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FIRST DATA CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

In December 2012, the Company acquired 100% of Clover Network, Inc., a provider of payment network services for total consideration of \$54 million, net of cash acquired. The transaction consisted of net cash consideration of \$34 million as well as a series of contingent payments based on the achievement of specified sales targets. These contingent payments are classified as purchase consideration if made to outside investors and compensation if made to current and future employees. As part of the purchase price, the Company recorded a \$20 million liability for the contingent consideration due to outside investors based upon the net present value of the Company's estimate of the future payments. The acquisition is reported as part of the Global Business Solutions segment. Refer to Note 9 "Commitments and Contingencies" of these consolidated financial statements for additional information regarding the liability for contingent consideration.

Note 4: Settlement Assets and Obligations

Settlement assets and obligations result from the Company's processing services and associated settlement activities, including settlement of payment transactions. Settlement assets are generated principally from merchant services transactions. Certain merchant settlement assets that relate to settlement obligations accrued by the Company are held by partner banks to which the Company does not have legal ownership but has the right to use to satisfy the related settlement obligation. The Company records corresponding settlement obligations for amounts payable to merchants and for payment instruments not yet presented for settlement. The difference in the aggregate amount of such assets and liabilities is primarily due to unrealized net investment gains and losses, which are reported as OCI in equity.

The principal components of the Company's settlement assets and obligations are as follows:

(in millions)	As of December 31,	
	2014	2013
Settlement assets:		
Current settlement assets:		
Cash and cash equivalents	\$ 1,419	\$ 1,577
Investment securities	17	71
Due from card associations and bank partners	5,220	5,103
Due from merchants	899	791
	7,555	7,542
Long-term settlement assets:		
Investment securities	3	15
	\$ 7,558	\$ 7,557
Settlement obligations:		
Current settlement obligations:		
Payment instruments outstanding	\$ 82	\$ 164
Card settlements due to merchants	7,475	7,389
	\$ 7,557	\$ 7,553

The changes in settlement assets and obligations are presented on a net basis within operating activities in the Consolidated Statements of Cash Flows. However, because the changes in the settlement assets balance exactly offset changes in settlement obligations, the activity nets to zero.