

Table of Contents

Cash deposited in bank accounts earns interest based on daily rates determined by the corresponding banks.

Cash balances for US\$10,575,889 and US\$11,867,981 as of December 31, 2014 and 2013, respectively, are restricted under the financing documents between Eolo and the Lenders (Note 12). Under the terms of its debt agreements, the Company has a series of restricted bank accounts both "on-shore" in Nicaragua, and also off-shore. Cash receipts from operations are initially deposited directly into these restricted accounts and then based on contractually agreed provisions are allocated into a series of sub-accounts, restricted for specific operational and other purposes including, but not limited to, construction, debt service, major maintenance, insurance, and shareholders distributions. Except as expressly provided in those debt agreements, the restricted bank accounts are under the control of a trustee and the Company has the right to withdraw or transfer funds only as expressly provided in those debt agreements.

**7. Accounts receivable**

	2014	2013
Distribuidora de Electricidad del Sur, S.A. (Dissur)	\$ 2,488,061	\$ 1,961,102
Distribuidora de Electricidad del Norte, S.A. (Disnorte)	2,488,061	1,961,102
Advance payments to vendors	148,618	22,934
Others	8,908	1,232
	<b>\$ 5,133,648</b>	<b>\$ 3,946,370</b>

The outstanding balances due from Dissur and Disnorte correspond to trade receivables for the sale of electric power. Terms of these accounts receivable extend to 30 days from the corresponding invoice's issue dates; are not subject to early-payment discounts, and do not generate interest except for late charges. As of December 31, 2014 and 2013 receivable balances were not past due. Based on the collection analysis performed by Management, it has been determined that no impairment existed as of those dates.

**8. Prepaid expenses and other current assets**

	2014	2013
Prepaid Project maintenance	\$ 334,372	\$ 1,671,863
CERs	—	27,133
Others	218,256	204,147
	<b>552,628</b>	1,903,143
Less – Non-current portion of the prepaid maintenance	—	(334,373)
	<b>\$ 552,628</b>	<b>\$ 1,568,770</b>

The Engineering, Procurement and Construction agreement with Gamesa Eólica, S.L. (Note 20.3) contemplated a maintenance and repair service fee for the wind park equipment that was prepaid, which was based on US\$60,795 per wind turbine for a total of US\$2,674,980 that covered the first two years of operations starting on April 1, 2013.

F-495