

Note 19 - Employee benefits:

The value of employee benefit obligations at December 31, 2016 and 2015, amounted to \$787,231 and \$362,385, are as follows:

| | December 31, 2016 | 2015 |
|-------------------------|----------------------|---------------------|
| Pension plans | \$ (216,304) | \$ 164,020 |
| Seniority premium | (133,798) | (105,270) |
| Other employee benefits | (437,129) | (421,135) |
| | \$ (787,231) | \$ (362,385) |

The net cost for the period for the years ended on December 31, 2016 and 2015, is as follows:

| | December 31, 2016 | 2015 |
|-------------------------|----------------------|------------------|
| Pension plans | \$ (18,235) | \$ (78,036) |
| Seniority premium | 40,071 | 33,415 |
| Other employee benefits | 62,690 | 62,783 |
| | \$ 84,526 | \$ 18,162 |

The significant actuarial assumptions in nominal and real terms are as follows:

| | December 31, 2016 | 2015 |
|--------------------|----------------------|-------|
| Discount rate | 9.00% | 8.00% |
| Inflation rate | 3.50% | 3.50% |
| Salary growth rate | 4.75% | 4.75% |

Principal categories of plan assets at the end of the reporting period are as follows:

| | Fair value of plan assets at December 31, | |
|--------------------|--|---------------------|
| | 2016 | 2015 |
| Debt instruments | \$ 248,016 | \$ 664,228 |
| Equity instruments | 504,606 | 476,304 |
| | \$ 752,622 | \$ 1,140,532 |

The expected return on plan assets represents the weighted average expected return for the different categories of plan assets. The Company's assessment of expected yields is based on historical trends and analysts predictions on the market of assets for the life of related obligations.