HAS ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

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OFFERING SUMMARY

This section summarizes the legal and financial terms of the Investment Notes. More detailed information about the Notes can be found in the section entitled “Description of the Investment Notes”. Before deciding to purchase any Notes, investors should read the more detailed information appearing elsewhere in this prospectus, including the Investment Application attached hereto in Appendix I.

Overview and History

Capital Sisters International, Inc., the issuer of the Investment Notes, was formed in 2001 as a non-stock corporation in the State of Colorado. Capital Sisters is tax-exempt under section 501(c)(3) of the Code.

The mission of Capital Sisters is to raise investment funds for micro lending institutions that make business loans to impoverished women in developing countries. The organization accomplishes its mission by connecting women who need tiny business loans with investors willing to provide them.

Since its establishment, Capital Sisters has been using a “Person-to-Person” lending model created by its Founding CEO, Patricia Foley Hinnen, to raise \$17.3 million in grant and investment funds to finance 173,000 women’s micro loans in collaboration with non-profit microfinance organizations in 25 developing countries. After experimenting with an “Adopt a Village Bank” model to test, pilot, and validate various aspects of her “Person-to-Person” lending idea, Ms. Hinnen and Capital Sisters launched what to their knowledge was the first women’s bond in the world. It is called a Sister Bond® to reflect the “bond” between women who need capital and individuals willing to provide it. By design, it was created as a retail bond to enable the general public to invest alongside institutional investors, and is one of only a limited number of retail gender lens investment products available to the general public.

Capital Sisters also educates and promotes the role that microfinance and gender-lens investing can play in lifting women out of poverty, and advocates for more enabling policy environments so that the broader impact investing industry can grow and thrive. Capital Sisters has created a global network of organizations and relationships with similar and/or complementary missions.

Capital Sisters launched its Investment Program in 2011, with the issuance of its first Investment Notes, in order to make zero-interest loans to MFIs. Capital Sisters uses the proceeds from the sale of the Investment Notes to make interest-free loans to MFI non-profit and social enterprise organizations that make collateral free micro loans to impoverished women borrowers at commercial interest rates. The MFIs retain the interest earned from the women’s loans to help support their loan management programs along with training and business development services for their borrowers, and they return the principal to Capital Sisters. Investment Notes are repaid with the proceeds of the MFI loan repayments. Because Capital Sisters does not earn interest on the loan capital it provides to MFIs, the organization relies on philanthropic funding to cover its loan management expenses, thereby using a “Blended Capital” model of “Donations + Investments”. Blended Capital models that use philanthropic funds to catalyze private investments are considered a major innovation in philanthropy as funds are recycled rather than depleted to leverage greater impact.

Capital Friends is a Supporting Organization of Capital Sisters, meaning that it has 501(c)(3) tax exempt status, and its sole purpose is to support Capital Sisters, primarily through fundraising and supervision of the Capital Reserve Account. Capital Friends provides credit enhancement for the Investment Notes in the form of a Capital Reserve Account. The relationship between Capital Sisters and Capital Friends, and the Capital Reserve Account Funding Agreement between the two entities, is discussed in “Capital Friends International.”

The following table illustrates certain highlights of the combined audited financial statements of Capital Sisters and Capital Friends for the last five fiscal years.

Audited Financial Information					
For Year Ending December 31st	2025	2024	2023	2022	2021
Total Assets	\$1,564,158	\$1,417,070	\$1,295,960	\$1,251,226	\$1,123,550
Total Liabilities*	\$935,358	\$870,483	\$760,713	\$742,445	\$759,480
Net Assets	\$628,800	\$546,587	\$535,247	\$508,781	\$364,070
Support and Revenue**	\$673,362	\$646,878	\$618,259	\$580,620	\$593,441
Expenses**	\$591,149	\$635,538	\$591,793	\$435,909	\$558,388
Change in Net Assets	\$82,213	\$11,340	\$26,466	\$144,711	\$35,053

*Capital Sisters began issuing Investment Notes in 2011 and the balance of Notes outstanding as of December 31, 2025, 2024, 2023, 2022, and 2021 was \$895,000, \$842,000, \$710,000, \$710,000, and \$709,000 respectively.

**Capital Sisters had estimated fair values of donated services of \$312,401, \$366,279, \$346,678, \$208,900, and \$323,728, for the years ended December 31, 2025, 2024, 2023, 2022, and 2021 respectively. These amounts are reflected in both revenues and expenses of the respective years.

Terms of the Notes

The Investment Notes offered in this offering are equal in ranking to the Investment Notes that have been issued in prior years (unless in either case they are specifically designated to be subordinated by agreement between an investor and Capital Sisters) and together are the senior ranking obligations of Capital Sisters (other than Notes that are subordinated). The Investment Notes are not subordinate to any other indebtedness of Capital Sisters. They are issued in multiples of \$1,000, for a term of 1, 2, 3, 4 or 5 years, with the opportunity to reinvest at maturity. The Notes pay an interest rate of 0%. This enables Capital Sisters to deliver interest-free loans to MFIs that in turn lend to women at commercial interest rates and retain the interest earned to help support their loan management programs and other client services.

Use of Proceeds

Subject to having satisfactory capital and liquidity ratios, Capital Sisters will use the proceeds from the sale of the Notes to make interest-free loans to MFIs that have a significant percentage of their loan portfolio targeted toward impoverished women in developing countries who lack the collateral to qualify for traditional loans. In order to qualify for a loan from Capital Sisters, MFIs must be non-religious, non-political, and non-governmental; must operate as a non-profit or social enterprise organization; and must use the loans from Capital Sisters to make business loans to impoverished women. They must also satisfy a detailed due diligence process.

Capital Sisters' loans to MFIs are interest-free. Loans will generally range from \$50,000 to \$1,000,000. For each \$1,000 of proceeds loaned to the MFI, the MFI must fund ten micro loans, for each year of the loan to the MFI. The term of the loans to MFIs are generally 1 to 2 years, such that the maturities of MFI loans in Capital Sisters' portfolio match or are shorter than the maturities of the Notes. Capital Sisters will not charge origination fees to its MFI borrowers, relying strictly on grants, donations, and other revenues to cover Capital Sisters' operating costs.

Repayment of the loans made by Capital Sisters to MFIs will depend on the credit quality of the loan portfolio of those institutions, as well as a number of other factors.

Reports

In lieu of interest, the MFIs provide photos and data pertaining to their micro loan clients and Capital Sisters uses this information to provide Noteholders with Client Investment Reports on a periodic basis as a "Social Dividend." Noteholders are also provided with an Investment Statement to document their investment and their impact.

Distribution of Notes

The Investment Notes are marketed and sold directly by Capital Sisters. Interested parties must complete and sign the Investment Application found in Appendix I to this prospectus and return it, and their payment, to Capital Sisters as instructed on the Investment Application. The mailing address is printed on the application. Please read all materials carefully before investing or sending payment. Acceptance of an investor's Investment Application by Capital Sisters is subject to certain customary informational conditions, including a legal background check.

All inquiries relating to this investment opportunity or program activities can be directed to Capital Sisters by email at accounts@capitalsisters.org.

RISK FACTORS

An investment in the Notes involves various material risks and investors may lose all or part of their investment. Prior to any investment, and in consultation with investors' financial and legal advisors, investors should carefully consider, among other matters, the following risk factors. There can be no assurance that the following list of the risks is comprehensive. Additional risks not presently known to Capital Sisters or that are currently deemed immaterial could also materially and adversely affect Capital Sisters' financial condition, results of operations, business and prospects.

RISKS RELATING TO THE USE OF PROCEEDS OF THE NOTES

Risk of Loss of Investment

The nature of Capital Sisters' Investment Program, the activities of Capital Sisters' MFI borrowers, and the illiquidity of the Notes involve a high degree of risk that may result in the loss of the total amount of Noteholders' investments. The Notes should only be purchased by investors whose financial resources are sufficient to allow them to assume the risks of investing in the Notes.

MFI Borrowers Are Engaged in Microlending Activities

Capital Sisters provides its loan funds to entities engaged in microlending, either directly or through intermediaries. These entities will use funds borrowed from Capital Sisters to make business loans to women in economically disadvantaged communities. The ability of Capital Sisters to repay principal on the Investment Notes will be dependent on the financial capability and performance of the microlending institutions and, in particular, on the performance of their loan portfolios. Adverse financial results or events involving any of these entities could have a significant impact on Capital Sisters' ability to repay the Notes.

MFI Borrowers Are Partially Reliant on Donations

Proceeds from the sale of the Notes are lent internationally to MFIs that operate as non-profit or social enterprise organizations. While MFI borrowers typically use proceeds from the loan portfolio to repay Capital Sisters and utilize other revenue streams to fund operations, in the event of financial distress or liquidity shortages, the MFI may be dependent on donation income to avoid defaulting on loan repayments. Any reliance on donations to offset a default may affect the ability of MFI loan recipients to repay Capital Sisters, especially during challenging economic environments when the volume of such donations may decrease.

MFI Repayment Risk

Capital Sisters will make loans to MFIs whose loan programs may not have achieved operational or financial sustainability. Despite the extensive due diligence and oversight conducted by Capital Sisters, there can be no assurance that MFI borrowers will repay Capital Sisters promptly or at all, whether because of poor performance of an MFI's micro loan portfolio, because difficult economic conditions could adversely affect an MFI's grant and donation income, or for other financial, operational or managerial reasons. If an MFI is delinquent in repaying, or if it defaults on the repayment of its loan from Capital Sisters, this will have a significant adverse impact on Capital Sisters' ability to repay the Notes. Capital Sisters is not limited in the amount that it may loan to any individual MFI. Accordingly, a significant concentration of loans to a single MFI may increase the risk of loss if that MFI is not able to repay its loan.

Loans to MFIs Are Illiquid

In general, the loans to MFIs that are financed by the sale of the Notes are illiquid, meaning they are unlikely to be repaid prior to maturity and they may not otherwise deliver cash to Capital Sisters prior to maturity. This may negatively affect the ability of Capital Sisters to repay Noteholders in a timely manner, particularly if the Notes mature prior to the repayment of loans made to MFIs.

Political Risk

Capital Sisters may make loans to organizations located in regions that experience intermittent financial or political instability; this may reduce the possibility that MFI borrowers will repay Capital Sisters in full, or in a timely manner. For instance, in the past, an MFI in Afghanistan defaulted on a loan after the country fell to the Taliban, and Capital Sisters had to collect on a political risk insurance policy to cover 95% of the losses. While these policies may provide some protection against currency inconvertibility, political violence, or expropriation, if Capital Sisters makes a loan to an MFI in a region that experiences significant financial or political turmoil, the likelihood that the MFI borrower would repay Capital Sisters in full or in a timely manner would decrease. In turn, the ability of Capital Sisters to repay Noteholders would decline. Capital Sisters has a political risk insurance policy in place for its loan to CARD in the Philippines.

Currency Risk

Capital Sisters will lend to MFIs in U.S. dollars and these institutions will in turn disburse their micro loans in local currency. There can be no assurance that the MFIs have sufficient or any currency hedging arrangements in place. The U.S. dollar has strengthened as compared to other currencies. This strengthening could cause the value of the MFIs loan portfolio to decline relative to the U.S. dollar, meaning that the capital MFIs receive on repayments from their loan portfolio is less than the value at initial disbursement, when converted to U.S. dollars. Thus, the amount of funds available to repay loans to Capital Sisters could significantly decline, impacting a MFIs ability to repay Capital Sisters in full or on a timely basis, and this could impair Capital Sisters' ability to repay its Noteholders.

General Economic Conditions

The risk of losses on Capital Sisters' loans to MFIs will vary with, among other things, general economic conditions, events that affect global, national and local credit markets, the types of loans or deposits being made and the creditworthiness of the MFIs own borrowers over the terms of the loans. Depending on these and other factors, Capital Sisters may be unable to collect some or all of the principal when due on the loans made by Capital Sisters to MFIs. There can be no assurance that funds available to Capital Sisters will be sufficient to meet all potential losses if there is an MFI default. If this occurs, it may be difficult or impossible for Capital Sisters to repay the Notes in full.

RISKS RELATING TO CAPITAL SISTERS INTERNATIONAL**Change in Operations**

Capital Sisters is not obligated to continue offering the Notes. Any change in its operations could have a negative impact on its ability to repay Noteholders. Capital Sisters has no plans to discontinue offering the Notes or its lending program but there can be no assurance that it will be able to continue its lending program.

No Key Person Insurance

The success of Capital Sisters' operations will depend on the efforts of its management personnel. If any of these executives leaves the organization and if Capital Sisters is unable to attract and retain other skilled staff, its business, operational performance, and ability to repay the Notes could be adversely affected. Further, Capital Sisters does not maintain key person insurance on any of its employees. There can be no assurance of continuity in Capital Sisters' key personnel or its impact on the ability of Capital Sisters to meet its obligations under the Notes.

Uncertainty of Donation Income

Capital Sisters and its Supporting Organization, Capital Friends, rely on contributions to finance their operations. For the fiscal years ended December 31, 2025, 2024, and 2023, the Capital Sisters organizations received contributions in the amounts of \$326,395, \$241,573, and \$265,572, respectively. Grants, contributions and other revenues are inherently uncertain income sources, since they are neither guaranteed nor necessarily renewable. Large grants often involve rigorous application and review processes, making them difficult to obtain, particularly in times of economic hardship. Since Capital Sisters and its Supporting Organization, Capital Friends, will be primarily dependent on grants and contributions for their operations, sufficient funds may not be available to continue operations in either or both entities if these sources of income become unavailable. If this occurs, the risk of nonpayment of the Notes would increase.

Investment Risk Outside of Lending Activities

Capital Sisters will invest the proceeds of the Notes, contributions and other cash into short-term money market funds and other liquid investments. While such investments are normally readily convertible into cash, disruptions in the markets for these investments or in financial markets in general could result in Capital Sisters being unable to sell or otherwise liquidate these assets. Any adverse change in Capital Sisters' ability to liquidate its short-term investments could temporarily or permanently affect Capital Sisters' ability to repay the Notes.

RISKS RELATING TO THE TERMS OF THE NOTES

The Notes Are Illiquid

The Notes may not be transferred without the written consent of Capital Sisters. There is no public or secondary market for the Notes and no market is likely to develop. Accordingly, the Notes are highly illiquid.

Zero Interest Rate

The interest rate offered on the Notes is zero percent. The interest rate offered for the Notes is lower than the rates offered by other financial institutions for securities with a similar risk profile. A potential investor should not assume that the risk of nonpayment of principal associated with the Investment Notes is less than that risk for any other investment which does pay interest.

No Early Withdrawal

Noteholders do not have the ability to redeem all or part of the Notes prior to maturity. Although Capital Sisters may, in its sole discretion, permit early redemption, Capital Sisters does not currently intend to allow early redemptions.

Capital Sisters May Redeem Notes Early

At any time prior to the maturity of a Note, Capital Sisters may choose to redeem such Note, in whole or in part, upon ten business days' prior notice, at a redemption price equal to 100% of the principal amount. Under no circumstances will Capital Sisters be obligated to redeem all or part of any Note prior to the maturity of such Note. If a Note is redeemed, the Noteholder will not receive any penalty or premium payment from Capital Sisters.

No Government Guarantee

Neither the Notes nor the credit enhancement arrangements described in the section below "Credit Enhancement" are covered by FDIC insurance, nor are they otherwise backed by any federal, state, or local government body. Thus, Noteholders may not call upon any government guarantee to recover losses on their Notes, should Capital Sisters, either alone or with Capital Friends, be unable to repay the principal of the Notes. In addition, Capital Sisters has in the past sought to secure guarantees from the U.S. agencies like the Development Finance Corporation ("DFC"). While the DFC has not been the subject of funding cuts, other U.S. government agencies, in particular those that have focused on foreign aid and economic development, have received scrutiny from the current U.S. administration. If the DFC or another organization from which Capital Sisters receives a guarantee is the subject of a significant funding cut in the future, Capital Sisters may not be able to obtain any such guarantees.

Default Under the Capital Reserve Account Funding Agreement

Capital Sisters has entered into a Capital Reserve Account Funding Agreement with its supporting organization, Capital Friends, under which Capital Friends has agreed to deposit funds into a Capital Reserve Account to provide credit enhancement for the repayment of the Notes in the event an MFI defaults on its repayment obligations to Capital Sisters. If Capital Friends were to become insolvent, or otherwise default on its obligations to Capital Sisters under the Capital Reserve Account Funding Agreement, Capital Sisters may be unable to enforce Capital Friends' obligations under the Capital Reserve Account Funding Agreement and may, as a result, have insufficient funds to cover a shortfall between amounts due and owing on the Notes and amounts received from MFI borrowers. In such a case, Capital Sisters' ability to repay the Notes would be adversely affected.

No Sinking Fund

Because no sinking fund has been or will be established by Capital Sisters (except those established pursuant to various state securities regulations) to provide for repayment of the Notes, the Notes may be riskier than similar investments for which a sinking fund has been established.

No Trust Indenture or Trustee

In many cases, the Trust Indenture Act of 1939 requires that a debt offering be accompanied by the establishment of a trust indenture that provides covenants and procedures to protect creditors. Because this offering is exempt from this legislation due to it being an offering for non-profit charitable purposes, the Notes described in this prospectus are not governed by any indenture and therefore no trustee has been appointed. Furthermore, Capital Sisters is only making the limited covenants, representations and warranties to Noteholders contained in this prospectus.

LEGAL AND REGULATORY RISKS**Exemptions from Registration**

The offering described in this prospectus is being made in reliance upon exemptions from registration provided by Section 3(a)(4) of the Securities Act, Section 3(c)(10) of the Investment Company Act, and, as in many cases, the exemptions from registration of the securities of non-profit charitable organizations provided by the laws of certain states in which this offering is made. Reliance on these exemptions does not, however, constitute a representation or guarantee that such exemptions are indeed available. Capital Sisters may seek to qualify, register or otherwise obtain authorization for the offering in certain other states where it believes such qualification, registration or authorization is required. If for any reason the offering is deemed not to qualify for exemption from registration under the charitable securities exemptions referred to above (and if no other exemption from registration is available), and the offering is not registered with the applicable federal or state authorities, the sale of the Notes will be deemed to have been made in violation of the applicable laws requiring registration. As a remedy for such a violation Noteholders will have the right to rescind their purchase and to have their purchase price returned. If Noteholders request return of their investment, funds may not be available for that purpose. In that event, liquidation of Capital Sisters may be required. A significant number of requests for rescission could leave Capital Sisters without funds sufficient to respond to such requests or to successfully proceed with Capital Sisters' activities.

Change in Regulations Governing Exemptions from Registration

Pursuant to current federal and state exemptions relating to certain securities offered and sold by non-profit charitable organizations, the Notes will not be registered with the Securities and Exchange Commission and will only be registered with state securities regulatory bodies where this is required. Federal and state securities laws are subject to change and frequently do change. Future changes in federal or state laws, rules or regulations regarding the sale of securities by charitable or other non-profit organizations may make it costlier and more difficult for Capital Sisters to offer and sell the Notes. Such an occurrence could result in a decrease in the amount of Notes sold by Capital Sisters or an increase in the cost of registering Notes, which could adversely affect Capital Sisters' operations and ability to meet its obligations under the Notes.

Change in Tax Exempt Status

Federal and Colorado state authorities have determined that Capital Sisters is exempt from federal and state taxation on the basis that it serves a charitable purpose. This determination rests upon a number of conditions and assumptions that must continue to be met on an ongoing basis. If Capital Sisters fails to comply with any of these conditions or assumptions, Capital Sisters could lose its non-profit status and be subjected to federal and/or state taxation. In addition, Capital Sisters is not obligated to continue its current operations or existence as a non-profit entity. If Capital Sisters became subject to federal or state taxation, this could negatively impact Capital Sisters' financial viability and cash flow, which could impact Capital Sisters' ability to meet its obligations under the Notes.

Change in Regulation Governing Activities

Capital Sisters is not subject to regulation as a bank, but some of Capital Sisters' operations are subject to regulation by federal, state and local governmental authorities. Although Capital Sisters believes that its business is in compliance in all material respects with applicable local, state and federal laws, rules and regulations, there can be no assurance that more restrictive laws, rules and regulations will not be adopted in the future which could make compliance more difficult or expensive, restrict Capital Sisters' ability to originate loans, limit or restrict the amount of interest and other charges Capital Sisters may choose to implement in the future (although it currently has no plans to do so) under the loans it makes to MFIs, or otherwise adversely affect Capital Sisters' operations or prospects.

No Certainty of Tax Treatment

The principal amount of a Note is not tax-deductible. The purchase of Notes should in no way be understood as a charitable donation. Potential investors are encouraged to consult a tax professional regarding the tax treatment associated with the purchase of a Note or a loss they may suffer from purchasing a Note (see "Description of the Investment Notes—Interest Payments and Tax Reporting").

No Minimum Offering

The sale of the Notes is a best efforts offering and there is no minimum sales requirement.

Notes are Not Secured

The Notes and the credit enhancement arrangements as described in the section "Credit Enhancement" below are senior unsecured obligations of Capital Sisters or Capital Friends, as the case may be. If in the future Capital Sisters issues any secured debt, in any liquidation, dissolution, bankruptcy or other similar proceeding, the holders of any of that secured debt and the secured debt of subsidiaries may assert rights against the assets pledged to secure that debt in order to receive full payment of their debt before the assets may be used to pay other creditors, including the holders of the Notes.

DESCRIPTION OF THE INVESTMENT NOTES**What is an Investment Note?**

A Sister Bonds® Investment Note is the instrument through which Capital Sisters will deliver its mission, by creating a "bond" between those who need capital and those who are willing to provide it. Capital Sisters will issue Investment Notes to investors and it will use the proceeds to make loans to MFIs that provide micro business loans to impoverished women in developing countries. MFIs make ten business loans for every \$1,000 they borrow from Capital Sisters, for each year that they borrow.

Interest

The Notes pay an interest rate of 0%. The interest-free nature of the Investment Notes enables Capital Sisters to deliver interest-free loans to nonprofit MFIs and microfinance social enterprises that in turn lend to women at commercial interest rates. The MFIs retain the interest earned on their micro loan portfolios to help support their loan management programs and provide training and other services for the borrowers. By forgoing interest on bonds, investors are indirectly subsidizing those business services. In lieu of interest, noteholders receive a “Social Dividend” which is an annual Client Investment Report that documents their return on investment. Similarly, Capital Sisters does not earn interest when it lends the bond proceeds to MFIs, as it relies on philanthropic funding to cover its loan management expenses – using a “Blended Capital” model which uses philanthropic funds to catalyze private investments.

Term

The Notes can be purchased with terms of 1, 2, 3, 4 or 5 years, with the opportunity to reinvest at maturity. For each additional year that the principal is invested, Capital Sisters can make an additional year of loans or extend the maturity by one year to an MFI. Thus, for each additional year of investment, a Note will fund up to an additional ten micro loans of \$100. Capital Sisters may, upon reasonable notice to affected investors at the addresses included in such investors’ Investment Applications, adjust the terms of an Investment Note, including the maturity date, to conform to the terms of the associated MFI loans.

Seniority

The Notes, including those currently outstanding, are senior ranking obligations of Capital Sisters (unless they are specifically designated to be subordinated by agreement between an investor and Capital Sisters). The Notes are not, and in the future are not expected to become, subordinate to any other indebtedness of Capital Sisters. Capital Sisters may in the future issue further similar Notes or enter into loans or other indebtedness with non-profit, charitable organizations or other investors that would be used for a similar purpose and such Notes, loans or other indebtedness could rank equal in priority to the Notes.

Credit Enhancement

Capital Sisters will not disburse a loan to an MFI unless Capital Sisters can demonstrate, immediately following such disbursement, a Capital Ratio of 20% as described in the section “Credit Enhancement.” Capital Sisters will not issue further Investment Notes unless it can demonstrate, immediately following such issuance, a Liquidity Ratio of 10% as described in the section “Credit Enhancement.”

Who Can Invest

These retail Notes are being marketed to individual and institutional investors that are pre-existing donors to Capital Sisters and are otherwise not reserved for any specific class of investor. Prior to becoming an investor, individuals and institutional investors are required to make a donation to support related loan management expenses. The Blended Capital Model requires philanthropic support because the organization does not earn interest income on the bond capital it raises and manages. This model allows the nonprofit MFI partners to retain the interest earned on micro loans to provide training and business development services to the borrowers.

Minimum Account Balance and Increments

The minimum account balance for the Notes is \$1,000 and Notes must be purchased in increments of \$1,000. There is no maximum other than the size of this offering.

How to Invest

Investors indicate an investment amount and select a term from currently available options by completing the Investment Application included in [Appendix I](#) to this Prospectus and returning it, with payment, to Capital Sisters as instructed on the Investment Application. Please see the “Investor Guide” for more details. In accordance with the USA PATRIOT Act and applicable anti-money laundering regulations, the Fund is required to verify the identity of all new investors and may request additional information or documentation to ensure compliance with federal law. Capital Sisters reserves the right to suspend the sale of the Investment Notes for a period of time or to reject any specific Investor Application, in its sole discretion. Capital Sisters may also, in its sole discretion, elect to accept a portion, but not all, of the investment amount proposed under any specific Investment Application.

Settlement Method

Purchases of Investment Notes are settled with Capital Sisters acting as registrar and paying agent.

Maturity Date

The maturity date of an Investment Note will correspond to the first day of the calendar month following the month that includes the date of investment. For example, if an Investment Note account is opened on June 19th with a two-year term, the Note will mature on July 1st which immediately follows the two-year anniversary of the issuance date.

Note Administration

Administration of the Investment Notes is conducted by Capital Sisters. Management of the Investment Notes and MFI loans is supported by philanthropic funds, using a Blended Capital Model of “Donations + Investments.”

Increasing an Investment

To increase an investment, an investor must purchase a new Investment Note by completing a new Investment Application.

Options at Maturity

At maturity, each investor will have a choice of either redeeming an outstanding Note or reinvesting the amount that otherwise would be redeemed into a new Note, or a combination of the two options in increments of \$1,000. Investors are also provided with the option to donate their capital at maturity. Capital Sisters will send at least one maturity notice to investors approximately 45 days prior to the maturity of their Notes, providing instructions for redemption, reinvestment, and/or donation. If an investor takes no action in response to the notices, subject to compliance with applicable law, the principal will be automatically reinvested for the same duration as the previous Note, or the most similar term currently available if the previous term is no longer available. Should an investor choose not to renew an investment, Capital Sisters will repay the principal of the Note in full by check unless the investor chooses to donate the proceeds. *Investors that choose to donate the proceeds will receive a donation receipt for tax purposes, but Capital Sisters does not provide tax advice and investors are encouraged to consult with their own tax advisors. Reinvestment at maturity is offered pursuant to the securities laws and the status of Capital Sisters Note registration in the state in which the investor resides or, for institutional investors, the state in which the entity is organized.*

Early Redemption

Capital Sisters may, in its sole discretion, redeem some or all of the Investment Notes prior to the respective maturity dates (such redemption, an “Early Redemption”) at a price equal to 100% of the principal amount of each such Investment Note (the “Redemption Price”). Capital Sisters shall provide not less than 45 days written notice (a “Redemption Notice”) prior to the proposed redemption date (the “Redemption Date”) to investors, which Redemption Notice shall include: (i) the Investment Notes to be redeemed, (ii) the Redemption Date, and (iii) the Redemption Price.

Transfer on Death Accounts

Capital Sisters does not automatically offer either Transfer on Death (TOD) or Payable on Death (POD) alternatives for the Notes. Such alternatives would allow registered owners to pass accounts directly to beneficiaries upon death in some states. Investors are encouraged to consult with an estate planner regarding the ability to identify a beneficiary for the Notes.

Secondary Market

There is no secondary market for the Notes. Consequently, the Notes should be viewed as an investment to be held to maturity as investors may not be able to sell, for emergency purposes or otherwise, any Note.

Interest Payments and Tax Reporting

Because the Notes do not pay interest, a Form 1099 will not be provided to investors – as no income will have been earned on the investment. These investments are not tax deductible. Capital Sisters will provide acknowledgement to the Noteholder of any principal donated to Capital Sisters in accordance with IRS 501(c)(3) charitable contributions requirements. *Consult your tax advisor regarding the effect on your taxes, if any, of accepting a below-market rate of return on your investment.*

DESCRIPTION OF CAPITAL SISTERS

Description and History of the Organization

Capital Sisters was established to help create a world where impoverished women have access to credit to start or grow their businesses and lift themselves and their families out of poverty. It was the long-time vision of Capital Sisters' founder and CEO, Patricia Foley Hinnen, to create a person-to-person lending model to link socially responsible investors with women entrepreneurs. In 2000 she began piloting that model in 25 countries and then she and Capital Sisters launched what they believe was the first women's bond in the world, to enable the everyday investor to finance micro loans. Patricia's interest in microfinance started in the early 1980s when she observed the horrors of predatory moneylenders firsthand while working with market women during her Peace Corps service in Liberia, West Africa and Lesotho, Southern Africa. The market women were paying as much as 20% interest a day. Her idea to create an investment product that uses the capital markets for good was inspired by her involvement in the Divestiture Movement against South Africa's apartheid regime, while residing in nearby Lesotho.

Capital Sisters operates with two primary organizational objectives:

1. **To provide interest-free investment funds to MFIs** that serve the poorest of the poor, especially women, with micro business loans and business development services; operate in selected developing countries; provide one of only a limited number of investment products that allows retail investors to invest directly in women's businesses, and become institutionally sustainable by raising a mixture of investment and philanthropic capital.
2. **To educate women and other socially conscious individuals, groups, organizations and governments about** poverty in developing countries and, particularly, its disproportionate impact on women and girls; microenterprise activity as a means of lifting women and their families out of poverty; microfinance as a viable and sustainable business model for international economic development; and the importance of enabling policy environments for the growth and effectiveness of both the microfinance industry and gender-lens investing.

During its first decade, Capital Sisters was focused on raising donations and grants to capitalize Revolving Loan Funds for microfinance institutions, while piloting the "Person-to-Person" investment model and promoting the microfinance industry and gender-lens investing with the general public, the financial services industry, and policy makers. Capital Sisters has now used the "Person-to-Person" model to raise more than \$17.3 million dollars for 173,000 micro loans in 25 developing countries in collaboration with partnering microfinance organizations. The micro loans are now almost exclusively funded by Investment Notes, while management of the investments and loans is supported by philanthropic funds. Using a Blended Capital Model of "Donations + Investments" enables Capital Sisters to leverage exponentially more impact than traditional philanthropy as funds are largely recycled and not depleted.

Capital Sisters has also been very active in building the fields of microfinance and “gender-lens” investing as strategies for reducing poverty, through its Education and Advocacy Program. For example, for more than a decade, Ms. Hinnen was an official U.S. delegate to the 21 country Asia Pacific Economic Cooperation (APEC) forum where she led the Women Leaders Network to advance more enabling public policies for microfinance and gender lens investing. In 2002, she was instrumental in creating the very first APEC Microfinance Working Group that still convenes delegates from the 21 countries on an annual basis in conjunction with the Small and Medium Enterprises Working Group and the Finance Ministers Working Group. She also convened what is believed to be the world’s first Gender Lens Investing Symposium with experts from across the nonprofit and for-profit landscape and helped establish the Micro Insurance industry in developing countries. Through all of these initiatives, Capital Sisters had the opportunity to gain expertise, develop alliances, test ideas and build a global network of resources from which to launch and build the Sister Bonds® Investment Program.

The goal of the Capital Sisters Investment Program is to expand the funding base for the microfinance industry by providing household investors across the United States with an opportunity to make relatively small investments. Through the issuance of its retail Investment Notes, Capital Sisters hopes to raise significant funding on attractive terms for MFIs that are using credit products to improve conditions in the poorest communities of the world and that are also working towards financial sustainability. Her innovative ideas for “Person-to-Person” lending and a women’s bond have been successfully replicated by others to raise billions of dollars.

Capital Sisters is bringing its Investment Notes to the market at a time when there is more awareness than ever of the disparity between rich and poor on a global basis, and the disproportionate burden of poverty on females. The organization understands that socially conscious individuals are actively seeking to make the world a better place through impact investing and created one of a limited number of investment products that allows them to invest directly in women’s businesses. Capital Sisters believes that the investment community is becoming more interested in creating opportunities for impact investing with a “gender lens” to drive positive change for women and girls.

As of the date of this prospectus, Capital Sisters has \$895,000 aggregate principal of Investment Notes outstanding and a \$15,000 recoverable grant, used to partially fund \$1,000,000 of loans to two MFIs (the difference between MFI loans outstanding and Investment Notes outstanding was funded by donations specifically made to fund MFI loans). One MFI operates in Guatemala, and the other in the Philippines. From the October 2011 launch of the investment fund to the date of this prospectus, Capital Sisters has raised \$10,265,000 from bond capital to finance 102,650 micro loans from Investment Notes, some of which extend to 2031, and donations made for this purpose. This funding is additional to the more than \$7 million that Capital Sisters raised for micro loans using grant-based Revolving Loan Funds during the pilot phase.

Capital Sisters is managed by its Founding CEO Patricia Foley Hinnen. The organization’s Board of Directors provides strategic direction and a framework for governance which includes best practices for risk management, transparency, accountability and sustainability. The Board members have a broad range of backgrounds and experiences across various industries, including entrepreneurship, international development, global development, finance, diplomacy, and fundraising. The Board has several operating committees, including a Finance and Investment Committee and a Loan Committee made up of Board members, staff, and external advisors that oversee the financing, investing, and lending activities of the organization. In addition to its high-quality staff, contractors, and volunteers, Capital Sisters has an Advisory Committee composed of high-level professionals from a range of industries that assist with ad hoc issues as they arise. In addition, Capital Sisters partners with two national law firms that provide extensive pro-bono legal work to support the securities work and other key tasks necessary to execute on the organization’s mission.

Through its grant and other programmatic activities, Capital Sisters has also developed a network of MFIs across the world that are or will be candidates for its Investment Program.

Capital Sisters also benefits from advice and funding from its supporting organization, Capital Friends International, which is governed by its own Board of Directors with a broad range of experience and expertise. The two organizations have raised significant funding over Capital Sisters’ lifetime to support MFIs, ongoing educational and advocacy activities, and start-up expenses for the Investment Program.

LENDING POLICIES

Governance

The Capital Sisters Finance and Investment Committee of the Board of Directors is responsible for the oversight of Capital Sisters' lending activities and approval of the organization's Lending Policies, which govern the areas of screening, due diligence and approval of potential MFI borrowers, approval of MFI loans, as well as policies for portfolio monitoring and risk management. The Finance and Investment Committee is overseen by a subset of Board members.

Selection Overview

Capital Sisters aims to lend to first tier MFIs that are in a growth phase where they can no longer rely strictly on grants to fund the growth of their loan portfolio but yet they are unable to access the financial markets on affordable commercial terms. MFIs receiving loans from Capital Sisters must have a significant majority of their loan portfolio invested in loans to women, use the capital exclusively to finance women's businesses, and serve impoverished communities with loans to this target market in the range of approximately \$100 to \$700. They must also be non-religious, non-political, non-governmental institutions which operate as non-profit organizations or social enterprises. In addition to the specific mission, operational and financial criteria described below, they must be capable of preparing the type of Client Investment Reports which Capital Sisters delivers to its Noteholders.

Screening

Capital Sisters does not seek unsolicited requests for loan funding; rather, MFI loan candidates are identified through Capital Sisters' broad network of contacts developed over the last two decades. Capital Sisters' management conducts an initial screening process in order to determine whether an MFI loan candidate meets the specific minimum loan criteria as set out in the Lending Policies. These criteria consist of factors relating to mission alignment and operational and financial performance. Candidates will be required to supply an initial request letter indicating the amount of the proposed loan and the intended purpose of the loan; their most recent annual report; externally audited financial statements for the previous three years and unaudited year-to-date financial statements; recent external rating or evaluation reports; and any additional materials requested by Capital Sisters for the purpose of evaluating whether the MFI loan candidate meets the minimum investment criteria. Capital Sisters also reviews other publicly available information pertaining to an MFI loan candidate in order to inform the decision process. The Capital Sisters management team evaluates the information and then determines whether the MFI loan candidate should proceed to the full due diligence review.

Due Diligence

Capital Sisters employs an established and detailed due diligence process to evaluate the suitability of an MFI loan candidate for a proposed loan. Due diligence will be conducted in accordance with Capital Sisters' Loan Policies which require an evaluation of the MFI loan candidate in the following areas:

1. Outreach - the degree to which the MFI loan candidate's social mission is reflected in all levels of operation; the characteristics of its client base in terms of gender, level of poverty and location; its level of market penetration; its average loan size.
2. Client Service - the degree to which the MFI loan candidate endorses client protection principles and social responsibility indicators; the degree to which it meets the needs of its target market through financial products and other services such as training; the quality of its services; the reasonableness of the terms of its loans.
3. Operational Viability – the MFI loan candidate's governance structure and internal control procedures; management track record and capabilities; operational efficiency and level of self-sufficiency; adequacy of management information systems; business plan and strategy; gender balance amongst the MFI loan candidate's Board of Directors, management and staff.

4. Financial Viability – the MFI loan candidate’s historical financial performance; its balance sheet and financial structure (including capital, liquidity and others); the quality of its micro loan portfolio; and its financial forecasts.
5. External Factors – country risk in terms of political, economic and legal environments; and competition from other service providers in the MFI loan candidate’s geographical region.

Due diligence is conducted on the basis of materials supplied by the MFI loan candidate, a site visit and meetings with senior management of the MFI loan candidate, and other independent research or ratings materials at the discretion of Capital Sisters.

Approval

Following due diligence, the Capital Sisters management team submits a credit proposal and recommendation to the Loan Committee of the Board of Directors. The Loan Committee is a subset of the Finance and Investment Committee of the Board of Directors and makes lending decisions on a majority basis and in accordance with the parameters set out in the Lending Policies. The Board’s Loan Committee also takes into account the portfolio diversification requirements within the Lending Policies. These include thresholds which limit the extent to which Capital Sisters may lend within a single country or to a single MFI. Note that neither initial loan disbursements nor loan renewal disbursements will take place unless Capital Sisters can demonstrate the achievement of the Capital Ratio and the Liquidity Ratio described in the section “Capitalization”.

Loan Terms

Capital Sisters makes loans in the range of \$50,000 to \$1,000,000 at an interest rate of 0%. All loans are denominated in US Dollars (or in foreign currency where hedging is in place so that Capital Sisters is not directly exposed to foreign exchange risk). Loans to MFIs have terms from 1 to 2 years. Capital Sisters disburses loans such that the profile of maturities within its loan portfolio matches the profile of maturity dates of its Notes and any other sources of funds used to make such loans. The MFIs provide photos and data pertaining to the micro loan clients they fund on behalf of Capital Sisters, and Capital Sisters uses this information to provide Client Investment Reports to its Noteholders on an annual basis.

Monitoring

During the term of a loan, Capital Sisters monitors the financial condition of its MFI loan recipients on an ongoing basis. MFIs are required to supply quarterly financial reports and audited annual financial statements, as well as a quarterly report on activities, which illustrate whether there has been any material deterioration in the criteria on which they were evaluated (and if so, a description of any measures being used to address that deterioration). Capital Sisters management uses this information, along with data gathered in meetings with MFI management teams, to compile a Bi-annual Portfolio Performance Report pertaining to its portfolio of loans to MFIs, including a recommendation as to whether any provision should be made against the value of loans outstanding on the balance sheet. Each performance report is reviewed by, and the level of provision approved by, the Finance and Investment Committee of the Board.

Representative MFI Borrowers

The following MFIs are either current borrowers under the Investment Program, past grantees under the Revolving Loan Program, and/or are illustrative of the types of organization which may qualify for loans (those noted with a “*” either were or currently are borrowing funds from Capital Sisters). *The inclusion of any particular organization below does not imply a commitment on the part of Capital Sisters to lend to that organization.*

*Friendship Bridge**

Friendship Bridge is a 501(c)(3) nonprofit social enterprise with a mission to create opportunities that empower Guatemalan women to build a better life. Established in 1990 and headquartered in Lakewood, Colorado, Friendship Bridge operates 13 branch offices in Guatemala and provides a suite of products and services including microcredit, Non-Formal Education, and access to culturally appropriate healthcare. Clients are 100% women, primarily indigenous Maya, and live in rural communities with some of the highest poverty levels worldwide. Friendship Bridge clients form Trust Banks – groups of 7-25 women who co-guarantee each other's loans, elect their own leadership team, and serve as a network of support for each other. Annually, Friendship Bridge supports nearly 37,000 women and through their programming, are changing how clients see, respond to, and overcome the protracted issues of poverty for themselves, their families, and their communities. In 2025, Friendship Bridge disbursed \$34.2 million in loans, expanding access to capital across Guatemala.

*CARD**

The Center for Agriculture and Rural Development (CARD Inc.) was originally founded as a social development organization in the Philippines in 1986 and launched its micro lending operations in 1989. While the lending model used by CARD was originally based on the group lending methods developed by the Grameen Bank in Bangladesh, CARD has adapted that methodology to the specific context of the Philippines by moving to a model that is focused on individual lending. With the end goals of attaining maximum outreach and sustainability, CARD NGO serves over 3 million clients, approximately 60% of whom are women. Their strategy of developing mutually reinforcing institutions (MRIs) is well-regarded in the microfinance and international development communities and has earned them recognition as an industry leader. CARD's nine MRIs currently offer micro loans, banking, health and life insurance products and services, education, and training programs to their clients. CARD Inc. has consistently maintained a near perfect repayment rate since 2001, which contributed to its financial viability per global microfinance standards.

*FINCA**

FINCA Impact Finance's network of 13 community-based microfinance institutions offers innovative, responsible and impactful financial services to low-income clients. With 40 years of experience, FINCA delivers a double bottom line of social impact and financial sustainability. Today, the breadth and reach of its responsible financial services continues to grow and evolve to meet new needs and new opportunities. FINCA Impact Finance has gone beyond traditional microfinance by leveraging the power of new technology, including mobile phones and agent banking, to make banking more affordable and accessible. FINCA is moving from a high-touch, high-cost traditional microfinance delivery model to a hybrid model that maintains responsible customer relationships and client protections while enhancing service and reach. In the last few years, it has implemented credit scoring/analytics, digitization and mobile financial services to be more efficient and effective. Capital Sisters partnered with FINCA to fund loans to women in Afghanistan from 2003 – 2021, until the Taliban forced the closure of the loan program. Capital Sisters intends to partner with FINCA Malawi starting in 2026.

Pro Mujer

Pro Mujer is a leading women's organization in Latin America that has provided over 2.5 million women with a holistic offering that includes financial, health, and education services. These are often delivered through communal banks, groups of approximately 10-20 women who meet regularly and guarantee one another's loans. Pro Mujer was founded in El Alto, Bolivia in 1990 by two visionary teachers, Lynne Patterson and Carmen Velasco. Today, Pro Mujer has offices in Argentina, Bolivia, Guatemala, Mexico and Nicaragua, plus operates in 23 additional countries, and is headquartered in New York City. Since its founding, Pro Mujer has provided over 10 million health interventions and disbursed more than \$4.4 billion in small loans. The organization is currently expanding into other areas, including digital literacy, entrepreneurship and workforce development. Its mandate is to become a large-scale, sustainable platform that delivers relevant and transformative resources and tools to women in Latin America throughout their life cycle.

Small Enterprise Foundation

The Small Enterprise Foundation (SEF) is a nonprofit organization that works towards the elimination of poverty and unemployment in seven provinces of South Africa by providing loans for self-employment, combined with savings mobilization and techniques that increase the poor's chances of successful self-employment. SEF operates in 7 different South African provinces, where the majority of households live below the poverty line. The organization follows a solidarity group lending methodology where clients form five-person groups whose members are required to guarantee each other's payments. SEF has gained international recognition for its poverty-targeting methodology and its success in reaching and positively impacting the very poorest of its low-income communities. SEF began operation in 1992 and by 2025 had grown to serve over 180,000 clients, 99% of whom were women, with over 6.4 million life-changing loans.

CAPITALIZATION

While loans to MFIs are funded through the sale of Investment Notes, Capital Sisters relies on charitable contributions from organizations and individuals, as well as other revenues, to support program and operating expenses.

Grants, Contributions and Donated Services

During the fiscal years ended December 31, 2025, 2024, and 2023, combined grants and contributions totaled \$326,395, \$241,573, and \$265,572, respectively, representing the majority of the organization's funding for program operations. Capital Sisters also receives significant income in the form of pro-bono services from its legal adviser and other consultants, and from its CEO, who works entirely on a pro bono basis.

Capitalization

The following table illustrates the capitalization of the organization on a combined basis (with Capital Friends) as of December 31, 2025.

Capitalization	Dec 31, 2025
Investment Notes Payable	\$895,000
Total Net Assets	\$628,800
Total Capitalization	\$1,523,800

As of the date of this prospectus, Capital Sisters has \$895,000 aggregate principal of Investment Notes outstanding and a \$15,000 Recoverable Grant used to partially fund \$1,000,000 of loans to two MFIs (the difference between MFI loans outstanding and Investment Notes outstanding was funded by donations specifically made to fund MFI loans). One MFI operates in Guatemala, and the other in the Philippines. From the October 2011 launch of the investment fund to the date of this prospectus, Capital Sisters has raised \$10,265,000 from bond capital to finance 102,650 micro loans from Investment Notes, some of which extend to 2031, and donations made for this purpose.

Investment Notes Payable

The following table indicates the maturities of the Investment Notes Payable outstanding as of the date of this prospectus.

Note Maturity Schedule	
Year Ending December 31	Amount
2026	\$ 199,000
2027	\$ 167,000
2028	\$ 167,000
2029	\$ 184,000
2030	\$ 158,000
Thereafter	\$ 20,000
Total Investment Notes Payable	\$ 895,000

Investing Activities

Capital Sisters invests funds under the oversight of its Board's Finance and Investment Committee. Pursuant to the Capital Reserve Account Funding Agreement, Capital Friends invests the cash portion of the Capital Reserve Account in FDIC insured bank accounts, or other accounts agreed by Capital Sisters. Capital Sisters invests its other cash balances (operating reserves, endowment) in a manner which it believes reflects the operating needs of the organization and also achieves the appropriate risk / return balance. As of December 31, 2025, on a combined basis Capital Sisters had \$554,357 in cash and cash equivalents.

Historical Financial Highlights

The following tables provide selected combined financial information pertaining to Capital Sisters and Capital Friends for the last five fiscal years. **Past performance is not indicative of future results.**

Balance Sheet Highlights					
For December 31st	2025	2024	2023	2022	2021
Cash and Cash Equivalents	\$554,357	\$425,109	\$488,341	\$448,293	\$345,104
Loans Receivable from MFIs	\$1,000,000	\$950,000	\$800,000	\$800,000	\$775,000
Total Assets	\$1,564,158	\$1,417,070	\$1,295,960	\$1,251,226	\$1,123,550
Investment Notes Payable	\$895,000	\$842,000	\$710,000	\$710,000	\$709,000
Total Liabilities	\$935,358	\$870,483	\$760,713	\$742,445	\$759,480
Unrestricted Net Assets	\$523,300	\$445,087	\$444,747	\$428,281	\$285,358
Temporarily Restricted Net Assets	\$105,500	\$101,500	\$90,500	\$80,500	\$78,712
Total Net Assets	\$628,800	\$546,587	\$535,247	\$508,781	\$364,070

Income Statement Highlights					
For the Year Ending December 31st	2025	2024	2023	2022	2021
Support and Revenue*	\$673,362	\$646,878	\$618,259	\$580,620	\$593,441
Expenses*	\$591,149	\$635,538	\$591,793	\$435,909	\$558,388
Change in Unrestricted Net Assets	\$78,213	\$340	\$26,466	\$142,923	\$36,841
Change in Temporarily Restricted Net Assets	\$4,000	\$11,000	\$0	\$1,788	(\$1,788)
Change in Net Assets**	\$82,213	\$11,340	\$26,466	\$144,711	\$35,053

*Capital Sisters had estimated fair values of donated services of \$312,401, \$366,379, \$346,678, \$208,900, and \$323,728 for the years ended December 31, 2025, 2024, 2023, 2022, and 2021 respectively. These amounts are reflected in both revenues and expenses of the respective years.

**Net Assets include contributions with donor restrictions in the amount of \$14,000 in 2025, \$26,000 in 2024, \$15,000 in 2023, \$20,000 in 2022, and \$34,973 in 2021.

CREDIT ENHANCEMENT

In order to fully deliver its mission, to raise funds for MFIs from socially responsible investors, Capital Sisters is seeking financing from third parties through the issuance of the Investment Notes which is described in this prospectus, and which will be used to fund loans to MFIs. The combination of subordinated debt and the use of a Capital Reserve Account, both described below, serve as credit enhancement for the Investment Notes by reducing the risk that Capital Sisters would be unable to fully repay the outstanding Notes following late or nonpayment by an MFI. Capital Sisters' Unrestricted Net Asset balance, which is the organization's net assets without donor restrictions, was \$523,300 as of December 31, 2025, and serve as further credit enhancement because this provides additional liquidity to pay some of the Investment Notes if necessary.

Subordinated Debt

Capital Sisters issues subordinated debt to organizations and individuals in order to fund, along with the proceeds of the Investment Notes, loans to MFIs. Any such debt would be subordinated to the Noteholders. The proceeds from the repayment of loans to MFIs which were funded by subordinated debt would provide credit enhancement for the benefit of Noteholders, as these proceeds would increase the pool of funds available to Capital Sisters with which to repay its Noteholders. Capital Sisters occasionally agrees with individual Noteholders that their Notes are subordinated, in which case these notes are considered to be subordinated debt for this purpose. As of the date of this Prospectus Capital Sisters has secured an agreement for \$30,000 of Investment Notes to be subordinated.

Capital Reserve Account

Capital Friends maintains a Capital Reserve Account to make funds available to Capital Sisters in the event of any default by an MFI on its loan to Capital Sisters, pursuant to a Capital Reserve Account Funding Agreement, as described in the section “Capital Friends International”. Pursuant to this Agreement, Capital Friends deposits all available funds, to the extent required, into the Capital Reserve Account in order to maintain capital coverage equal to 20% of loans outstanding from Capital Sisters to MFIs, or a lower balance if and to the extent that Capital Sisters can satisfy both the Capital Ratio and the Liquidity Ratio requirement, as described in the paragraph “Capital and Liquidity Ratios” below. Capital Friends may, from time to time, deposit Letters of Credit (“LCs”) into the Capital Reserve Account in order to supplement or replace the cash balance, if and to the extent that Capital Sisters can satisfy the Liquidity Ratio requirement, as described in the paragraph “Capital and Liquidity Ratios” below.

Capital and Liquidity Ratios

Capital Sisters will not disburse a loan to an MFI unless Capital Sisters can demonstrate, immediately following such disbursement, a Capital Ratio of at least 20% calculated as follows:

$$\frac{\text{Capital Reserve Account (Cash and LCs) + Subordinated Debt}}{\text{Outstanding Loans to MFIs}}$$

The Capital Ratio is intended to reduce the risk of nonpayment to Noteholders, by requiring that Capital Sisters always maintains capital coverage equal to at least 20% of outstanding loans to MFIs. The Capital Ratio as of December 31, 2025 was 21.4%.

Subordinated Debt refers to debt which is subordinated to the Notes and which is used for the purpose of making loans to MFIs. In a default scenario, the proceeds from repayment of MFI loans funded by such Subordinated Debt would be available to repay Noteholders before repayment to subordinated lenders. Capital Sisters also occasionally receives donations which are restricted for the purpose of funding loans to MFIs. The proceeds from repayment of loans made with such donations would also be available to repay Noteholders and thus such donations would contribute to the Capital Ratio in the same manner as Subordinated Debt. Capital Sisters may also secure other forms of credit enhancement (such as political risk insurance or guarantees from the United States Development Finance Corporation (DFC), formerly the Overseas Private Investment Corporation (“OPIC”)) to replace or complement its existing sources of funding. On the basis that these credit enhancements would be subordinated to the Notes and would either contribute to the Capital Reserve Account or fund further loans to MFIs, they would also contribute towards the Capital Ratio in a similar manner.

In addition, Capital Sisters will not issue any Notes unless it can demonstrate, immediately following such issuance, a Liquidity Ratio of 10% calculated as follows:

$$\frac{\text{Capital Reserve Account (Cash Component Only)}}{\text{Notes Outstanding Following Proposed Issuance}}$$

The Liquidity Ratio is intended to ensure not only that the organization retains cash equal to at least 10% of Notes outstanding, but also that cash comprises at least 50% of the minimum Capital Reserve Account at all times. The Liquidity Ratio as of December 31, 2025 was 10.3%.

CAPITAL SISTERS BOARD OF DIRECTORS AND KEY PERSONNEL

Capital Sisters is governed by its Board of Directors and a description of each member of the Board is provided below. A description of the key personnel of Capital Sisters is also provided below. Capital Sisters is located at 601 16th Street, Suite C #310, Golden, CO 80401. The email address is accounts@capitalsisters.org. Each of the directors and key personnel can be reached at this address.

Patricia Foley Hinnen, Chief Executive Officer and President

Patricia Foley Hinnen is the Chief Executive Officer of Capital Sisters International, a nonprofit she founded to raise business capital for impoverished women in developing countries, and to promote gender-lens investing across the financial services industry. She developed an innovative “person-to-person” lending model in 2000 to enable the general public to finance micro loans - a model that has since been replicated around the world to raise billions of dollars. She also created what we believe was the world’s first women’s bond in order to finance the micro loans. It remains one of a limited number of gender lens investment products accessible to everyday retail investors. Patricia was also instrumental in launching the Micro Insurance industry in partnership with AIG and other insurance companies, an industry now worth tens of billions of dollars. Her groundbreaking ideas were inspired by decades of work in economic development and international affairs, starting with her Peace Corps service in two African countries, and continuing with the U.S. Congress, the U.S. State Department, and the microfinance industry.

Patricia has received numerous prestigious awards for her field building initiatives, innovative Person-to-Person lending model, and inaugural women’s bond. She received the Global Purpose Prize for Financial Inclusion by AARP/Encore, sponsored by MetLife Foundation, in recognition of her long-standing work to promote economic empowerment for women. The International Women’s Forum recognized her with an award for “Ideas Remaking the World” and she was designated “One of 15 Inspiring Female CEOs that Impacted the World” by Cause Artist. She chaired what is believed to be the world’s first Gender-lens Investing Symposium, featuring and recognizing industry leaders that are pioneering this growing movement. She has been an official delegate to the United Nations Conference on the Status of Women every year since 2018, was listed in the Denver Business Journal’s inaugural list of “Who’s Who in Impact Investing, received the Pathfinder Award for Outstanding Women Entrepreneurs from World Denver, was featured by the Impact Finance Center at their Impact Investing Marketplace, awarded the Outstanding Global Service Award by the Colorado Alliance of Professional Women, and received the 21st Century Leadership Award from the International Alliance for Women.

Since 1998, Patricia has helped establish seven domestic and international microfinance organizations under the Capital Sisters umbrella, raised more than \$17.3 million for over 173,000 women’s loans in 25 countries with a combination of grants and investments, and served as a microfinance and gender advisor to the State Department where she represented the United States in the 21-nation Asia Pacific Economic Cooperation forum (APEC) for a decade as head of the Women Leaders Network. During her tenure with APEC, Patricia was responsible for establishing APEC’s very first Microenterprise Working Group (in 2002) and it still convenes the 21 country delegations on an annual basis to complement the work of the APEC Working Group on Small and Medium Enterprises (SMEs). Prior to that, Patricia spent two decades managing the evaluation of international programs for the U.S. Congress, including a 6-year tour in the European Office where she was responsible for the East European and Soviet portfolio after the fall of the Berlin Wall.

Within the U.S., Patricia was the Co-founder of Colorado Microcredit, the Micro Business Development Center, the Colorado Microfinance Alliance, and the Rocky Mountain Microfinance Institute. She serves on the board of the International Fund of the Colorado Women’s Foundation, and is a longstanding member of the Colorado chapter of the International Women’s Forum. Patricia is a guest lecturer for the international and business schools at Denver University, the University of Colorado, and Colorado State University.

Patricia's passion for international affairs and commitment to economic justice were inspired by her lived experiences working and traveling in more than 60 countries – including five revolutions. She and her husband Britt – whose support has been instrumental throughout her career, were high school sweethearts and live in the mountains outside Golden, Colorado where they raised their two sons. Patricia has a BA in Political Science and Economics from the University of Colorado (1975) and Master of Public Policy and Program Evaluation from Denver University (1977).

Cindy Lindsay, Treasurer and Chair of the Loan Committee

Cindy Lindsay is a Principal of FLS Associates, providing strategic business services to early-stage technology startups. Prior to joining FLS Associates she was a Founder of Sitera Inc., where she created products that enabled a new market of communication chip sets, and she has participated in multiple startups that have had a successful IPO or acquisition. She is a director of BoldeReach, a non-profit organization funding international programs for women and children, and an advisor to the University of Colorado's Student Chapter of Engineers Without Borders. Cindy is a Trustee Emerita from Rice University and has served on the board of directors of the Association of Rice Alumni, previously serving as Board President. She has served on the Rice Alliance for Entrepreneurship – Information Technology/Web 2.0 Advisory Board, on the Board of Directors of Rice University Press, and as the chair of the Connexions Oversight Board. Cindy joined the Capital Sisters Board in 2008 but was a strategic business advisor for many years before that. Cindy has a BA in Mathematics from Rice University (1973) and a BA in Psychology from the University of Illinois (1973).

Britt Hinnen, Secretary and Vice President of Technology

Britt Hinnen has 40 years of professional experience in the corporate, government and nonprofit sectors with an emphasis in Information Technology. He retired from the U.S. Department of Energy where he managed \$65 million in energy efficiency and renewable energy grants. Prior to this Britt was an IT Solution Architect for Perficient, Inc., leading project engagements for Fortune 500 clients. Britt worked to create enterprise solutions and web architecture for a range of businesses and corporations prior to Perficient, including McData where he was responsible for web content management. While he spent the majority of his career in IT and web development, he has also worked extensively in energy sector development, green building, and natural resource management and has won two global awards for his work in energy conservation. Britt served in the Peace Corps in Liberia and Lesotho and has worked and traveled extensively around the world. Britt has been directly involved with Capital Sisters on a pro bono basis since its inception in 1996, is an inaugural Board member, and serves as Chief Technology Officer. Britt has a BA in History and Political Science from Western State College (1975) and a Master of Forestry and Resource Development from Colorado State University (1978). Britt is the spouse of Patricia Foley Hinnen, CEO of Capital Sisters International.

Larry Greenwood, Board Member at Large

Larry Greenwood assumed the position of President of the Japan Society of Northern California on March 16, 2016. Prior to joining the Society, Larry worked four years in Tokyo where he managed government relations throughout Asia for MetLife and five years in Manila, Philippines where he co-led the Asian Development Bank and was responsible for about \$7 billion of development lending a year. As a career diplomat from 1976-2006, Larry enjoyed two assignments in the US Embassy in Tokyo, postings in the Philippines and Singapore, and a variety of other jobs, including a term as US Ambassador to the Asia Pacific Economic Cooperation (APEC) group. Larry is concurrently Senior Advisor to the Bower Group Asia, a DC-based consulting firm advising corporations on government policy and regulations, and a non-resident Senior Adviser to the Center for Strategic and International Studies, one of the most prominent think tanks on international issues in Washington DC. Larry has a BA from Eckerd College in St. Petersburg, Florida (1974) and an MALD from the Fletcher School of Law and Diplomacy in Medford Massachusetts (1976). He speaks and reads Japanese.

Patricia Cooper, Board Emeritus

Patricia Cooper has over 40 years of private and public sector experience as a public policy analyst, strategic planner, entrepreneur, and civic leader. She is the Founder and Convener of The Women's Regional Network: Afghanistan, Pakistan and India, a collaborative network of women leaders from civil society organizations in South Asia to lead and take action to address the issues of extremism, corruption and militarization of aid and development as they impact women's security in the region. She is helping to replicate this model in Latin America and Africa. Patricia received the Humanitarian of the Year award from the Josef Korbel School of International Studies at the University of Denver in recognition of her long standing contributions.

Since moving to the United States from Canada in 1990, Patricia has served in leadership and governance roles for a number of organizations in the fields of education, public policy and women's rights. She served as Executive Director of the Children's Museum of Denver, where she directed the financial turnaround of the Museum. She served as a Fellow at the Center for International Affairs at Harvard University from 2002-2003. She serves on the Leadership Council for the Harvard Divinity School where she initiated and funded a conference for 80 international journalists on "Reporting Global Conflict: Uncovering the Link Between Religion and Human Rights".

Prior to moving to the United States, Patricia served for eight years as a senior executive appointee for the Government of Canada to provide advice on the effects of federal legislation on women and children. The Mayor of Calgary appointed her, as one of eleven citizens, to develop "The Economic Strategic Plan for the City of Calgary into the Twenty-First Century" and she was appointed by the Calgary Police Commission to review policies and procedures of citizens' complaints against police conduct. Patricia was a founding member of the Women's Legal Education and Action Fund to achieve equality for women through education and litigation under a new Canadian Constitution and served on the Board of Directors of the YWCA of Canada, the United Way of Calgary, the Senate of the University of Calgary, and the Calgary Chamber of Commerce.

Patricia has a BA in History from the University of Alberta (1969), an MPA from the University of Colorado, School of Public Affairs (1994), and a Master of Global Studies from the Korbel School of International Studies at the University of Denver (2006). She is also a Fellow of the Weatherhead Center of International Affairs at Harvard University (2003).

Wyn Schulz, Director of Finance and Operations

Wyn Schulz leads the finance and operations of Capital Sisters International, ensuring efficiency, accountability, and strategic growth to maximize impact. Wyn joined Capital Sisters with an extensive strategic and analytic background in corporate finance and operations working primarily in the technology and banking sectors. She utilizes detailed analyses of historical trends, potential outcomes, and critical success factors to ensure peak organizational efficiency. Some of the highlights from a career that spans over two decades include working with and training managerial staff in China and France; leading a team of business analysts and managers as Associate Vice President at a Fortune 50 bank; and consulting with dozens of small businesses in the areas of international banking and business planning. In addition to an extensive career in finance, Wyn's volunteer efforts include coaching students in Math Olympiad and Odyssey of the Mind; serving as Treasurer for a local Museum Friends Board; hosting events for families at various youth and family shelters; and planning fundraisers for several community non-profits. Wyn received undergraduate degrees in Finance and French from Tulane University (1996) and an MBA from the University of West Florida (2006). She spent a year studying at the Universite de la Sorbonne in Paris, France (1994-1995), and completed an MBA certificate in International Business at the Transatlantik-Institut in Ludwigshafen, Germany (2006).

Lisa Mougin, Chief Investment Officer

Lisa's career in the Investment Management industry has spanned three decades, starting at PriceWaterhouseCoopers. She spent nearly 20 years at ALPS Fund Services, as an integral part of the executive team that grew the company into one of the leading service providers in the mutual fund industry. Lisa was also part of the initial leadership team at the fintech startup TIFIN, where she oversaw the go-to-market efforts for two of the firm's software products. She now serves on the Board of Directors for the RiverNorth Closed-End Funds. Lisa spent two years living abroad in Barcelona, Spain with her family, where she became passionate about the refugee community and created the 'Furnish a Future' project. Now living in Denver again, Lisa is an active member of the community serving on the Board of Directors for Project Worthmore and volunteering at several local organizations. Lisa graduated magna cum laude from Marquette University (1994) with a Bachelor's Degree in Accounting.

Kelsey Covell, Operations Manager

Kelsey has an extensive background in Operations Management in a variety of settings including healthcare, human resources, and business. She is an expert at achieving significant and sustainable operational improvements by focusing on critical processes, systems, performance and supporting infrastructure. In addition to a zeal for strategizing process improvements, Kelsey is also passionate about volunteering to mentor and empower those in the community that are less fortunate or disabled. Over the past 15 years, she has volunteered with teens without housing, patients with traumatic brain injuries, and older adults with chronic mental illness. A life-long advocate for gender and racial equality, Kelsey is thrilled to help Capital Sisters advance the economic empowerment of women through entrepreneurship. Kelsey received an undergraduate degree in business management with a minor in accounting at Colorado State University. She also obtained a project management certification from Cornell University.

CAPITAL FRIENDS INTERNATIONAL

Capital Friends International, Inc. was founded in 2004 and is exempt from federal income tax under Section 501(c)(3) of the Code as a 509(a)(3) Type I non-profit Supporting Organization, meaning that it operates for the sole purpose of supporting another 501(c)(3) organization. Capital Friends is organized and operates exclusively as a Supporting Organization for the benefit of, to perform the activities of, and to advance and support the purposes and programs of Capital Sisters International, Inc.

Capital Friends is managed by its Board of Directors and by its CEO Patricia Foley Hinnen, who also serves as the CEO of Capital Sisters. The composition of the Board of Directors reflects the Organization's primary responsibilities - to be a fundraising arm for Capital Sisters, to oversee the Capital Reserve Account, and to fund and manage special projects which further the Capital Sisters mission and business model.

According to the Bylaws of Capital Friends, Capital Sisters (as its Sole Member) has certain fundamental rights over Capital Friends, including naming the Chairperson of and appointments to its Board of Directors, and approval of fundamental transactions such as its reorganization, merger, sale or dissolution. Capital Friends does not have a controlling role in the oversight or management of Capital Sisters. It serves wholly in an advisory capacity in support of Capital Sisters and its mission. One Director serves on both the Capital Friends and Capital Sisters Boards to ensure strong communication and linkages between the two organizations. Patricia Foley Hinnen, the CEO of Capital Sisters, currently serves on both Boards.

Through December 31, 2025, Capital Friends had given approximately \$433,500 in grants to Capital Sisters for various purposes in support of its activities. The financial results of Capital Friends for the years ended December 2025 and 2024 are combined with the audited financial statements for Capital Sisters, included in this prospectus as Appendix II. The inter-organizational grant income and grant expense have been eliminated in the combined financial statements.

Capital Reserve Account Funding Agreement

Pursuant to the terms of a Capital Reserve Account Funding Agreement effective December 22, 2010, Capital Friends has established a specifically designated account, the Capital Reserve Account, to serve as credit enhancement in the event of a default under any of the loans made by Capital Sisters to MFIs. Pursuant to this Agreement, Capital Friends deposits all available funds into the Account to the extent necessary to maintain capital coverage equal to 20% of loans outstanding from Capital Sisters to MFIs (or a lower balance if and to the extent that Capital Sisters can satisfy both the Capital Ratio and the Liquidity Ratio requirement, as described in the section “Credit Enhancement” above). Capital Friends may from time-to-time deposit letters of credit into the Capital Reserve Account in order to supplement or replace the cash balance (subject to Capital Sisters being able to satisfy the Liquidity Ratio as described in the section “Credit Enhancement” above). If and to the extent that there is a default under any of the loans made by Capital Sisters to MFIs, Capital Sisters will notify Capital Friends of the default and Capital Friends will immediately transfer money from the Capital Reserve Account to Capital Sisters. Capital Sisters will use those funds to the extent necessary to repay Noteholders and/or subordinated lenders when amounts fall due. The Capital Reserve Account Funding Agreement will continue in full force as long as any Notes remain outstanding and can only be terminated with the consent of both parties.

Neither Noteholders nor any other lenders to Capital Sisters shall be obligated to file any claim relating to the obligations of Capital Friends in the event that Capital Sisters becomes subject to a bankruptcy, reorganization or similar proceeding, and the failure of the Noteholders or other lenders to file a claim shall not affect Capital Friends’ obligations pursuant to the Capital Reserve Account Funding Agreement to provide funds in the case of any default under any MFI loan made by Capital Sisters.

While the Agreement enhances Capital Sisters’ ability to meet its obligations under the Notes and subordinated debt, Noteholders and subordinated lenders will not directly benefit from any rights under the Agreement except as specifically discussed in this prospectus and subject to the actual terms of the Agreement.

CAPITAL FRIENDS INTERNATIONAL BOARD OF DIRECTORS

Stephanie Boyles, President

Stephanie Boyles has extensive experience shaping new products to meet customer desires in a wide variety of settings - large telecommunications organizations, top tier management consultancies, technology startups, and most recently she co-founded a Boulder-based startup which designs and brings high end leather accessories to market. Before working in the startup world, Stephanie served as a senior business development and engagement oversight leader for The Monitor Group, one of the world’s leading advisory and consulting firms. Prior to that, with BellSouth Corporation, she harnessed and delivered a corporate commitment of \$25M to internet-enable schools throughout BellSouth’s territory, a strategy which ultimately made the education market the company’s fastest growing business segment and proved that the firm could “do well by doing good”. Stephanie has also served as the Vice President of Technology for The International Alliance for Women (TIAW). Stephanie has a BA in Mathematics from the University of Georgia (1974), an MS in Mathematics from Michigan University (1976) and a Ph.D. in Mathematics from the University of Florida (1980).

Pam Brown, Secretary

Pam Brown is an entrepreneur with an extensive background in business development, management, and investment-class real estate. She has spent over 20 years working in airports, with a focus on business development, IT solutions, property management and landside services. Pam joined Paradis Lagardere, the leader in travel retail, in 2018 as Vice President, Business Development, working in airports across the U.S. Prior to that she worked for a major provider of airport parking and transportation services, developing wireless internet and related IT solutions for airports for a variety of clients. She also co-founded an airport-focused Wi-Fi management company, Airport Network Solutions. Pam also serves as a member of the Advisory Board for the USO Northwest at Portland International Airport. Pam attended the University of Oregon (1978 - 1981) and holds real estate licenses in Oregon and California.

Sondra Greene, Treasurer

Sondra Greene has spent over thirty years investing in a better world. She was the CFO of Capital Sisters International for over a decade, during which time she was instrumental in launching and managing the Sister Bonds® Investment Fund – enabling household investors to buy zero interest retail bonds that fund micro loans for women in developing countries. Prior to that she spent fifteen years raising private capital for public infrastructure projects in the UK, Europe and around the world. At Barclays Capital in London, she advised governments and companies developing projects in the transportation and social infrastructure sectors. She subsequently helped launch and grow the London office of Macquarie Bank’s infrastructure funds business. Sondra spent nine years on the Board of the National Diaper Bank Network which aims to ensure that families in the United States have access to their basic needs, and she is on the board of Impact Charitable, which catalyzes philanthropic capital for impact first investment in communities and ventures. She is an angel investor with Next Wave Impact, women investing in mission driven entrepreneurs. She has an Economics Degree from Brandeis and an MBA from The Wharton School at the University of Pennsylvania.

Patricia Foley Hinnen, Board Member At Large and Chief Executive Officer

See description under “Capital Sisters Board of Directors” above.

FINANCIAL STATEMENTS

The combined audited financial statements of Capital Sisters and Capital Friends for the years ended December 31, 2025 and 2024 are included in this prospectus as Appendix II. Audited financial statements for Capital Sisters for future fiscal years will be mailed to investors within 45 days after the completion of the audit for each fiscal year.

DISTRIBUTION OF NOTES

Capital Sisters, as the issuer of the Investment Notes, is serving as the distributor of these Notes and, in those states where the Notes are offered for sale, is either registered to sell the Notes or is exempt from registration. Certain Capital Sisters employees and affiliated persons are authorized to disseminate information about Capital Sisters and about the Notes.

USE OF PROCEEDS

Subject to the Capital Reserve Account requirements discussed under “Capitalization”, Capital Sisters uses 100% of the proceeds from the sale of the Investment Notes to make interest-free loans to nonprofit and social enterprise MFIs that have a significant percentage of their loan portfolio targeted toward impoverished women in developing countries. Capital Sisters conducts a screening process to identify suitable potential MFI borrowers who must then satisfy a detailed due diligence review in order to qualify for an interest-free loan. MFI partners must agree to use the interest earned from the micro loans to support business development services for the borrowers. Capital Sisters’ due diligence process is discussed in the section Description of the Organization above.

As of the date of this prospectus, Capital Sisters has \$1,000,000 principal amount of loans outstanding, including \$550,000 to Friendship Bridge, an organization that offers micro loans solely to women in Guatemala, and \$450,000 to the Center for Agriculture and Rural Development (CARD) for women’s loans in the Philippines.

The following table indicates the maturities of the loans to MFIs which are outstanding as of the date of this prospectus.

MFI Loan Maturity Schedule	
Year Ending December 31	Amount
2026	\$550,000
2027	\$450,000
Total MFI Loans	\$1,000,000

RELATED PARTY TRANSACTIONS

Capital Sisters has entered into a Capital Reserve Account Funding Agreement with its Supporting Organization, Capital Friends. The Capital Reserve Account Funding Agreement is intended to provide credit enhancement for the repayment of the Notes in the event of an MFI default in the repayment of its loan to Capital Sisters. For a more complete description of the Capital Reserve Account Funding Agreement, see the section “Capital Friends International Capital Reserve Account Funding Agreement” above.

Officers, directors and employees of Capital Sisters and Capital Friends may own or acquire Investment Notes, as these Notes underpin the mission. As of December 31, 2025 and December 31, 2024, certain officers, directors and employees currently own Investment Notes in the aggregate amount of \$114,000 and \$95,000, respectively. All Investment Notes hold the same terms (including a zero rate of interest), and the officers, directors and employees have no rights or benefits that differ from other investors. The Organization considers it desirable for its officers, directors and employees to purchase the Notes, as a sign of confidence in its core mission and Investment Program.

These individuals may also serve on Capital Sisters’ Finance and Investment Committee and its Loan Committee. Under certain circumstances members of the Investment and/or Loan Committees may make decisions regarding MFI Loans which may result in a conflict of interest. The policy of the Finance and Investment Committee and of the Loan Committee is that any decision with respect to MFI Loans will be made in a manner which is fair and equitable to all the current Noteholders.

Capital Sisters and Capital Friends have adopted a conflict-of-interest policy that says that any officer, director or staff member will disclose any personal interest in any matter pending before the respective organization and shall refrain from participation in any decision on such matter. All related party transactions are entered into on terms that are no less favorable to the organization than those that can be obtained from unaffiliated third parties. All related party transactions must be approved by a majority of the disinterested members of the respective Boards of Directors.

Britt Hinnen, Secretary of the Board and Chief Technology Officer, is married to Patricia Foley Hinnen, Founding CEO and CEO of Capital Sisters and Capital Friends. Neither individual has ever received compensation from the organization or the Supporting Organization for their respective roles. Both individuals are donors and Investment Note holders but receive no preferential treatment over other investors.

For fiscal year 2025, the organization paid \$173,331 in total compensation to three paid employees. The CEO Patricia Foley Hinnen is also an employee but works on a pro-bono basis. Total remuneration is expected to increase by approximately 16% over the next 12 months.

LEGAL MATTERS

The law firm of Hogan Lovells US LLP, Washington, DC has provided legal advice to Capital Sisters and Capital Friends in connection with this offering.

INDEPENDENT AUDITORS

The combined financial statements of Capital Sisters (which includes the financial results for its supporting organization, Capital Friends) for the years ended December 31, 2025 and 2024, and the related notes and supplementary information thereto, included in this prospectus as Appendix II, have been audited by Ryan, Gunsauls & O'Donnell, LLC.

INVESTOR GUIDE

How to Invest

Investment term is selected at the time of purchase from the available options of 1, 2, 3, 4 or 5 years. All Investment Notes are offered at an interest rate of 0% which allows Capital Sisters to make zero-interest loans to MFI partners that use interest earned from the micro loans to support business development services for the borrowers. Because Capital Sisters does not earn interest on its loan capital, it relies on donations to cover loan management expenses. Therefore, all investors are required to make a philanthropic contribution prior to becoming an investor. Capital Sisters may, in its sole discretion, alter the offered rate and term structure for any new Notes as it deems necessary. Such changes would not affect the terms of the Notes already sold under the terms of this prospectus.

To invest, please complete the Investment Application and submit it to Capital Sisters at the address indicated on the Application Form. Confirmation of your investment will be sent to you upon receipt of your completed materials and payment. Inquiries about your investment or about the Investment Notes in general can be made by emailing accounts@capitalsisters.org.

All purchases must be made in US dollars and by checks drawn on US banks. Capital Sisters reserves the right to suspend the sale of the Investment Notes for a period of time or to reject any specific purchase order, with or without a reason. Capital Sisters may also, in its discretion, elect to accept a portion, but not all, of the amount proposed for investment in a specific purchase order. If your check does not clear, your purchase will be canceled, and you will be charged a \$10 fee plus costs incurred by Capital Sisters.

Redemption

The Investment Notes may be redeemed or reinvested, in whole or in \$1,000 increments, at the time of maturity. Investors will be sent a maturity notice approximately 45 days prior to the Note's maturity date. The notice will provide instructions for reinvestment, redemption, or donation. If an investor does not take any action, its maturing principal will be reinvested on the same terms as the previous Note, or, if such terms are no longer available, on terms most similar to those of the previous Note from currently available options. The Investment Notes are not subject to redemptions prior to maturity at the option of the noteholders. Capital Sisters may, in its sole discretion, redeem the Investment Notes prior to the respective maturity date (see "Early Redemption" in Description of the Investment Notes). Investors opting not to renew their Notes will be repaid in the form of a check unless they opt to donate the bond capital, in which case they will be provided with a donation receipt for tax purposes.

All Investment and Account Change Information Must Be Received in Writing

All initial investments, renewals, redemptions, account changes and any other pertinent investment information must be made in writing. No investments or changes may be made over the telephone.

Taxpayer ID

If Capital Sisters lacks the correct Social Security or Taxpayer Identification Number (TIN) for a prospective investor and is unable to verify that the prospective investor is not subject to backup withholding by the IRS, the investor may be subject to a fine. Such investors may also be prohibited from purchasing another Investment Note. If the TIN information is not received within 60 days after an account is established, the account may be closed with a penalty on principal. Capital Sisters reserves the right to reject any new account or any purchase order for failure to supply a certified TIN.

Appendix I –Investment Notes Application Form

SISTER BONDS®
CAPITAL SISTERS INTERNATIONAL INVESTMENT NOTES
New Account Application Form

I would like to invest \$ _____ (multiples of \$1,000 only) in Sister Bonds® Investment Notes
for a term of (please select one): _____.

In addition to my investment I would like to make a tax-deductible donation to support the mission
of Capital Sisters International in the amount of: \$ _____.

If you have any difficulty filling out this form, please call Capital Sisters International at 720.263.1274. Electronic documents are preferred for environmental and privacy protection purposes, however you may also print this form and mail it to the address indicated below. Please make checks payable to Capital Sisters International, Inc.

For Individual or Institution

Please Sign Here

First Middle Last

Individual, Trustee or Officer Date

Social Security or Taxpayer ID Date of Birth

Joint Signature Date

Address

These securities are exempt from federal registration and have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission, nor has the Securities and Exchange Commission or any state securities commission passed on the accuracy or adequacy of this document. Any representation to the contrary is a criminal offense.

City State Zip

The Notes are unsecured obligations and are not deposits or obligations of, or guaranteed or endorsed by, any bank, and are not insured by the FDIC, SIPC, or any other agency.

Phone

The Notes are issued to investors who invest for specific terms with the expectation of a rate of return of 0%. The Notes are subject to certain risks as disclosed in the prospectus, which should be read before investing. There can be no assurance that Capital Sisters will have sufficient cash reserves to satisfy all outstanding obligations.

Email

For Joint Investor (no Social Security number required)

For more information about the Notes or this application contact Capital Sisters at 720.263.1274.

First Middle Last

By submitting this form, I hereby acknowledge that I have received, reviewed and understand the Prospectus that details the terms, risks and other important information regarding the Capital Sisters Investment Notes (the "Notes") and receipt of information regarding the policy binding my investment in Notes. I agree to be bound by these terms.

As required by law and under penalty of perjury, I certify that (1) the Social Security or other taxpayer identification number (TIN) provided on this form is my correct TIN, and (2) currently I am not under IRS notification that I am subject to back-up withholding (please strike out clause (2) if you are currently under notification). If the correct TIN is not supplied, Capital Sisters is required to withhold 28% of dividends and/or redemption, and your account may be closed. The IRS does not require your consent to any provision of this document other than certifications to avoid back-up withholding.

**PLEASE MAKE CHECKS PAYABLE TO
CAPITAL SISTERS INTERNATIONAL, INC.
AND RETURN TO:**

Capital Sisters International
601 16th St Suite C #310
Golden, CO 80401

**Appendix II – Capital Sisters International, Inc. and Affiliate Combined Audited Financial Statements for the Years
Ended December 31, 2025 and 2024**



CAPITAL SISTERS INTERNATIONAL, INC. AND AFFILIATE

Consolidated Financial Statements
(Audited)

For the Years Ended
December 31, 2025 and 2024

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Independent Auditors' Report

Board of Directors
Capital Sisters International, Inc. and Affiliate

Opinion

We have audited the accompanying consolidated financial statements of Capital Sisters International, Inc. and Affiliate (Colorado nonprofit corporations), which comprise the consolidated statement of financial position as of December 31, 2025, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Capital Sisters International, Inc. and Affiliate as of December 31, 2025, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Capital Sisters International, Inc. and Affiliate and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Capital Sisters International, Inc. and Affiliate's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

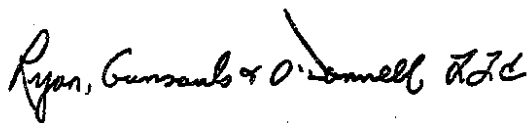
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Capital Sisters International, Inc. and Affiliate's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Capital Sisters International, Inc. and Affiliate's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Capital Sisters International, Inc. and Affiliate's 2024 combined financial statements, and we expressed an unmodified audit opinion on those audited combined financial statements in our report dated April 2, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited combined financial statements from which it has been derived.



Denver, Colorado
April 2, 2026

CAPITAL SISTERS INTERNATIONAL, INC. AND AFFILIATE
Consolidated Statements of Financial Position
December 31, 2025 and 2024

ASSETS

	<u>2025</u>	<u>2024</u>
Current assets:		
Cash and cash equivalents	\$ 554,357	\$ 425,109
Pledges and other receivables	3,716	39,098
Notes receivable, current portion	550,000	450,000
Prepaid expenses	<u>6,085</u>	<u>2,863</u>
Total current assets	<u>1,114,158</u>	<u>917,070</u>
Other asset:		
Notes receivable, net of current portion	<u>450,000</u>	<u>500,000</u>
Total other asset	<u>450,000</u>	<u>500,000</u>
Total assets	\$ <u>1,564,158</u>	\$ <u>1,417,070</u>

LIABILITIES AND NET ASSETS

Liabilities:		
Accounts payable	\$ 7,278	\$ 1,368
Accrued expenses	11,427	5,500
Accrued payroll and related benefits	6,653	6,615
Bonds payable, current portion	<u>199,000</u>	<u>196,000</u>
Total current liabilities	<u>224,358</u>	<u>209,483</u>
Bonds payable, net of current portion	696,000	646,000
Conditional contribution liability	<u>15,000</u>	<u>15,000</u>
Total long-term liabilities	<u>711,000</u>	<u>661,000</u>
Total liabilities	<u>935,358</u>	<u>870,483</u>
Net assets:		
Without donor restrictions	523,300	445,087
With donor restrictions	<u>105,500</u>	<u>101,500</u>
Total net assets	<u>628,800</u>	<u>546,587</u>
Total liabilities and net assets	\$ <u>1,564,158</u>	\$ <u>1,417,070</u>

See accompanying independent auditors' report and notes to consolidated financial statements.

CAPITAL SISTERS INTERNATIONAL, INC. AND AFFILIATE
Consolidated Statements of Activities
For the Year Ended December 31, 2025 with Summarized Comparative Totals for 2024

	Without donor restrictions	With donor restrictions	2025 Total	2024 (Summarized)
Revenue and support:				
Contributions	\$ 312,395	\$ 14,000	\$ 326,395	\$ 241,573
In-kind services and materials	312,401	-	312,401	366,279
Other income	21,969	-	21,969	24,306
Interest and dividend income	14,440	-	14,440	14,724
Unrealized loss on sale of investments	<u>(1,843)</u>	<u>-</u>	<u>(1,843)</u>	<u>(4)</u>
Total revenues and support	<u>659,362</u>	<u>14,000</u>	<u>673,362</u>	<u>646,878</u>
Released from restrictions	<u>10,000</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>
Total revenue and support	<u>669,362</u>	<u>4,000</u>	<u>673,362</u>	<u>646,878</u>
Functional expenses:				
Program services:				
Investment program	380,312	-	380,312	429,567
Education and advocacy	63,866	-	63,866	72,198
Grants	<u>23,971</u>	<u>-</u>	<u>23,971</u>	<u>20,349</u>
Total program services	<u>468,149</u>	<u>-</u>	<u>468,149</u>	<u>522,114</u>
Supporting services:				
General and administrative	68,420	-	68,420	62,768
Fundraising	<u>54,580</u>	<u>-</u>	<u>54,580</u>	<u>50,656</u>
Total supporting services	<u>123,000</u>	<u>-</u>	<u>123,000</u>	<u>113,424</u>
Total functional expenses	<u>591,149</u>	<u>-</u>	<u>591,149</u>	<u>635,538</u>
Change in net assets	78,213	4,000	82,213	11,340
Net assets at beginning of year	<u>445,087</u>	<u>101,500</u>	<u>546,587</u>	<u>535,247</u>
Net assets at end of year	\$ <u>523,300</u>	\$ <u>105,500</u>	\$ <u>628,800</u>	\$ <u>546,587</u>

See accompanying independent auditors' report and notes to consolidated financial statements.

CAPITAL SISTERS INTERNATIONAL, INC. AND AFFILIATE
Consolidated Statements of Functional Expenses
For the Year Ended December 31, 2025 with Summarized Comparative Totals for 2024

	Program services				Supporting services				
	Investment	Education	Grants	Total	General and		Total	2025	2024
	<u>program</u>	<u>and advocacy</u>	<u>program</u>	<u>program</u>	<u>administrative</u>	<u>Fundraising</u>	<u>support</u>	<u>Total</u>	<u>(Summarized)</u>
In-kind services and materials	\$ 247,401	\$ 35,000	\$ -	\$ 282,401	\$ 10,000	\$ 20,000	\$ 30,000	\$ 312,401	\$ 366,279
Salaries and wages	84,082	7,424	-	91,506	40,454	21,557	62,011	153,517	143,497
Grants	-	-	23,971	23,971	-	-	-	23,971	20,349
Professional fees	15,801	935	-	16,736	3,618	701	4,319	21,055	33,231
Employee benefits and related	11,062	881	-	11,943	4,459	3,413	7,872	19,815	17,773
Contract labor	2,475	5,475	-	7,950	1,863	707	2,570	10,520	15,169
Events	5,499	2,289	-	7,788	-	1,793	1,793	9,581	8,923
Office supplies and expenses	5,750	441	-	6,191	1,786	287	2,073	8,264	4,202
Miscellaneous	1,080	3,196	-	4,276	1,139	1,397	2,536	6,812	4,955
Printing and postage	2,645	10	-	2,655	19	3,351	3,370	6,025	3,461
Technology and support	1,710	1,710	-	3,420	1,198	489	1,687	5,107	4,193
Dining	1,765	1,199	-	2,964	1,014	618	1,632	4,596	3,381
Insurance	788	-	-	788	2,799	-	2,799	3,587	2,787
Transportation and travel	254	2,547	-	2,801	71	267	338	3,139	5,931
Memberships	-	2,759	-	2,759	-	-	-	2,759	1,407
Total expenses	\$ <u>380,312</u>	\$ <u>63,866</u>	\$ <u>23,971</u>	\$ <u>468,149</u>	\$ <u>68,420</u>	\$ <u>54,580</u>	\$ <u>123,000</u>	\$ <u>591,149</u>	\$ <u>635,538</u>

See accompanying independent auditors' report and notes to consolidated financial statements.

CAPITAL SISTERS INTERNATIONAL, INC. AND AFFILIATE
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Change in net assets	\$ 82,213	\$ 11,340
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Unrealized loss on investments	1,843	4
(Increase) decrease in operating assets:		
Pledges and other receivables	35,382	(34,098)
Prepaid expenses	(3,222)	(244)
Increase (decrease) in operating liabilities:		
Accounts payable	5,910	(20,733)
Accrued expenses	5,927	(2,772)
Accrued payroll and related benefits	38	1,275
Net cash provided by (used in) operating activities	<u>128,091</u>	<u>(45,228)</u>
Cash flows from investing activities:		
Notes receivable to micro finance institutions	(50,000)	(150,000)
Donated securities - fair market value	(60,315)	30,446
Proceeds from sale of investments	58,472	(30,450)
Net cash used in investing activities	<u>(51,843)</u>	<u>(150,004)</u>
Cash flows from financing activities:		
Bonds payable	53,000	132,000
Net cash provided by financing activities	<u>53,000</u>	<u>132,000</u>
Net change in cash and cash equivalents	129,248	(63,232)
Total cash and cash equivalents, beginning of year	425,109	488,341
Total cash and cash equivalents, end of year	\$ <u><u>554,357</u></u>	\$ <u><u>425,109</u></u>

See accompanying independent auditors' report and notes to consolidated financial statements.

CAPITAL SISTERS INTERNATIONAL, INC. AND AFFILIATE
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

Note 1: Nature of Operations

Capital Sisters International, Inc. (Capital Sisters) is a Colorado nonprofit corporation established for the purpose of raising investment funds for micro loan programs that serve impoverished women in developing countries who want to start or grow a business. To achieve this purpose, Capital Sisters has created its Sister Bonds[®] Investment Program which provides concerned individuals with the opportunity to address poverty on a global scale through impact investing.

Capital Friends International, Inc. (the Affiliate), (formerly known as The Sylvia Kallio Supporting Organization, Inc.) is a Colorado nonprofit corporation which was established to serve exclusively as a supporting organization for the benefit of, to perform the activities of, and advance and support the purposes and programs of Capital Sisters International, Inc.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Capital Sisters and the Affiliate, which are under common control and will be commonly referred to as “the Organization” for the consolidated financial statements. Significant intercompany transactions and balances have been eliminated in the combination. The Affiliate is organized exclusively for the benefit of Capital Sisters and holds and maintains a cash reserve account which serves as credit enhancement for the benefit of the investors in Capital Sisters. The Affiliate’s assets are managed by a board of directors that has authority to make distributions to or for the use of Capital Sisters.

Note 2: Summary of Significant Accounting Policies

This summary of significant accounting policies of the Organization is presented to assist in understanding the Organization’s consolidated financial statements. The consolidated financial statements and notes are representations of the Organization’s management who is responsible for the integrity and objectivity of the consolidated financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America (U.S. GAAP) and have been consistently applied in the preparation of the consolidated financial statements.

Basis of Presentation

The consolidated financial statements have been prepared in accordance with U.S. GAAP, which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization’s management and the board of directors.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statements of activities.

CAPITAL SISTERS INTERNATIONAL, INC. AND AFFILIATE
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

Note 2: Summary of Significant Accounting Policies, continued

Basis of Accounting

The Organization's consolidated financial statements are prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Fair Value

The consolidated financial statements consist primarily of cash, cash equivalents, receivables and payables. The amounts reported in the consolidated financial statements approximate fair values because of their short maturities.

Cash and Cash Equivalents

For the purposes of the consolidated statements of cash flows, the Organization considers all highly liquid short-term investments with original maturities of three months or less to be cash equivalents.

Pledges Receivable

Contributions are recognized when the donor makes a pledge to give to the Organization that is, in substance, unconditional. As of December 31, 2025 and 2024, all pledges receivable were considered unconditional pledges. The Organization's management considers pledges receivable to be fully collectible; accordingly, no allowance for uncollectible pledges is presented. If amounts become uncollectible, they are charged to operations when the determination is made. An allowance may be established if an event occurs in the future that would necessitate a reserve.

Contributions and Revenue

The primary sources of revenue for the Organization are contributions, including, grants, and in-kind services and materials. Revenue is recognized when it is earned. Contributions are recognized at the date of the donation as without donor restriction or with donor restriction depending on the nature and/or existence of any donor restrictions.

In accordance with ASC Sub-Topic 958-605, *Revenue Recognition*, the Organization must determine whether a contribution (or a promise) is conditional or unconditional for transactions deemed to be a contribution. A contribution is considered to be a conditional contribution if an agreement includes a barrier that must be overcome and either a right of release or a promise to transfer assets exist. Indicators of a barrier include a measurable performance-related barrier or other measurable barrier, a stipulation that limits discretion by the recipient on the conduct of an activity, and stipulations that are related to the purpose of an agreement. Topic 958 prescribes that the

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Note 2: Summary of Significant Accounting Policies, continued

Contributions and Revenue, continue

Organization should not consider probability of compliance with the barrier when determining if such contributions are conditional and should be reported as conditional contribution liability until such conditions are met. At December 31, 2025 and 2024, the Organization had a conditional contribution liability in the amount of \$15,000, respectively.

Donated Services and Materials

Donated services and materials are recognized as contributions in accordance with *Accounting for Contributions Received and Contributions Made*, if services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statement of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Indirect expenses are allocated to programs and supporting consolidated services on the basis of the function and areas benefited and use of the assets. All other costs can be specifically identified with a particular function and are charged directly to that function.

Expenses as presented in the consolidated statement of functional expenses are allocated using the following methods: 1) salaries, benefits and related expenses are allocated by time and effort; 2) in-kind services and materials are allocated based on time, effort and valuation; 3) technology and support are allocated based on fixed percentage based on purpose; and 4) all other expenses are allocated based on actual monies expensed per receipts.

Income Taxes

The Organization is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code and classified as other than a private foundation. The Organization is, however, subject to income tax on any unrelated business income. There was no unrelated taxable income for the years ended December 31, 2025 and 2024.

The Organization has adopted the provisions of *Income Taxes*. In determining the recognition of uncertain tax positions, the Organization applies a more-likely-than-not recognition threshold and determines the measurement of uncertain tax positions considering the amounts and probabilities of the outcomes that could be realized upon ultimate settlement with taxing authorities. The Organization analyzed its tax positions taken on their Federal tax returns for the open tax years 2022 through 2024. Based on their analysis, the Organization determined that there were no uncertain tax positions and that the Organization should prevail upon examination by taxing authorities.

Comparative Financial Information

The consolidated financial statements include certain prior year summarized comparative

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Note 2: Summary of Significant Accounting Policies, continued

Comparative Financial Information, continued

information in total but not by class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's combined financial statements for the year ended December 31, 2024, from which the summarized information was derived.

Note 3: Availability and Liquidity

The following represents the Organization's financial assets at December 31:

	<u>2025</u>	<u>2024</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 554,357	\$ 425,109
Pledges and other receivables	3,716	39,098
Notes receivable	<u>1,000,000</u>	<u>950,000</u>
Total financial assets	1,558,073	1,414,207

Less amounts not available for operating expenses:

Cash – capital reserve	75,500	75,500
Notes receivable	<u>1,000,000</u>	<u>950,000</u>
Total amounts unavailable	1,075,500	1,025,500

Financial assets available to meet general expenditures over the next twelve months	<u>\$ 482,573</u>	<u>\$ 388,707</u>
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The Organization's goal is generally to maintain financial assets to meet 180 days of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, primarily checking and money market accounts. The Organization issues bonds to fund notes receivable (which represent loans to microfinance institutions). The Organization's policy is that maturities associated with bonds payable will extend beyond the maturity of notes receivable.

Note 4: Notes Receivable

The Organization uses the proceeds from the sale of bonds payable (see Note 5) to make zero-interest loans to microfinance institutions in developing countries that provide micro business loans to impoverished women. As part of the Organization's financing structure, the bonds payable are issued as zero-interest instruments; accordingly, the related notes receivable do not bear interest. As of December 31, 2025 and 2024, the Organization had three and two notes receivable outstanding to two microfinance institutions, totaling \$1,000,000 and \$950,000 for the years ending December 31, 2025 and 2024, respectively. The notes receivable will mature on October 15, 2026, and September 15, 2027.

Note 5: Bonds Payable

The Organization issues Sister Bonds[®] zero-interest investment bonds in order to fund its loans to microfinance organizations (See Note 4). The minimum investment amount is \$1,000.

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Note 5: Bonds Payable, continued

Each \$1,000 bond funds ten micro loans of \$100 each. The bonds bear zero interest and range in terms of one to five years. All principal is due upon bond maturity. The maturity dates range from March 2026 to January 2031. As of December 31, 2025 and 2024 the Organization had three hundred and six and two hundred and ninety two, respectively, investments in bonds payable outstanding totaling \$895,000 and \$842,000, respectively.

Certain investors agree to subordinate their bonds in order to contribute to the Organization's capital ratios. As of December 31, 2025 and 2024, the Organization had a subordinated agreement with one investor for \$30,000 in bonds outstanding, respectively.

Future maturities of bonds payable as of December 31, 2025 are as follows:

2026	\$ 199,000
2027	167,000
2028	167,000
2029	184,000
2030	158,000
Thereafter	20,000
	<u><u>\$ 895,000</u></u>

Note 6: Net Assets with Donor Restrictions

The Organization's net assets with donor restrictions represent donor restricted contributions. Net assets with donor restrictions consisted of the following at December 31, 2025:

<u>Description</u>	<u>Balance at December 31, 2024</u>	<u>Revenues restricted by donor</u>	<u>Expenditures satisfying restriction</u>	<u>Balance at December 31, 2025</u>
Micro loans	\$ 26,000	\$ 14,000	\$ (10,000)	\$ 30,000
Capital reserve	<u>75,500</u>	<u>-</u>	<u>-</u>	<u>75,500</u>
	<u><u>\$ 101,500</u></u>	<u><u>\$ 14,000</u></u>	<u><u>\$ (10,000)</u></u>	<u><u>\$ 105,500</u></u>

Net assets with donor restrictions consisted of the following at December 31, 2024:

<u>Description</u>	<u>Balance at December 31, 2023</u>	<u>Revenues restricted by donor</u>	<u>Expenditures satisfying restriction</u>	<u>Balance at December 31, 2024</u>
Micro loans	\$ 15,000	\$ 26,000	\$ (15,000)	\$ 26,000
Capital reserve	<u>75,500</u>	<u>-</u>	<u>-</u>	<u>75,500</u>
	<u><u>\$ 90,500</u></u>	<u><u>\$ 26,000</u></u>	<u><u>\$ (15,000)</u></u>	<u><u>\$ 101,500</u></u>

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Note 7: Donated Services and Materials

A substantial number of volunteers have donated significant amounts of their time to the Organization and its mission. In addition, directors and officers have made a significant contribution of their time to develop the Organization and its programs. Specifically, the CEO and founder of the Organization donates her time annually, in the pursuit of growing the Organization.

The value of donated services and materials in the consolidated financial statements and the corresponding program expenses for the years ended December 31, are as follows:

	<u>2025</u>	<u>2024</u>
CEO – Patricia Foley Hinnen	\$ 100,000	\$ 100,000
Legal services	212,401	265,953
Bookkeeping services	<u>-</u>	<u>326</u>
Total donated services and materials	<u>\$ 312,401</u>	<u>\$ 366,279</u>

Note 8: Related Party Transactions

Capital Sisters receives annual grants from its Affiliate for various purposes to support Capital Sisters' mission. Capital Sisters makes grants to its Affiliate for the purpose of increasing the balance in the Capital Reserve Account held by the Affiliate. For the years ending December 31, 2025 and 2024 no grants were awarded to its Affiliate.

The Organization's board members and staff also participate in the Sister Bonds[®] investment program to support the Organization and its mission. All bonds issued (other than subordinated bonds) hold the same terms and conditions including a zero rate of interest, and the directors and staff have no rights or benefits that differ from any other investor (other than investors who have agreed to subordinate their bonds). As of December 31, 2025 and 2024, bonds payable to related parties totaled \$114,000 and \$95,000, respectively.

Note 9: Significant Concentrations and Credit Risk

The Organization receives a significant portion of its revenue and support from contributions and in-kind services and materials. For the years ended December 31, 2025 and 2024, the Organization received approximately 46% and 57% of its revenue from in-kind services and materials, and 48% and 37% from contributions.

Note 10: Subsequent Events

The Organization evaluated subsequent events and transactions for potential recognition or disclosure through the date the consolidated financial statements are available to be issued, which is the date of the independent auditors' report. The Organization determined that no events occurred that required disclosure.