All of our existing captive reinsurance arrangements are operating on a run-off basis, meaning that no new business is being placed in these captives. In 2010, we terminated many of our remaining captive reinsurance arrangements on a "cut-off" basis, meaning that the terminated captive arrangements were dissolved and all outstanding liabilities to us were settled. In the fourth quarter of 2010, we terminated two large captive reinsurance arrangements representing $6.0 billion of RIF. In connection with these terminations, we received $321 million of cash and investments from the captive trust account, which are accounted for as claims recoveries. As of December 31, 2012 , we have received total cash reinsurance recoveries (including recoveries from terminations) from Smart Home and captive reinsurance arrangements of approximately $835.7 million since inception of these programs, with most of these recoveries coming from captive reinsurance arrangements. In some instances, we anticipate that the ultimate recoveries from the captive reinsurers will be greater than the assets currently held by the segregated trusts established for each captive reinsurer. Recorded recoverables, however, are limited to the current trust balances. We expect that most of the actual cash recoveries from those captives that have not yet been terminated will be received over the next few years.

The reinsurance recoverable amounts on paid losses are considered to be financing receivables in accordance with the accounting standard regarding accounts receivable, which includes disclosure requirements regarding the credit quality of financing receivables and the allowance for credit losses. We do not record an allowance for credit losses on reinsurance recoverables, as the reinsurance recoverable amounts for both paid and unpaid losses are fully collateralized in the segregated trusts. Therefore, credit exposure is limited to the credit quality of investments held by the trust. Trust assets related to our captive and Smart Home arrangements are required to be invested in investment grade securities. As of December 31, 2012, the trust assets for these trust accounts consisted primarily of cash equivalents, money market investments and investment grade securities.

The following tables present information related to our captive and Smart Home transactions as of the dates indicated:

	Year Ended December 31,	
(In millions)	2012	2011
RIF ceded under captive reinsurance arrangements	$ 275.0	$ 340.8
Ceded losses recoverable related to captives	82.2	90.1
Ceded losses recoverable related to Smart Home	6.6	67.9

Approximately 44.3% of our total ceded losses recoverable at December 31, 2012 were related to two captive reinsurers.

	Year Ended December 31,		
(In millions)	2012	2011	2010
Ceded premiums written related to captives	$ 23.3	$ 28.6	$ 80.1
Ceded premiums earned related to captives	23.4	28.8	83.4
Ceded premiums written related to Smart Home	0.4	8.8	9.8
Ceded premiums earned related to Smart Home	0.4	8.8	9.8
Ceded recoveries, excluding amounts received upon terminations of captive reinsurance transactions	34.7	84.5	134.7

Historically, our financial guaranty business has ceded only an immaterial amount of its directly insured portfolio. However, in January 2012, as part of the Assured Transaction discussed in Note 1 above, Radian Asset Assurance ceded approximately $1.8 billion of its direct public finance net par outstanding and entered into an administrative services agreement with such ceding company for surveillance, risk management, claims administration and claims payment services in connection with the policies ceded. See Note 1 for additional information regarding this transaction.