THE WILMINGTON JOURNAL

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SATURDAY, MARCH 9, 1867.

The Situation.

The difficulties and dangers which environ the people of the Southern States are matters for deepest anxiety and earnest thought of every good citizen; difficulties and dangers which cannot be avoided by inaction and which demand prompt and careful consideration as much from their imminence as from their terrors. Yesterday we endeavored to explain as clearly as we could the various features of the law which Congress has set up for our government. It is useless here to enter our protest against this act of tyranny. The President has done so for us, and it has availed us naught. Even had he not, the people of North Carolina, from the memorable 20th day of May, 1775, to the date of the passage of the Reconstruction Bill, by their heroism, their virtue, their intelligence, their love of order and peace, their present disposition and conduct, and their devotion to, and their suffering for, republican government, have indelibly stamped upon history their honorable protest against the means used for their humiliation and denial of the truth of the facts recited as a justification for the action of Congress.

We could, in behalf of North Carolina, put forward many feeling appeals to those who have respect for a people who only eclipsed their heroism and devotion to principle in their successful revolution of 1776 by their conduct in the unsuccessful one of 1861, and whose only fault now is honorable poverty and helplessness, but such appeals have already been made in vain. In the pitiless throng which thus preys upon her and in the exercise of illegal power, wrests the last vestige of sovereignty and of liberty, the blush of shame mantles the cheek of the helpless, but proud old mother to see among the most relentless of her persecutors, her beloved daughter, Tennessee; but affection welcomes the sad truth that she too has been compelled to pass under the yoke, and those who direct her conduct are not the true representatives of her people.

The time has now gone by for useless upbraiding, on account of past conduct or unnecessary speculations of future results. If the passage of the Military Bill did not satisfy us of the realities of our situation, the election just held in Alexandria, Va., is evidence of the stubborn fact. The question which is uppermost in the minds of all and first on the lips of most is, "What is to be done?" Always opposed to unnecessary haste in matters of importance, we shall ask now that our people may have time for reflection in this, the most important era of their lives, amidst the crisis of events more pregnant with their fate for weal or woe than any to which a people were ever subjected. When the President of the United States shall have made known how he construes the powers granted, and how they are to be executed, and when put in force, it will be time enough to come to some conclusion; in fact, every previous determination on our part may be unwise.

In the trying ordeal through which we must inevitably pass, we must not, in caring for our posterity, forget our ancestry. The past has claims upon us no less sacred than those of the future, and what North Carolina does to-day, may reflect honor or shame upon her history, which we must hand down to our children. What may be forced upon us by the strong arm of power can in no wise degrade us so long as our conduct does not merit the degradation before or after the punishment is inflicted. The passions of the day, and possibly the *purposes* of the occasion, will eventually pass away, and all we can now hope for North Carolina and the South is, that when the hour for retrospect, and probably for regret comes, they may have nothing charged against them in Times' faithful ledger.

Reconstruction.

Under the above head, the Raleigh *Standard* of the 7th instant, publishes the proceedings of a caucus of the "loyal Union members of the Legislature of North Carolina, with other loyal citizens, held in Raleigh," in the *sanctum* of the *Standard*, we suppose, over which *Col.* C. L. Harris, Senator from Rutherford, and lately commander of a regiment of Home Guard, in the *Rebel* service, presided, and one W. R. Richardson, of Raleigh, who, during the war, presented Gen. Vance with a fine horse costing several thousand dollars, was Secretary. The object of the meeting was not merely to recommend to the people of the State the acceptance of the Military Act, but to inaugurate a revolutionary movement looking to the call of a Convention, by means of primary meetings, without the aid either of the Provisional Government or the Military Commander.

For this purpose the Chairman of the meeting was empowered to designate not less than one hundred citizens of the State, who were respectfully and earnestly requested to assemble in the City of Raleigh, on Wednesday, the 27th day of March, 1867, to consult together and mature a plan to call a Convention of the people of North Carolina, to frame a Constitution preparatory to the admission of the State to representation in Congress in accordance with the terms prescribed in the act of Congress. Whereupon the Chairman designates one hundred and forty persons, among whom figure conspicuously the names of Lewis Thompson and John Pool, of Bertie, Thos. Settle, of Rockingham, W. W. Holden, of Wake, Robt. P. Dick, of Guilford, Alfred Dockery, of Richmond, David M. Carter, of Beaufort, G. W. Logan, of Rutherford, and other noted politicians, and also such insignificant names as James F. Taylor, of Wake, Tod. R. Caldwell, of Burke, Joseph H. Holden, of Wake, C. R. Thomas, of Craven, W. R. Richardson, of Wake, and ditto, ten or twelve others from the same county.

Among those named from this section of the State are Messrs. Edward Kidder and John M. Clark, and Maj. J. L. Rhodes, of New Hanover, C. H. Brogden, John Robinson, Edward Coor and Thomas A. Deans, of Wayne, A. B. Baines, of Nash, G. W. Blount, of Wilson, G. W. Stanton and John Norfleet, of Edgecombe, and Thos. A. Norment, of Robeson. With most of these gentlemen we are personally acquainted, and we do not think we venture too much in saying that some of them at least will not lend themselves to any such purpose as is contemplated by the interested promoters of this illegal and revolutionary movement. Some of these are, indeed, true and loyal citizens of North Carolina, and know their duty as such, and will abide by the legal and proper construction of the powers granted both to the Provisional Government of our part of "District No. 2," and the Commander placed over us, under the act of Congress, and will not willingly add to the chaos and gloom which now presses down our people. Nor will they, in our opinion, lend the aid of their names to the foul and dangerous plotters, who care not whither they carry the State, so they are permitted to direct affairs.

That the leaders of this movement mean mischief is evident. Their names are enough to satisfy any one of that. Bad men throughout the South, who have time and again been discarded by the people in their aspirations for office, will leave no stone unturned, in the excitement and confusion attending the wiping out of State organizations, and the building up of Military Governments in their stead, to get into power, even should the means used be attended with danger to the public peace and welfare. We trust in the selections which the President may make for Department Commanders, such unholy purposes will be checked, and what steps the State, from choice or necessity may take, will be done under proper authority and in accordance with the forms of law.

In the total wreck of State sovereignty, let us preserve with jealous care what of right and civil law may be left us. If we are to remain under military authority or organize a State Government under the provisions of the act of Congress, let us do so as law-abiding and peaceable citizens, paying the same respect to the iniquitous laws, which are forcibly and illegally thrust upon us, as we do those promulgated by the chosen representatives of our people. Doubtless the design of those who thus seek to humiliate, was to goad us, by injustice and persecutions, to the committal of acts which would seem to justify their action and strengthen their party. Their Southern abettors spring at once to the dirty work and seek, even before the Military Bill is put in operation, by revolutionary means to foment mischief and discord. Let all good citizens frown down such conduct, and defeat the purposes of our enemies by a quiet, peaceful and loyal deportment, which will more than all else prove that their remedies are as tyrannical and iniquitous as their premises are absurd and false.

The Condition and Wants of the South.

In another column will be found a report of the condition of the South, written by a gentleman of Washington city, and directed to Gen Grant.—In this day of libels and malicious slanders, retailed to the Northern press by those who have desired to ruin the South, and probably have accomplished their unholy object, it is pleasant to publish the honest statement of one who has been through the South for the purpose of observation. The author certainly deserves thanks for the care he has taken to form correct opinions, and he has the approval of his conscience in making a truthful statement thereof. His account of the condition and needs of Southern planters is very interesting, and his whole statement will be found a truthful contrast to the slanders which are being forwarded by paid emisaries for party purposes.

The Bankrupt Law.

We devote much space to-day to a very full summary of the important Act of Congress in regard to Bankruptcy. The great length of the Act precludes its publication entire in our columns, but the summary we give, we think, will be found enough to form a distinct and satisfactory idea of the whole.

A REPORT

Upon the Condition of the South with Regard to its Needs for a Cotton Crop, and its Financial Wants in Connection Therewith, as well as the Safety of Temporary Loans.

To General U. S. Grant, U. S. A.:

GENERAL—A total stranger ventures to use your name, not so much to give notoriety to himself as to insure attention to his communication, and to inspire confidence in the truthfulness and impartiality of the writer. For inasmuch as you have neither political power nor patronage, it can hardly be thought that the hope of reward would discolor the medium through which objects were seen, or distort the facts attained. My excuse must be found in an anxiety to do good.

My friend, Mr. B. M. Rhodes, of Baltimore, whose business relations have been such as to make him familiar with the planting and mercantile interests of the South, and intimately acquainted with their resources, returning from an extended tour, found the impression at the North, as to the settled condition of the South, so seriously at variance with the true situation of the people, that he requested me, as a private citizen, and somewhat familiar with the examining resources of an agricultural people, to accompany him on a return tour, and report such facts as should come under my observation, and as would be useful in dispelling a very grave error.

Our route has been through Virginia, North and South Carolina, to Augusta in Georgia, and to Savannah and Charleston. I have visited all the commercial and business centres of these four States. I have seen and conversed with planters of all conditions, from nearly every section, it being at the season of the year when they visit these points to make arrangements for "pitching," as they call the preparations for the coming cotton crop. I have seen and conversed with men in the executive, the legislative and judicial departments of the States, with the clergy and the legal profession, with all classes and conditions of men, from the highest to the lowest, from the Governor to the humblest freedman; indeed, I have spared no opportunity to make myself fully acquainted with the material, as well as the mental and moral condition of the people.

It has always seemed to me, General, that the true point from whence reconstruction of the South should start was in renovating and invigorating its agricultural resources, for thereby you renovate all its other industries, and profitable employment is sure to create loyalty to the government that protects and promotes it.

I therefore turned my attention, first of all, to the agricultural condition of these States.

I found a wide breadth of land fenced and in condition to be made available for future crops. In some sections near the track of war, buildings were yet somewhat deficient, but enough remained to enable the planter to prepare his land and provide for his laborers. About two-thirds of the planters have their plantations restocked with teams and implements. But owing to the total destruction of stock, hogs in particular, and an unusually bad season last year, not only for the cotton, but for all other crops, there is a great want of corn and bacon for their laborers, and corn and forage for their teams.

Three things are essential to enable the planter to make a successful crop. Open or cleared and fenced lands, ploughs, carts and other implements, mules to draw them, hands to manage them and to work the crop, and corn and bacon to feed the hands, forage for the teams, and fertilizers or manure. The breadth of land planted depends upon the supply of these articles or the means of commanding them—a deficiency in any one necessarily compels a narrowing of that breadth. But as many planters find themselves short of funds in the spring to supply these indispensable requisites, and particularly so at this time and in their present impoverished condition, resort is had to the factor, a class of men who have grown out of the exigencies of the cultivation of cotton, and exist nowhere to the same extent as at the South and in the planting region. He stands between the planter and the capitalist in the making and marketing the crop. His relation to the planter are of the most intimate kind. He knows his wants at all times, supplies such as are necessary to the making of the crop until it is made.—After it begins to come to hand he reimburses himself from first sales on advances made, and holds the balance of funds subject to the planter's order. Through his agency come all the spring supplies needed for the successful opening and working of the crop.

The factors, therefore, are to some extent commission merchants, and as a general rule I found a cotton factor who confined himself solely to that business. He usually selects the planters with whom he wishes business relations, who must be honorable and judicious men, wise to make the most of their resources, and reliable as to placing their crop in his hands. The changed condition of things has made them more than ever cautious, while it has impressed upon the planter greater economy, and a stronger desire to husband his means so as to punctually meet his obligations.—Before the war the planter dictated his terms, now the factor dictates, and the planter submits. The State laws now very wisely give the factor a first lien upon the crop for all the advances which he makes in furnishing plantation supplies of manure or provisions, so that the factor has not only the personal integrity of the planter, but also the crop, and usually the land itself as security.

The Planter, therefore, draws upon his factor for the means necessary to purchase his supplies, and the bill is discounted by the banker if there be means for so doing. But inasmuch as the crop cannot begin to come in before about December, no prudent planter will draw his bill for less than from nine to ten months, and no safe or careful factor will accept, for it is a moral impossibility that a short bill in the present condition of the finances of the South could or would be paid. Credits based upon mercantile transactions, unless maturing after the crop begins to come to market, are a very unsafe species of paper, and should be handled with much caution.

As a general rule factors' bills are among the safest of negotiable securities that can be put upon the market. As a class they are exceedingly cautious, especially those who were in business before the war, and had built up a reputation for a high integrity, and great caution in their business relations with the planter. The answer invariably given by bankers was, that all things being equal, they considered a planter's bill with his factor's acceptance the safest paper that could be discounted, and that fewer factors failed than any other class of men, and even then, only when they went outside of their legitimate business, which was very rare.

The scarcity of capital at the South can only be comprehended by one who has been through the country. Their government first absorbed all the realized capital that had been accumulated, and which was very large in the aggregate, and gave them in return its bonds, which have in turn become worthless, and are made so for all time to come. In the place, therefore, of an abundant cash capital for all the wants of legitimate business, they are utterly worthless. Their other personal property was consumed by the exigencies of war, and the government gave its promises to pay therefor.—They, too, have vanished into nothing, and now all hope of a value has ceased.

The State of South Carolina, before the war, had a banking capital of nearly or quite fourteen millions: it now has less than a million. It is no wonder then that aid from abroad should be needed to set the planters at work. They have land, teams, implements, labor: but they must have the means of paying that labor and supporting it for the next nine months, and of feeding the plant with fertilizers, or they will fail to make any or only a feeble crop, and be compelled to discharge their laborers to the smallest possible number. A few hundreds to some, or thousands to others, will make the difference of thousands of bales of cotton and millions of dollars in the result of this season's crop. The safety of the investment in these factor's bills, is beyond all question, for even with the greatest and most total failure of the cotton crop—that of last year—enough was made to pay advances, so that no apprehension need be felt on that head. In no instance, probably, will a factor come under acceptance where he is not secured by at least four times the value, and it is rare that he has so narrow a margin as even that. There has never been a time when so much general good could be done with so little capital at so small a risk.

The value of the securities having been ascertained, the next question presented was the effectiveness of the labor, and its reliability during the progress of the crop to completion.

I found about three-fourths of the planters fully stocked with hands—all, or nearly all, freedmen. I found few females among them as out-door hands. Where the planter was a humane man, dealing justly with his people, deserving their confidence by protecting their interests, and not taking advantage of their ignorance, he had a full supply of labor, and they worked faithfully and well. A portion of those who had no hands were unable to procure the means to pay or support them, while another portion—and those who grumbled the most at the changed order of things, and were unable to stock their plantations with hands—were men who had been hard employers, and had not dealt fairly or justly with their hands; and where a plantation is not being worked, it will be found to be from one of these causes, and not from any scarcity of laborers. The true situation of the employers and employed is being better understood. The negro having seen that labor is now the rule with all classes, begins to comprehend its necessities, and a year or two more of kind and judicious treatment will insure his permanent location, and make a desirable laboring population, its effectiveness depending much upon circumstances over which the planter has the control. On nearly all the plantations where they were treated kindly as slaves, they have come back, satisfied to share the fortunes of their old masters.

The dignity of labor is now fully reorganized throughout the South. White men who never did a day's work in their lives, are engaged in working their own plantations, and small proprietors may be seen side by side with the freedman. One instance of the result, among very many that came to my knowledge, may not be without interest. A gentleman who owned a small farm, and usually worked four hands, found last year that he had the means to pay but two. He went into the field himself with a young son and two hands. At the end of the season he found he had made double the cotton he had ever made before, besides a very large surplus of other grains. I apprehend the number of such crops will greatly multiply. Of the general condition of the freedmen, it is not, perhaps, proper to speak here, though I learned many facts which are of great importance as bearing upon their future.

The last question which it seemed to me to be important to answer, was the stability of the society where these advances were wanted—in other words, the security of persons and property.

I approach this subject, General, with great diffidence, inasmuch as my conclusions differ so widely from those of some of your most distinguished officers; and I feel that a private man, under such circumstances, runs much hazard in regard to his reputation when his word comes in conflict with men of such high public character as those gentlemen. But, sir, truth is none the less so, though she be clothed in humble garb.

In the States named the domestic laws, or those laws regulating the domestic concerns of the people, in relation to their duties to each other, were little affected by the rebellion, and as soon as the war closed the judicial machinery necessary to commence and carry on the complicated concerns of an old and well established community, came at once into operation, for the very existence of society depended upon the proper administration of the judicial functions of government. Security to person and property became of the highest importance, and were the less difficult because the laws had long been established and thoroughly acquiesced in by the society they were made to govern. The enforcement of the laws is as rigid as they ever have been, and property and persons are quite as safe. I venture the assertion that in no other States of the Union are the people better protected, or the laws more impartially enforced.

The people eveywhere, as a mass, are more thoroughly orderly and law-abiding, and most truly loyal. If the thing were possible, I would stake my life, my honor, all that a man holds most dear here or hereafter, upon the complete and most undoubted loyalty of the people in those States visited. They have submitted in most perfect honor and integrity of purpose, and they exceedingly regret that their honor and integrity should be doubted.—The safety of loans entrusted to them is safe beyond all question in regard to their loyalty and the faithful administration of their laws. No people can be more anxious for peace and quiet, and they well understand that a proper administration and enforcement of the laws is of the first importance to gain that end.

In its political bearing upon this question, I have endeavored to avoid touching only so far as it affected the subject under immediate consideration. I have endeavored to place the true condition of the people of the South, and the condition of their resources and their urgent needs, so plainly before the people of the North, that they might be willing to assist them in this their hour of greatest need. They must have help, or the country will be overtaken by a wide spread calamity. They have all the appliances to make a bountiful harvest, and to recuperate their almost paralyzed industries, but a comparative small amount of money, which they do not ask as charity, but as a short loan, for which they are willing, and will be able, to pay an extra rate of interest.

They have everything but money—land, labor, implements—but faint for lack of bread. The earth but awaits their labor to yield up its treasures in bountiful profusion, and like a gentle nursing mother bares her bosom, but her utterly famishing children, without the aid of friendly hands, are unable to draw sustenance from her overflowing breasts.

I am General, very sincerely.
Your obedient servant,
THEODORE C. PETERS.
Washington, D. C., March 1st, 1867.

Loss of the Steamship Andalusia by fire at Sea.

We are indebted to the Charleston *Courier* for a slip from that office giving the particulars of the loss of the steamship *Andalusia* at sea, on Sunday last. The *Courier* says:

"By the arrival at an early hour yesterday of the steamship *Manhattan*, Captain Chas. Collins, from New York, we were informed of the loss by fire at sea on Sunday evening last, to the North of Hatteras, of the steam propeller ship *Andalusia*, on her way from New York to this port, under command of Captain West, late of the steamship *Quaker City*. The *Manhattan* was fortunately in the vicinity of the disaster, and succeeded in saving Captain West and most of those on the *Andalusia*, and brought them to this city. The *Andalusia* was discovered to be on fire on Sunday last about 7 P. M. when the ship was North of Cape Hatteras, and during the excitement arising from the quick progress of the fire, and the rapid lowering of the first boats, which were swamped, some four passengers and eight of the officers and crew, say twelve in all, were drowned. Among these we regret to mention Purser Edward North, of this city, W. J. Pease, Jr., son of Mr. Pease, the Engine builder, of New York, J. McMullen, 3d Engineer, Jacob Lochman, New York pilot, three passengers whose names are unknown, and five of the crew, the names of whom are given below. The *Andalusia* was employed in the Leary line between this port and New York, and was a superior vessel—her value with the cargo is supposed to be a half million dollars. She had on board a large freight of general merchandize, consigned to Messrs. Ravenel & Co., and others in this city, and various parties in the country."

We publish a list of the saved and lost. Captain Collins, of the *Manhattan*, his officers and crew, behaved admirably, and have the thanks of the saved.

REPORT OF THE STEAM SHIP MANHATTAN—LIST OF THOSE SAVED AND LOST.

Sunday, March 3, at 7 P. M., discovered the steamer which was in company with us through the day to be on fire; instantly rounded to; found her to be the Andalusia, from New York to Charleston, and succeeded in saving the following persons:

Passengers Saved.—Thos. C. Nelson, M. D., Bernard F. Burns, Mrs. Rosa Burns, Margaret Dixon and G. W. Ward.

Passengers Missing.—W. J. Pease, Jr., of New York, and three gentlemen, names not known.

Officers and Crew Saved.—Captain W. H. West, Charles Norton, mate; Octavus Crowell, second mate; Malcomb McFarlan, seaman; Wm. Scott, seaman; Henry McDevatt, seaman; Michael Cranwell, seaman; Alexander McClain, seaman; Wm. Welsh, seaman; Geo. Grogin, boy; Francis Coppes, steward; John Garcia, second steward; Henry Fleischman, messman; John Dillon, Cook; Fred. Grimm, Cook; Wm. Alder, chief engineer; David Thompson, first assistant engineer; James Steele, fireman; Edw. Wheelan, fireman; Thos. Davis, fireman; Patrick Hurston, fireman; Hugh McClean, fireman; Thomas Smith, coal-passer; Jno. Lannon, coal-passer; Jno Jennins, oiler; John McMullen, oiler; John Greeney, mess boy; Henry Snyder, pantryman; Fred Smith, waiter; and Geo McCloud, waiter.

Lost or Missing.—Edward North, purser; Frank Dougherty, seaman; Antoine Martin, seaman; Jacob Lockman, New York pilot; Michael Griffen, porter; Jas McMullen; third engineer; Hugh Farmer, stoker; and Patrick Herman, fireman.

Recapitulation.—Saved 35. Missing 12.

J. C. W., Purser.

Carl Schurz has a lyceum lecture on "Reconstructed Germany."

THE BANKRUPT LAW.

The Act to Establish an Uniform System of Bankruptcy throughout the United States—What the Bill Is—What it Provides.

The substance of this most important bill, passed by the 39th Congress and approved by the President, will be found as follows:

Section 1 establishes the several District Courts of the United States as courts of bankruptcy, in addition to the other original jurisdiction they now have.

Section 2 gives the Circuit Courts equity power to supervise the proceedings of the District Courts in bankruptcy litigation and affairs, and in addition to this power, gives them concurrent jurisdiction in the same matter.

Section 3 provides for the appointment in each Congressional District upon the nomination of the Chief Justice of the Supreme Court, of one or more registers to be counsellors in the District Courts, whose duty it shall be to assist the District Judges in the performance of duty in bankruptcy cases. Bonds in $1,000, no interest in any of the suits, and ability to take the iron clad oath, are the pre-requisites of each register.

Section 4 makes it the register's duty to adjudicate upon, receive surrenders in, and preside in bankruptcy proceedings. He is to compute property, dividends, assign *pro rata* shares to creditors, but bars him from committing for contempt or in acting in cases that go upon appeal.

Sections 6, 7, 8, 9 and 10 provide for the formula of legal proceedings in the Court of Bankruptcy, a recapitulation of the practice now in vogue in other litigation.

Section 11 makes $300 the limit of debts on which to declare voluntary bankruptcy, requires the bankrupt to be or to become a citizen of the United States, forbids a transfer of property during pendency of proceedings, and demands full exhibit of debts and assets on the part of the voluntary bankrupt.

Sections 12, 13 and 14 provide that the action in bankruptcy shall go on, should the bankrupt die, the same as if he were *in esse*: that the creditors shall appoint an assignee or assignees of the debtor's estate, subject to the approval of the District Judge; that everything be turned over to the assignees, whether of substance or account, for distribution except: That there shall be excepted from the operation of the provisions of this section the necessary household and kitchen furniture, and such other articles and necessaries of such bankrupt as the said assignee shall designate and set apart, having reference in the amount to the family, condition and circumstances of the bankrupt, but altogether not to exceed in value, in any case, the sum of $500: and also the wearing apparel of such bankrupt and that of his wife and children, and the uniform, arms, and equipments of any person who is or has been a soldier in the militia or in the service of the United States; and such other property as now is, or hereafter shall be, exempted from attachment or seizure, or levy on execution by the laws of the United States, and such other property, not included in the foregoing exceptions, as is exempted from levy and sale upon execution or other process or order of court, by the laws of the State in which the bankrupt has his domicile at the time of the commencement at the proceedings in bankruptcy to an amount not exceeding that allowed by such State exemption laws in force in the year 1864: *Provided*, That the foregoing exception shall operate as a limitation upon the conveyance of the property of the bankrupt to his assignees, and in no case shall the property hereby excepted pass to the assignees, or the title of the bankrupt thereto be impaired or affected by any of the provisions of this act; and the determination of the assignee in the matter shall on exception taken, be subject to the final decision of the said Court.

Sections 15, 16, 17 and 18, give the assignee full power to recover the property of the debtor, to be distributed by whomsoever held; require him to classify and separate the goods or other effects, empower the assignee to choose arbitrators in matters of disputed possession; and provide for the supervision over and power to remove the assignees by the district judge for cause shown.

Sections 19, 20 and 21, ordain that claims be proved in the same manner as now against the estate of deceased persons; provide for set-offs in mutual debts between debtor and claimants; forbids suits against the bankrupt by those creditors proving their claims, and provide that if any bankrupt shall, at the time of adjudication, be liable upon any bill of exchange, promissory note or other obligation in respect of distinct contracts as a member of two or more firms carrying on separate and distinct trades, and having distinct estates to be wound up in bankruptcy, or as a sole trader and also as a member of a firm, the circumstance that such firms are in whole or in part composed of the same individuals, or that the sole contractor is also one of the joint contractors, shall not prevent proof and receipt of dividend in respect of such distinct contracts against the estates respectively liable upon such contracts.

Sections 22, 23 and 24 require verification by oath of all claims by creditors, and if a corporation, by the proper officers for that purpose, to be filed before the Register, or if in a foreign country, before the Consul or other diplomatic officer nearest adjacent, and that investigation can be and must be made by the Judge in case of all doubtful claims.

Section 25 orders the sale and the holding for distribution by the assignee of all perishable property, the title to which is not in dispute.

Section 26 provides for the examination of the bankrupt by the Court, either at its own option or at the request of the assignee, into all circumstances and statement of the bankrupt who is punishable for contempt for non-compliance with the order for examination, and for good cause shown the wife of the bankrupt may be called and similarly examined.

Section 27 subdivides priority of claims as follows: *First.* Servants' wages under $50. *Second.* All creditors *pro rata*, without any preference either from amount or date of claims, except that in cases wherein the bankrupt has become bail, surety, or guarantor for another, the compliance of the latter with the conditions must be shown before the claim is allowed.

At the expiration of three months from the date of the adjudication of bankruptcy in any case, or as much earlier as the court may direct, the court, upon request of the assignee, shall call a general meeting of the creditors, of which due notice shall be given, and the assignee shall then report and exhibit to the court and to the creditors just and true accounts of all his receipts and payments, verified by his oath; and he shall also produce and file vouchers for all payments for which vouchers shall be required by any rule of the court; he shall also submit the schedule of the bankrupt's creditors and property as amended, duly verified by the bankrupt, and a statement of the whole estate of the bankrupt as then ascertained, of the property recovered and of the property outstanding, specifying the cause of its being outstanding, also what debts or claims are yet undetermined, and stating what sums remain in his hands. At such meeting the majority in value of the creditors present shall determine whether any and what part of the net proceeds of the estate, after deducting and retaining a sum sufficient to provide for all undetermined claims which, by reason of the distant residence of the creditor, or for other sufficient reason, have not been proved, and for other expenses and contingencies, shall be divided among the creditors; but unless at least one-half in value of the creditors shall attend such meeting, either in person or by attorney, it shall be the duty of the assignee so to determine. In case a dividend is ordered, the Register shall, within ten days after such meeting, prepare a list of creditors entitled to dividend, and shall calculate and set opposite to the name of each creditor who has proved his claim the dividend to which he is entitled out of the net proceeds of the estate set apart for dividend and shall forward by mail to every creditor a statement of the dividend to which he is entitled, and such creditor shall be paid by the assignee in such manner as the court may direct.

Section 28 provides that the like proceedings shall be had at the expiration of the next three months, or earlier if practicable, and a third meeting of the creditors shall then be called by the court, and a final dividend then declared, unless any action at law or suit in equity be pending, or unless some other estate or effects of the debtor afterwards come to the hands of the assignee, in which case the assignee shall, as soon as may be, convert such estate or effects into money, and within two months after the same shall be so converted, the same shall be divided in the manner aforesaid. Further dividends shall be made in like manner as often as occasion requires; and, after third meeting of creditors, no further meeting shall be called unless ordered by the court. If at any time there shall be in the hands of the assignee any outstanding debts or other property, due or belonging to the estate, which cannot be collected and received by the assignee without unreasonable or inconvient delay or expense, the assignee may, under the direction of the court, sell and assign such debts or other property in such manner as the court shall order. No dividend already declared shall be disturbed by reason of debts being subsequently proved, but the creditor proving such debt shall be entitled to a dividend equal to those already received by the other creditors before any further payment is made to the latter.—Preparatory to the final dividend, the assignee shall submit his account to the court, and file the same, and give notice to the creditors of such filing; and shall also give notice that he will apply for a settlement of his account, and for a discharge from all liability as assignee, at a time to be specified in such notice, and at such time the Court shall audit and pass the accounts of the assignee; and such assignee shall, if required by the court, be examined as to the truth of such account, and if found correct he shall thereby be discharged from all liability as assignee to any creditor of the bankrupt. The court shall thereupon order a dividend of the estate and effects, or of such part thereof as it sees fit, among such of the creditors as have proved their claims, in proportion to the respective amount of their said debts. In addition to all expenses necessarily incurred by him in the execution of his trust, in any case the assignee shall be entitled to an allowance for his services in such case, on all moneys received and paid out by him therein, for any sum not exceeding one thousand dollars, five per centum thereon; for any larger sum, not exceeding five thousand dollars, two and a half per centum on the excess over five thousand dollars; and if, at any time there shall not be in his hands a sufficient amount of money to defray the necessary expenses required for the further execution of his trust, he shall not be obliged to proceed therein until the necessary funds are advanced or satisfactorily secured to him. If, by accident, mistake, or other cause, without fault of the assignee, either or both of the said second and third meetings should not be held within the times limited, the court may, upon motion of an interested party, order such meetings, with like effect as to the validity of the proceedings as if the meeting had been duly held. In the order for a dividend under this section the following claims shall be entitled to priority or preference, and to be first paid in full in the following order:

First. The fees, costs and expenses of suits and the several proceedings in bankruptcy under this act, and for the custody of property, as herein provided.

Second. All debts due to the United States, and all taxes and assessments under the laws thereof.

Third. All debts due to the State in which the proceedings in bankruptcy are pending, and all taxes and assessments made under laws of such State.

Fourth. Wages due to any operative, clerk or house servant, to an amount not exceeding $50, labor performed within six months next preceding the first publication of the notice of proceedings in bankruptcy.

Fifth. All debts due to any persons who, by the laws of the United States, are or may be entitled to a priority or preference, in like manner as if this act had not been passed. *Always provided*, That nothing contained in this act shall interfere with the assessment and collection of taxes by the authority of the United States or any State.

Section 29 provides for the full discharge of the bankrupt six months after compliance with the above conditions in entire honesty and good faith.

Section 30 declares that no one shall be entitled a *second* time to the benefits of bankruptcy whose estate is insufficient to pay 70 per centum of his debts, unless upon the written assent of three-fourths of his creditors in value.

Section 31 provides that any creditor opposing the discharge of any bankrupt may file a specification in writing of the grounds of his opposition and the Court may, in its discretion, order any question of fact so presented, to be tried at a stated session of the District Court.

Sections 32, 33 and 34, forbid the benefits of bankruptcy to one whose debts have accrued from their failures when in a fiduciary capacity, and provide for the full and final discharge of the honest bankrupt as follows:

DISTRICT COURT OF THE UNITED STATES—DISTRICT OF ——.—Whereas —— has been duly adjudged a bankrupt under the act of Congress establishing a uniform system of bankruptcy throughout the United States, and appears to have conformed to all the requirements of law in that behalf, it is therefore ordered by the Court that said — be forever discharged from all debts and claims which by said act are made provable against his estate, and which existed on the — day of —, on which day the petition for adjudication was filed by (or against) him; excepting such debts, if any, as are by said act excepted from the operation of a discharge in bankruptcy. Given under my hand and the seal of the Court, at —, in the said district, this — day of —, A. D. —

(Seal.)

Sections 36 and 37 provide for the extension of the acts to parties in partnership, and for the liability of the same kind of property as now obtains in ordinary winding up of partnership concerns.

Section 38 requires the due filing of all papers in the case of the order of their date, and classified as to the title of subject matter.

Sections 39, 40, 41 and 42 provide that persons absent with intent to defraud creditors, or who take any method to forestall the legal service of just and proved claims against them, are to have their property proceeded upon at the demands of creditors, who are to follow the same measures they would were the bankruptcy upon voluntary application.

In which case service of due notice upon such debtor to appear is to be made in the same way, either by personal waiting upon, or by publication, as is now pursued in civil State actions; his non-appearance within the time specified, causing the claims to go against him by default, which can afterwards be remedied for cause shown.

SEC. 43. *And be it further enacted*, That if at any meeting of creditors to be specially called for that purpose, and of which previous notice shall have been given for such length of time as the Court may direct, three-fourths in value of the creditors shall resolve that it is for the interest of the general body of the creditors that the estate of the bankrupt should be wound up and settled, and distribution made, it shall be lawful for the creditors to certify and report such resolution to the Court, and to nominate one or more Trustrees to take hold and distribute the estate, under the direction of such Committee. If it shall appear to the Court, after hearing the bankrupt and such creditors as may desire to be heard, that the resolution was duly passed and that the interests of the creditors will be promoted thereby, it shall confirm the same; and upon the execution and filing by or on behalf of three-fourths in value of all the creditors whose claims have been proved of a consent that the estate of the bankrupt be wound up and settled by said trustees according to the terms of such resolution, the bankrupt or his assignee in bankruptcy, if appointed, as the case may be, shall, under the direction of the Court, and under oath, convey transfer and deliver all the property and estate of the bankrupt to the said trustee or trustees, who shall, upon such conveyance and transfer have and hold the same in the same manner, and with the same powers and rights, in all respects, as the bankrupt would have had or held the same if no proceedings in bankruptcy had been taken, or as the assignee in bankruptcy would have done had such resolution not been passed; and such consent and the proceedings thereunder, shall be as binding in all respects on any creditor whose debt is provable who has not signed the same, as if he had signed it, and on any creditor, whose debt, if provable, is not proved, as if he had proved it; and the Court, by order, shall direct all acts and things needful to be done to carry into effect such resolution of the creditors, and the said trustees shall proceed to wind up and settle the estate under the direction and inspection of such commitee of the creditors, for the equal benefit of all such creditors, and the winding up and settlement of any estate under the provisions of this section shall be deemed to be proceedings in bankruptcy under this act; and the said trustees shall have all the rights and powers of assignees in bankruptcy. The court, on the application of such trustees, shall have power to summon and examine, on oath or otherwise, the bankrupt, and any creditor, and any person indebted to the estate, or known or suspected of having any of the estate in his possession, or any other person whose examination may be material or necessary to aid the trustees in the execution of their trust, and to compel the attendance of their trust, and to compel the attendance of such persons and the production of books and papers in the same manner as in other proceedings in bankruptcy under this act; and the bankrupt shall have the like right to apply for and obtain a discharge after the passage of such resolution and the appointment of such trustees as if such resolution had not been passed, and as if all the proceedings had continued in the same manner provided in the preceding sections of this act. If the resolution shall not be duly reported, or the consent of the creditors shall not be duly filed, or if, upon its filing, the court shall not think fit to approve thereof, the bankruptcy shall proceed as if no resolution had passed, and the court may make all necessary orders for resuming the proceedings. And the period of time which shall have elapsed between the date of the resolution and the date of the order for assuming proceeding shall not be reckoned in calculating periods of time prescribed by this act.

Section 44 provides that from and after the passage of this act, if any debtor or bankrupt shall, after the commencement of proceedings in bankruptcy, secrete or conceal any property belonging to his estate, or part with, conceal, or destroy, alter, mutilate, or falsify, or cause to be concealed, destroyed, altered, mutilated, or falsified, any book, deed, document or writing, relating thereto, or remove or cause to be removed, the same, or any part thereof, out of the district, or otherwise dispose of any part thereof, with intent to prevent it from coming into the possession of the assignee in bankruptcy, or to hinder, impede or delay either of them in recovering or receiving the same, or make any payment, gift, sale, assignment, transfer or conveyance of any property belonging to his estate with the like intent, or spends any part thereof in gambling; or shall, with intent to defraud, wilfully or fraudulently conceal from his assignee or omit from his schedule any property or effects whatsoever; or if, in case of any person having, to his knowledge or belief, proved a false or fictitious debt against his estate, he shall fail to disclose the same to his assignee within one month after coming to the knowledge or belief thereof; or shall attempt to account for any of his property by fictitious losses or expenses; or shall, within three months before the commencement of proceedings in bankruptcy, under the false color or pretence of carrying on business and dealings in the ordinary course of trade, obtain on credit from person any goods or chattels with intent to defraud his creditors, within three months next before the commencement of proceedings in bankruptcy, pawn, pledge, or dispose of otherwise than by *bona fide* transactions in the ordinary way of his trade any of his goods or chattels which have been obtained on credit and remain unpaid for, he shall be deemed guilty of a misdemeanor, and upon conviction thereof in any court of the United States, shall be punished by imprisonment, with or without hard labor, for a term not exceeding three years.

Sections 45, 46, 47, 48, 49 and 50, provide for the punishment of officers of the court who act wrongly with intention in bankruptcy proceedings, with a fine not less than $300 or more than $500, and for imprisonment for not less than five years. Also provide the same punishment for malfeasance on the part of all persons who shall forge, or cause to be forged, or knowingly allow the forgery of any seal or commission of either the judge, register, or who shall be guilty of any criminal action or knowledge in the provocation of any false commission or documents of bankruptcy in favor of any parties. Also, the same schedule of fees for legal service, &c., is provided as now obtain in procedings in the courts of the United States in other matters.

Does Keeping Hens Pay?

To this question the Claremont (N. H.) *Advocate* furnishes the following practical answer:

Mr. James Baker, of this town, has handed us some figures showing the net product of his henery for the past year, which may answer as a solution of the question, "Do hens pay?"

It seems that he has kept during the year 118 layers—to feed which it has cost him $95 32. As a return for this outlay he credits his little flock as follows:

Amount of eggs laid, 1,335 dozen; number sold, 1,314 dozen.

Value of eggs sold	$298 00
Hens and chickens sold	28 00
	$326 00
Expenses of keeping	95 32
Net income	$230 68

Stock of hens now on hand, 125—which he values at $225 more than his last year's stock.

A Parasian critic declares that Thackeray is the greatest novelist who ever wrote—except in French.