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The Company uses interest rate cap to hedge its variable interest rate exposure on a portion of the Company's loan with BICSA (note 9). Under the interest rate cap agreement contracted by the Company on February 11, 2014, it receives a fixed interest rate and pays interest at a variable rate on the notional amounts. This derivative financial instrument has been designated as a hedging instrument and has been assessed to be highly effective as of the date of the financial statements. As of March 31, 2015 the fair value of the interest rate cap amounts to US\$321,288 (December 31, 2014 US\$426,296) and the change in fair value was a loss for US\$105,008.

The main characteristics of the cap agreement are as follows:

Effective date	25-Apr-2014
Termination date	25-Oct-2028
Maximum notional amount	US\$19,526,000
Fixed cap interest rate	Between 2.50% and 4.75%
Variable interest rate	US Libor - BBA - 6 months

8. Balances and transactions with related parties

The related parties with whom the Company maintains balances and performs transactions are entities under the common control of the parent company, Globeleq Mesoamerica Energy (Wind) Limited. A breakdown of these account payable balances and the respective terms and conditions is as follows:

	2015	2014
Notes and loans payable:		
Administración de Energías Renovables, S.A.	\$ 18,630,539	\$ 18,222,757
Accounts payable:		
Plantas Eólicas, Limited	\$ —	\$ 252

Maturity terms for accounts payable to related parties extend up to 30 days from the corresponding invoices' issue dates, and are not subject to any discounts for early-payment.

A breakdown of transactions performed with related parties is summarized below:

	2015	2014
Various construction costs capitalized to the Project:		
TCR Holdings, S.A. a/	\$ 240,000	\$ 1,169,785
CR Operaciones y Mantenimientos, S.A. b/	\$ 26,961	\$ 72,387
Administración de Energías Renovables, S.A. c/	\$ —	\$ 71,429
Energía Eólica de Honduras, S.A.	4,469	
Finance costs:		
Administración de Energías Renovables, S.A. (Note 11)	\$ —	\$ 720,368
Professional services — expense:		
TCR Holdings, S.A. a/	\$ —	\$ 600,000

a/ The Company and TCR Holdings, S.A. entered into a Management Services Agreement whereby Orosí engaged TCR to perform the following services: engineering, technical support, construction

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