



Dora
Department of Regulatory Agencies

Division of Securities
Fred J. Joseph
Securities Commissioner

John W. Hickenlooper
Governor

Barbara J. Kelley
Executive Director

May 3, 2011

Paul W. Scott
Ballard Spahr LLP
1225 17th Street, Suite 2300
Denver, Colorado 80202-5596

**Re: Sale of Capital Sisters Investment Notes by Capital Sisters
International, Inc.
Our File No. A-011-008**

Dear Mr. Scott:

The staff of the Division of Securities ("Staff") is in receipt of your letter dated April 14, 2011, in connection with the above referenced matter. By your letter, you state that you are advising the Staff of a proposed offering of up to \$5,000,000 aggregate principal amount of Capital Sisters Investment Notes (the "Notes") by Capital Sisters International, Inc. (the "Capital Sisters"). On behalf of Capital Sisters, you have requested the Staff confirm the availability of an exemption from registration under the Colorado Securities Act ("Act") found in Division Rule 51-3.14, promulgated pursuant to § 11-51-307(1)(g), C.R.S., in connection with the offer and sale of the Notes.

Based on the facts in your letter and attached offering document, we understand that Capital Sisters was formed in 2001 to raise investment funds for micro lending institutions that serve impoverished women in developing countries. Capital Sisters will use the proceeds from the sale of the Notes to make loans to international microfinance institutions ("MFI") which, in turn, lend to impoverished women in developing countries who do not have access to credit. The Notes will receive zero interest. Though Capital Sisters is not a religious organization, it is deemed exempt from federal income taxes by virtue of Section 501(c)(3) of the Internal Revenue Code. As a result, the Notes are exempt from federal securities registration under Section 3(a)(4) of the Securities Act of 1933 and Section 3(c)(10) of the Investment Company Act of 1940.

The Notes will be unsecured obligations of Capital Sisters. Capital Friends International, Inc., ("Capital Friends"), a supporting organization for Capital Sisters

under Section 509(a)(3) of the Code, has agreed to provide credit enhancement for the Notes in the form of a capital reserve account. Capital Friends will use the funds in this account to reimburse Capital Sisters for losses if any MFI does not repay its loan to Capital Sisters. Capital Sisters will not disburse any loans to MFIs unless, immediately following such disbursement, Capital Sisters has a capital ratio of 25%. In addition, Capital Sisters will not issue the Notes unless, immediately following such issuance, Capital Sisters has a liquidity ratio of 12.5%.

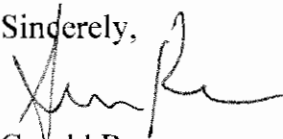
In addition, you state that neither Capital Sisters nor Capital Friends has ever defaulted in the payment of any principal, interest or dividends of any of their securities or debt. Capital Sisters has received audited financial statements with an unqualified opinion from a certified public accountant for its most recent six fiscal years. Capital Sisters will offer the Notes directly, meaning that no broker-dealer, underwriter, or trustee is being used.

The Staff cannot confirm the availability of an exemption from registration under § 11-51-307(1)(g) of the Act. But in light of the facts represented, the Staff will not recommend that formal enforcement proceeding be initiated against Capital Sisters, or its respective officers, directors, control persons, or employees for violation of the registration provisions of the Act relative to the proposed offer.

It should be noted that by this letter, the Staff only expresses its position in regard to the availability of an exemption from registration and initiation of formal enforcement proceedings under the Act and does not purport to express any formal opinion or conclusion on the questions presented. Also, it should be noted that the position taken is done so based on the facts and representations in your letters and the attached documents. Any change in those facts or circumstances described might require a different response.

If there are any questions, please contact the undersigned.

Sincerely,



Gerald Rome

Deputy Securities Commissioner