

REPORT OF THE DIRECTORS

TO THE

SHAREHOLDERS

OF THE

Citizens Insurance Company,

AT THE

ANNUAL MEETING, MONDAY 3D FEBRUARY, 1879.

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**I**N accordance with the understanding come to at the last Annual Meeting the business of the Company has been restricted within narrower bounds than in previous years.

This course, while it diminished to a large extent the risks of the Company, decreased the amount of premiums received. But this is also to a large extent due to the rigid scrutiny with which every department of the Company's business has been examined, and in the cancelling of a number of risks which although paying large premiums were regarded as too hazardous to be retained.

The average rates obtained on fire risks have been considerably diminished in consequence of the sharp competition between the Companies and the system largely introduced by Insurers of doing the business through Brokers, the commission for doing so being paid by the Companies.