

QUEBEC.

In the care taken by Mr. Turnbull, our new agent in this city, and the influence of the several members of our Local Board there, we feel that the Company is daily becoming better known in Quebec, and increasing confidence is felt by the public in transacting business with us.

Marine Insurance has very recently been resumed at both these points, but it will be guarded in its progress with such restrictions, and watched with such jealous care (prohibiting risks to be taken on the St. Lawrence late in the season) that we have every confidence this branch will prove profitable to the Company.

UNITED STATES.

The Directors were induced in the autumn of last year to re-open their former Agency at Jersey city. From all the information that could be obtained, it was judged that both Marine and Fire business in the United States, under the directions of one general Agent, subjected to clearly defined rules and restrictions, could be prosecuted with profit to the Company. This view your Directors still entertain; but from the unsatisfactory manner in which their business was conducted, and the failure in realizing funds from the United States, where so large a sum was due, it was deemed best and demanded by a just regard to the Company's interests, to close that Agency again; and early in June last, by an unanimous vote of the Board, the agreement subsisting between the Company and their general Agent was cancelled, and no further business allowed to be transacted.

Fire and Marine business is now about being commenced in California, under the direction of gentlemen highly recommended to the Directors, and in whose judgment and intelligence they have every confidence.*

* The returns so far received from them are in all respects most satisfactory, and the remittances are exact and punctual.