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11. Accounts payable and accrued expenses

| | 2014 | 2013 |
|---|---------------------|-------------------|
| Engineering and procurement costs payable | \$ 6,636,496 | \$ 6,753 |
| Commercial vendors | 2,447,656 | 538,821 |
| Rent of land | 85,847 | 21,401 |
| Christmas and other employee bonuses | 51,061 | 37,282 |
| Social security withholdings payable | 8,659 | 7,210 |
| Related parties (Note 12) | — | 12,793 |
| Other | 25,111 | 31,000 |
| | <u>\$ 9,254,830</u> | <u>\$ 655,260</u> |

The engineering and procurement costs accrual correspond to payables related to the Cerro de Hula Project for which sub-contractor invoices had not been received as of the statements of financial position date.

Maturity terms for accounts payable with commercial vendors extend up to 30 days from the corresponding invoices' issue dates, are not subject to any discounts for early payment and do not generate interest except for late charges.

Accrued expenses and other accounts payable are interest free, are not subject to any discount for early payment, do not generate late charges, and their maturity terms are less than one year.

12. 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, Globelec Mesoamerica Energy (Wind), Limited. A breakdown of these balances and the respective terms and conditions is as follows:

| | 2014 | 2013 |
|---|------|----------|
| Accounts payable: | | |
| Administración de Energías Renovables, S.A. (Note 11) | \$ — | \$12,793 |

Maturity terms for accounts receivable and payable 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:

| | 2014 | 2013 |
|---|-------------------|-------------------|
| Professional services expenses: | | |
| Administración de Energías Renovables, S.A. ^{a/} | \$ 799,188 | \$ 632,103 |
| TCR Holdings, S.A. | 36,648 | — |
| CR Operaciones y Mantenimiento, S.A. | 13,088 | — |
| | <u>\$ 848,924</u> | <u>\$ 632,103</u> |

^{a/} Professional services provided by Administración de Energías Renovables, S.A. are in relation to the development, operation and construction of the Expansion Project of the wind farm. Professional services for US\$799,188 were capitalized (under property, plant and equipment) by Energía Eólica in 2014.

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