OBSERVER.

FAYETTEVILLE.

THURSDAY EVENING, JULY 31, 1862.

MORE ATROCITIES OF THE YANKEES.—The arrival of Gen. Halleck at Washington, as Commander-in-Chief of the yankee forces, appears to have been the occasion for the assembling of various other Generals there, for consultation, including Pope, Burnside, &c. Their first act appears to have been the issuing of an order from the War Department,—

"That military commanders within the States of Virginia, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Texas, and Arkansas, in an orderly manner, seize and use any property, real or personal, which may be necessary or convenient for their several commands, for supplies, or for other military purposes; and that, while properly may be destroyed for proper military objects, none shall be destroyed in wantonness or malice."

On the next day (the 23d,) Gen. Pope issued an order for the arrest of all disloyal male citizens. Such as will take an oath of allegiance and give security, to be permitted to remain at home. Those who refuse, to be sent South and not to return, on penalty of suffering the extreme rigor of military law. If any one take the oath and then violate it, he shall be shot. Any person carrying letters or messages between the lines, to be treated as a spy. He next issued an order for the seizure of all horses and mules and stores, not absolutely needed for the maintenance or subsistence of the inhabitants.

It appears also that the white-livered yankees despair of subjugating the South, and are tired of being killed and wounded, and have positively determined to make the negroes do their fighting. Go ahead! They will not mend the matter by that.

But the most atrocious of all the yankee acts is thus stated in the Baltimore Sun of the 24th July:—

"*Guerillas Hung.*—Gen. Fitch, late Senator from Indiana, now leading a brigade at St. Charles, in Arkansas, has just hung two guerillas, in pursuance of pledges to do so in case of the murder of any of his men. The first engineer of the Lexington was shot while sitting at a port-hole. Gen. Fitch immediately *took two of the citizens of St. Charles and hung them in a public place in the town.*"

It thus seems (says the Richmond Enquirer) that it is the deliberate policy of our atrocious enemies, concurred in and carried out from the Potomac to Arkansas and the Gulf, to prosecute this war with barbarities such as civilization has long ago pronounced inadmissible, and which will shock the sentiment of the humanized world.

As *military* measures these savage decrees are a miserable blunder on the part of the enemy. They will hurt the foe far more than us. They will bring our last man into the ranks of war, and they will double strength in each arm, and double zeal in each heart. It is sad, indeed, to think of the individual suffering which will attend these brutal persecutions. The aged man will find himself driven from h s home, where he had hoped to spend in such peace as the present troubles will allow, the remnant of his days. The infirm, and the non-combatant from whatever cause, will, in violation of all the rules of war, be suddenly thrown penniless among strangers. The only shelter allowed from this barbarous proceeding is an alternative worse than death. It is the taking of an oath of allegiance to the vilest enemies and the worst Government the world ever saw. We trust there will be none, even under so terrible a pressure, to take such an oath. We trust that even the gray-haired and infirm grandfathers of the many Virginia counties now within Pope's lines, will submit to any outrage, and any cruelty, sooner than utter Lincoln's form of words, void and worthless though the oath would be.

"The blood of the martyrs is the seed of the Church." Lincoln, when no longer judicially blinded, will realize this truth. It is ours to teach it to him. We look, indeed, to see our aged and infirm fellow-citizens of the Potomac counties thrown upon our charities; but we look to see every man who has a man's instincts, and the strength to level a gun or make a march, rushing into arms, to avenge their terrible wrongs. We hope, however, soon to see the coward and infamous Pope, for so his comrades in the old army held him—driven from his prey before he can execute his despicable designs. If any thing could add to the vigor of Old Stonewall, or put wings upon his feet, it would be the brutal decree which comes from the grand consultation in Washington, and appears over Pope's bated name.

Fellow-citizens of the Confederate States, it is more and more evident that our baffled enemy is driven to the last expedients of mad despair, and is taking measures adapted far more to gratify his malignity than promote his success. We are witnessing now his *spite*, in consequence of your valor and victories. But if you had cause for zeal and inducement to valor before, you have *double* cause now. Your aged men and your invalids appeal to you, by their inhuman persecutions and their deep distresses. Wives and little children, deprived of their sole remaining protectors, or driven into penniless exile, appeal to you! Civilization looks down upon you, and tells you that you are her avengers! The noble heroes of past ages, who have died in defence of their homes, call to you from the page of history, and conjure you, for the honor of the race, to be *the men* that the occasion requires! And, far more moving still, and far more eloquently, a voice comes up from many a new made grave, in many a battle field and many a cemetery and on many a wayside. It is the voice of a near relative or a dear friend, or a valued neighbor or acquaintance, or of one connected to us, it may be, only by the ties of patriotism. It comes from the Manassas heights, from Leesburg, from Donelson, from Oak Hills, from Elk Horn, from Shiloh, from the Valley of Virginia, from Williamsburg, from the whole region of the Chickahominy. It comes from many a silent dell in the dark mountains, and it comes from the waters of the rivers and the main. It appeals to us in tones of gentle sadness, but yet with the glowing spirit of the hero martyr, to finish what they began; to allow not their blood to have been shed in vain; to leave not their graves to be trampled and their names to be dishonored by their country's foe, and the wives and little ones, or it may be the parents dear, and gentle sisters, in whose defence they braved death, to be oppressed and insulted by brutal invaders.

Who can resist such an appeal. The voice of history comes from a great distance; but these gentle tones from one whose smile is yet familiar, whose loved form and face are almost really before us—*how very near* they seem. They are from the grave, indeed; but they are in our very ear. They appeal to our sympathies and to our affection, and they are enforced by the potent eloquence of a noble example! Again, we say, who can resist the appeal?

THE EXCHANGE OF PRISONERS.—We copy from the Richmond papers this morning the agreement between the two governments for the exchange of prisoners. We are greatly surprised to find in it no provision for the release of private citizens now held in yankee dungeons, or for the discontinuance of the practice of arresting and incarcerating such persons.

It is possible that some explanation has been made by the Enquirer, the official paper, of the reasons which have induced the government thus to disappoint public expectation; but that paper did not come here to-day.

A GOOD IDEA.—A. H. H Dawson of Mobile, Ala., proposes to publish a volume of Memoirs of every Alabamian who has fallen or may fall in this war, either in battle or by disease. He invites the relatives and friends of all such to supply him with names, times and places of birth and of death, rank, when they entered the service, and generally every fact of interest to make the volume complete.

Mr. Dawson's example should be followed in every State of the Confederacy. It will be a glorious record, fully deserved by all who lose their lives in defence of the great cause. In the same volume should be complete lists of all in the service in the State from first to last, with changes of officers, &c.

ELECTION RETURNS.—Our friends in the several counties will greatly oblige us by sending the results of the elections on next Thursday, so soon as they can be ascertained.

ROBESON CROPS.—A gentleman at Alfordsville writes that the crops in that county look well, though generally the corn is small. If the present favorable seasons continue he expects a bountiful supply of provisions. Provision crops were largely planted. A scarcity of hogs is apprehended, as they are dying rapidly in that section.

WHY THE YANKEES WON'T ENLIST.—The Washington correspondent of the Chicago Times says that enlistments go on so slowly that a third of Lincoln's 300,000 men will not be had before October, another third before February, and the remainder before this time next year—at which times, by the way, his army will have lost by death and in battle as many as these recruits will amount to. He states as the reasons for slow enlistments,—

1st. The practice of keeping military hospitals in the large cities. The sight of men without arms, without legs, with their eyes put out, or their noses cut off, or hobbling about on crutches, has a very depressing effect upon the spirits of ardent young men.

2d. Because the recruiting officers don't go around with guns, fifes, clarions and trumpets, and recruits dressed in handsome new uniforms.

3d. Because the white men are "not willing to be degraded by serving side by side with negroes," whom it is understood the administration has decided to enlist.

4th. Because prisoners have been suffered to remain in loathsome dungeons at the South, because the Administration refused to exchange, to "the amazement, anger and disgust" of their friends.

5th. Because the war appears to be as far from an end as at first.

6th. "Because the men who are now called on to enlist are the men who for six months past have been pondering on the question, "What is this war for?" For the restoration of the Union as it existed before the war began?" Yet they see that the Administration and the dominant party in Congress have been steadily pursuing a course of policy which will forever prevent a reconstruction of the Union. The men who are now depended on to enlist have seen with dismay for months past the persistent attempts of the Abolitionists in Congress and in the Cabinet to make this war a war for the abolition of slavery, and to emancipate and arm the slaves. If such are to be the objects of the war, they are unwilling to become the instruments to effect it."

These are striking truths. They show that the North is waking up, and that some people are not afraid to speak out.

The Boston Herald of July 21st has seen "the only independent observer that has visited McClellan's army for some weeks,"—all the newspaper correspondents having been banished—who says of "the shattered remains of McClellan's army," that "the deadly miasmas of the Chickahominy swamps and the fearful seven days' fight with the Confederates have made wide gaps in their ranks, and as many more are still enfeebled by disease, that the regiments now are scarcely more than companies in the number of men. There is still a feeling of confidence in their General among some of the officers and men, but many of them have lost their former faith in his prowess, and one officer high in rank remarked that if they had all the men in the world they could not reach Richmond under McClellan's lead. Indeed any hope of reaching Richmond from that direction before spring, and even with 100,000 additional men, seemed not to be entertained."

"The only civilians now allowed to visit the James river are those engaged in furnishing supplies to the army. Of these there are about twice as many as there are soldiers, and each one deems it his duty to praise the army and its leader, in return for the enormous profits which he gets out of the Government."

The Milwaukie (Wisconsin) News of the 19th of July says:—

"We are farther from Union to-day than when the war commenced. There are not so many Union men in the Southern States this hour as there were on the morning when our armies were summoned to the field. The people of Virginia and Tennessee, and Kentucky and Missouri, were then almost unanimously for the Union—they are now almost unanimously against it."

FROM NASSAU.—A friend at Nassau writes that he has sent us foreign papers by every vessel that sailed from that port for Confederate ports. Unfortunately we have not profited by his kindness in a single instance. The papers are appropriated, doubtless, at the ports at which they arrive. The following is an extract from his latest letter:—

Capt. Semmes, late of the Sumpter, with his Officers, returned to England in the British Steamer Bahama. The Bahama sailed from here on the 16th, and the next morning was chased for several hours by a Yankee gunboat.

The British Steamer Oreto, five weeks ago was seized by Capt Hickley, of the sloop-of-war Greyhound. Capt. Hickley has placed her in the Admiralty, as having infringed the "Foreign Enlistment Act," and being intended for a Confederate Man-of-War. The case of the Oreto will be decided on the 27th, and as there is no positive proof against her, no doubt she will soon be on her way rejoicing. Capt. Hickley, by whose order the Oreto was seized, demonstrates with *bitter* hostility his dislike to the South, and is considered the only British Naval Officer who condescends to *labor* in behalf of the North. His course is not approved in Nassau.

Nassau has been ignored by the North, as the hot bed of "Secesh." No goods are allowed to come here from New York, or any other Yankee port. The merchants have protested, particularly in reference to their discharging their goods from the British Queen. The mess property of the 24 W. I. Reg't was detained, though it came from England in the British steamer China. Havana and Nassau are well blockaded by Yankee Men-of-War, and British vessels are seized on mere suspicion. The Nashville, Kate, Seyels, Seabrook, Memphis, Herald and Modern Greece, are hourly expected on their return from Dixie.

Abusive letters from the pen of the Northern Agent of the Underwriters are constantly gracing the N. Y. Herald—and the Southern gentlemen are bespattered with the slime of this cowardly fellow's mind. Low Yankees, employed by their government, are to be found everywhere, but none so low as in this place. The Northern gunboat "Adriatic" comes off this port at *midnight* about twice a week, when Capt. Brown, her commander, secretly visits the Federal Consul. Every thing connected with Yankee business *here*, is done in this manly style!

Enclosed in his letter is a slip from the N. Y. Herald, containing a letter from Key West, giving the particulars of the capture and condemnation of the British iron steamer Circassian, of 1500 tons, with 9712 packages of wines, brandies, blankets, medicines, linens, meats, preserves, sardines, boots, shoes, shirts, &c., valued at from $168,000 to $300,000. She was cleared for the West Indies, but captured and condemned entirely on presumptive evidence. An appeal has been taken to the Supreme Court of the U. S. She was to be sent to New York, carrying a number of passengers from Key West, and among them Gen. Brannan and Staff to be landed at Hilton Head. The correspondent of the Herald says:

"To guard against possible capture by the rebel vessels reported as fitting out at Nassau (the Oreto, Capt. Semmes, and the Melita, Capt. Maffit,) Flag Officer Lardner has ordered the gunboat Mercedita, Lieut. Stelwagen, to convoy her as far as Cape Canaveral.

With the Mercedita as convoy and a crew of seventy men, armed with cutlasses and boarding pikes, we do not fear the chance of capture, although it is broadly hinted by secesh dom in our streets that Maffit is fitting out the steamer Melita expressly for the purpose of recovering this valuable prize. He is a dare devil of a fellow, and may make the attempt. We wish he would. The Mercedita will give a good account of herself, if she tries her metal with Maffitt's Melita."

GENERAL HALLECK.—Maj. Gen. Halleck *has* been appointed General-in-Chief of the United States army, as rumor stated some ten days ago. His appointment dates from the 11th inst., immediately after Lincoln's return from his visit to the Virginia Peninsula.

Gen. Halleck is a New Yorker and a West Pointer. He graduated in 1839, remained in the army until August 1, 1854, when (a Captain) he resigned. He left a large legal business in California to return to the army, which he did as Major General in August 1861.

A FIRST RATE JOKE.—If there is one thing above all others that the Wilmington Journal is proficient in, it is in *joking*. Talk about Vance! The Journal can beat him all hollow. Witness the following from the Journal of the 28th:—

"We put it to our worst opponents, enemies, or what you please, if, as a general thing, in town and country, a thing is asserted, and it is added that "the Journal says so," or "Fulton says so," and guarantees it, that thing is not believed as being asserted upon authority which at least has common sense enough to find out the truth, and common honesty enough to tell it."

Notices of deaths and marriages must have a responsible name or they will not be inserted.

THE TELEGRAPH COMPANY.—A friend in Columbus (Geo.) has sent us the proceedings of a public meeting in that city which grew out of an attempt of the so-called "President of the Southern Telegraph Companies" to take forcible possession of the Telegraph office in that city. We have no intention to enter into that incident in the controversy; but we are pretty much in the condition of the newly-landed Irishman in New York, who, when asked whether he would vote the Whig or Democrat ticket replied, "he didn't know anything about them, but he was *agin* the the government." We are *agin* the Telegraph Co's government. In the first place, the citizens of Fayetteville subscribed all the stock required to be taken by them on the express condition that an office was to be kept here; whereas the company subsequently found it more convenient (on the completion of railroad routes in other quarters) to change the route of the line and therefore violated its contract with us, and closed the office here. In the next place, we don't believe that the company has ever been managed fairly. Among its first operations was one taking the stockholders' profits to pay contractors' debts; then Amos Kendall and his family were fastened on the company; and then the line was leased to a New York company, in a way that looked very like a great swindle. This was under the old regime.

In July 1861, W. S. Morris, Thos. H. Wynne and J. R. Dowell, of Virginia, issued a circular in which they disclose the coolest piece of impudence which is of record. They state that, after the secession of Virginia, "the undersigned [that is, Dr. W. S. Morris of Lynchburg, Thos. H. Wynne of Richmond, and J. R. Dowell of nowhere in particular] conferred together in the city of Richmond, about the 20th of April, and determined to assume the government of the lines in the Confederate States, until some better form of government should be adopted." And they proceeded to parcel out the offices among themselves. "Dr. Morris was elected to act as President; Thos. H. Wynne as Treasurer; and J. R. Dowell agreed to continue in the capacity of Gen'l Superintendant, as heretofore." Most accommodating Mr. Dowell! Such an act of three individuals in assuming by their own act the control and possession of a corporation of many hundreds of thousands of dollars of capital, and hundreds of thousands of dollars of annual receipts, is without a parallel, unless it be in the quiet submission of the stockholders, the owners of the property.

These three gentlemen do not tell us what salaries they assigned to each other, but doubtless they all kindly "agreed" to take a liberal amount for their important services.

But there is still another matter which is of a piece with these high-handed measures of this trio. The American Telegraph company at New York had leased the Washington and New Orleans line, agreeing to pay for it 6 per cent. a year on the capital. These three gentlemen do not pretend to be the American Telegraph Company, but they do pretend to a right to hold the Washington and New Orleans line under that lease, and to pay the Stockholders the 6 per cent., whilst, as we are credibly informed and believe, the line produces a net profit of at least 24 per cent. What becomes of the surplus 18 per cent. we know not, but we have an idea that if anybody in the Confederacy is entitled to it, it is the stockholders who established the line.

One thing more: A very large proportion of the stock in the Washington and New Orleans company belonged to alien enemies. Has that been confiscated? If not, what becomes of even the 6 per cent. dividends which Messrs. Morris & Co. are generous enough to assign to those stockholders?

The stockholders in this place were requested a few days ago to give their proxies to Dr. Morris to represent them in an annual meeting at Augusta. We hope they did no such thing. If anybody who is *agin* Dr. Morris will go to that annual meeting, he shall have our proxy at least.

DEATHS OF SOLDIERS.—At Camp Meares, July 25th, Joseph H. Sessoms, of the Scotland Neck Mounted Riflemen.

Near Richmond, 21st July, Thomas M. Simpson, of Co. F. 18th Reg't.

At Newton, 9th July, of typhoid fever, Capt. M. N. Shell, of the 22d Reg't.

In Hospital at Richmond, 9th July, Geo. B. Hood of Caldwell county, aged 22.

At Richmond, 8th July, Shadrach Harless, of Ashe county, aged 17. He was in the battle of Newbern, and in the last of the series of battles at Richmond was mortally wounded.

At Drury's Bluff, S. W. C. Siler of Chatham county, of Co. G, 26th Reg't.

In the Hospital at Goldsborough, on the 15th inst., William S. Scarborough, Co. E, 52d Reg't N. C. Troops, in the 31st year of his age.

On the 9th June, in hospital at Wilmington, R. H. Webb, aged 21 years 4 months and 20 days, of Anson county, of Capt. Sturdivant's Co., in the 43d Reg't.

In camp near Richmond, Va., July 25th, of Typhoid Fever, Charles Ashford Winders of Duplin Co., a member of Co. C. 2d Reg't N. C. T.

In Richmond county, June 19th, Risdon D. Nichols, of Co. D, 23d Reg't.

In Newbern, March 28th, W. B. Monroe, of Capt. Kelly's Moore county Co., aged 30.

In Goldsboro', June 3d, Arch'd Black, of Capt. Black's Co. from Moore county, aged 26.

In Richmond, July 3d, Wallace Scales, of Rockingham county, aged 28.

At Lumberton, July 6th, Wm. J. Rothwell, of the Washington Light Infantry, aged 19.

At the American Hotel, in Richmond, June 27th, of Typhoid fever, Henry Clay Holt, of Raleigh, aged 19 years, of the "Warren Guards," 12th Reg't N. C. V.

Near Richmond, 1st Serg't A. A. Holshouser of the Rowan Artillery.

In Chimborazo Hospital, Richmond, on the 10th inst. Daniel W. Click, a member of Capt. Foster's Co. F 13th N. C. T.

FOR THE OBSERVER.

FORT CASWELL, N. C., July 26th, 1862.

At a meeting of the Company, Scotch Greys, held this evening, Lieut. J. S. McArthur was called to the Chair and 1st Serg't D. C. Buie appointed Secretary. The Chairman announced the death of our late Capt. MALCOM MCNAIR of Robeson county, and on motion, appointed a committee consisting of J. C. Carlyle, Lieut. J. M. McKinnon and Serg't D. A. Buie to draft resolutions expressive of our respect and sorrow for the worthy deceased.

The resolutions were afterwards presented and unanimously adopted.

Resolved, That we as a Company unite in bestowing this last tribute of affection and sorrow for our late Capt. Malcom McNair, the sad intelligence of whose death has fallen heavily upon each heart and tells us we have lost a friend endeared to us by his noble virtues and congenial society; that our country has lost a true patriot and brave soldier, his county and community a highly respected and worthy citizen, and his friends and relatives have sustained an irreparable loss.

He has fallen another victim on the Altar of Liberty; for though he died at home, where the hand of affectionate relatives ministered to his wants and soothed his last hours, yet, early in our present struggle he volunteered, was elected Captain, and proceeded to this post where he contracted the insidious and fatal disease which soon separated him from his company—devotedly attached to him, and which terminated his earthly existence in the meridian of life and in the midst of his usefulness.

Resolved, That in sorrow we bow in humble resignation to the will of God "in whose hand are the issues of life and death," and should each one view in this dispensation, the affecting evidences of our mortality, and the necessity of being always ready for the summons of the last messenger; that we tender our sympathies and condolence to the friends and relatives of the deceased, and unite with them in tears of sorrow over the tomb of our departed friend, and trust, from our knowledge of his virtuous character, that his spirit has gone to a higher and holier state of existence.

Resolved, That a copy of these resolutions be sent to the Fayetteville Observer and N. C. Presbyterian for publication.

D. C. BUIE, Sec'y. J. S. MCARTHUR, Chm'n.

In Seabrook's Hospital, Richmond, July 14th, Daniel Buie, aged 29 years 3 months and 18 days. He was wounded in the battle before Richmond, June 27th, in both arms. He had volunteered in Capt. Swann's Co. 30th Reg't N. C. T. He leaves a father and mother, four sisters and four brothers, three of whom are in the Army, to mourn his untimely death.—Com.

EXCHANGE OF PRISONERS.

RICHMOND, July 30.—The following are the conditions agreed upon by Gen. John A. Dix on the part of the United States, and Gen. D. H. Hill on the part of the Confederate States, for a general exchange of prisoners of war:

HAXALL'S LANDING, ON JAMES RIVER, VA., July 22, 1862.

The undersigned having been commissioned by the authorities they respectively represent to make arrangements for a general exchange of prisoners of war, have agreed to the following articles:

Article 1st. It is hereby agreed and stipulated that all prisoners of war held by either party, including those taken on private armed vessels, known as privateers, shall be discharged upon the condition and terms following.

Prisoners to be exchanged man for man and officer for officer; privateers to be placed upon the footing of officers and men of the Navy.

Men and officers of lower grades may be exchanged for officers of a higher grade, and men and officers of different services may be exchanged according to the following scale of equivalents:

A General commanding in chief, or an Admiral, shall be exchanged for officers of equal rank, or forty-six privates or common seamen.

A Flag Officer or Major General shall be exchanged for officers of equal rank, or for forty privates or common seamen.

A Commodore carrying a broad pennant, or a Brigadier General, shall be exchanged for officers of equal rank, or for twenty privates or common seamen.

A Captain in the Navy, or a Colonel, shall be exchanged for officers of equal rank, or for fifteen privates or common seamen.

A Lieutenant Colonel, or a Commander in the Navy, shall be exchanged for officers of equal rank, or for ten privates or common seamen.

A Lieutenant Commander, or a Major, shall be exchanged for officers of equal rank, or for eight privates or common seamen.

A Lieutenant or a Master in the Navy or a Captain in the Army or Marines shall be exchanged for officers of equal rank, or for six privates or common seamen.

Master's Mates in the Navy or Lieutenants and Ensigns in the Army shall be exchanged for officers of equal rank, or for four privates or common seamen.

Midshipmen, Warrant officers in the Navy, Masters of merchant vessels, and Commanders of privateers, shall be exchanged for officers of equal rank, or for three privates or common seamen; Second Captains, Lieuts. or mates of merchant vessels or privateers, and all petty officers in the Navy and all non-commissioned officers in the Army or Marines shall be severally exchanged for persons of equal rank, or for two privates or common seamen; and private soldiers or common seamen shall be exchanged for each other, man for man.

Art. 2d. Local, State, civil, and militia rank held by persons not in actual military service, will not be recognized, the basis of exchange being the grade actually held in the naval and military service of the respective parties.

Art. 3d. If citizens held by either party on charges of disloyalty, or any alleged civil offence, are exchanged, it shall only be for citizens, captured sutlers, teamsters, and all civilians in the actual service of either party to be exchanged for persons in similar position.

Art. 4th. All prisoners of war to be discharged on parole in ten days after their capture, and the prisoners now held and those hereafter taken, to be transported to the points mutually agreed upon, at the expense of the capturing party. The surplus prisoners not exchanged shall not be permitted to take up arms again, nor to serve as military police or constabulary force in any fort, garrison or field work, held by either of the respective parties, nor as guards of prisons, depots or stores, nor to discharge any duty usually performed by soldiers, until exchanged under the provisions of this cartel. The exchange is not to be considered complete until the officer or soldier exchanged for has been actually restored to the lines to which he belongs.

Art. 5th. Each party, upon the discharge of prisoners of the other party, is authorized to discharge an equal number of their own officers or men from parole, furnishing at the same time to the other party a list of their prisoners discharged, and of their own officers and men relieved from parole; thus enabling each party to relieve from parole such of their own officers and men as the party may choose. The lists thus mutually furnished will keep both parties advised of the true condition of the exchange of prisoners.

Art. 6th. The stipulations and provisions above-mentioned to be of binding obligation during the continuance of the war, it matters not which party may have the surplus of prisoners, the great principle involved being:

1st. An equitable exchange of prisoners, man for man, officer for officer, or officers of higher grade exchanged for officers of lower grade, or for privates, according to the scale of equivalents.

2d. That privates and officers, and men of different services, may be exchanged according to the same rule of equivalents.

3d. That all prisoners, of whatever arm of service, are to be exchanged or paroled in ten days from the time of their capture, if it be practicable to transfer them to their own lines in that time; if not, as soon thereafter as practicable.

4th. That no officer, soldier or employee in the service of either party, is to be considered as exchanged and absolved from his parole until his equivalent has actually reached the lines of his friends.

5th. That the parole forbids the performance of field, garrison, police, or guard, or constabulary duty.

JOHN A. DIX, Maj. Gen.
D. H. HILL, Maj. Gen. C. S. A.

SUPLEMENTARY ARTICLES.

Art. 7th. All prisoners of war now held on either side, and all prisoners hereafter taken, shall be sent, with all reasonable dispatch, to A. H. Aiken's, below Dutch Gap, on the James river, in Virginia, or to Vicksburg, on the Mississippi river, in the State of Mississippi, and there exchanged, or paroled until such exchange can be effected, notice being previously given by each party of the number of prisoners it will send, and the time when they will be delivered at those points respectively; and, in case the vicissitudes of war shall change the military relations of the places designated in this article to the contending parties, so as to render the same inconvenient for the delivery and exchange of prisoners, other places, bearing as nearly as may be, the present local relations of said places to the lines of said parties, shall be, by mutual agreement, substituted. But nothing in this article contained shall prevent the commander of two opposing armies from exchanging prisoners or releasing them on parole at other points mutually agreed on by said commanders.

Art. 8th. For the purpose of carrying into effect the foregoing articles of agreement, each party will appoint two agents, to be called agents for the exchange of prisoners of war, whose duty it shall be to communicate with each other by correspondence and otherwise, to prepare the list of prisoners, to attend to the delivery of the prisoners at the places agreed on, and to carry out promptly, effectually, and in good faith, all the details and provisions of the said articles of agreement.

Art. 9th. And in case any misunderstanding shall arise in regard to any clause or stipulation in the foregoing articles, it is mutually agreed that such misunderstanding shall not interrupt the release of prisoners on parole, as herein provided, but shall be made the subject of friendly explanations, in order that the object of this agreement may neither be defeated nor postponed.

JOHN A. DIX, Maj. Gen.
D. H. HILL, Maj. Gen. C. S. A.

Escaped Prisoners.—RICHMOND, July 31.—Yesterday two privateersmen who had been captured some months ago by a Federal vessel arrived in this city, having effected their escape from Fort Delaware. The intelligent story told by these men of their sufferings is interesting and affecting, and their account of maltreatment at the hands of the enemy is enough to turn the blood of our people to fire.

The escaped prisoners were captured on the schooner Beauregard some months ago and taken into Key West. While at sea, for nine days they were kept in double irons, and eleven of them put in a space, under the gallant forecastle, about four feet wide and not quite nine long. A negro sentinel was placed over them to insult their misery. The accounts given by the prisoners of the sufferings of themselves and companions in this terrible prison almost equal the horrors of the Black Hole of Calcutta. Two of the men became insane from their sufferings and went raving mad.

The prisoners were subsequently transferred to Fort Warren, and thence to Fort Lafayette, in which latter place they were ironed, compelled to do garrison duty, and treated with a cruelty to which every addition was made of insult and mockery. The cell in this fort inhabited by Colonel Thomas, of Maryland—the hero of the well remembered and romantic exploit of the St. Nicholas—is described as a piece of devilish ingenuity. It is a close, dim cell, the only window in it being planked up; the light of day is sparingly admitted through holes in the board, but with a refinement of cruelty, another partition of board is erected on the outside of the window, allowing the prisoner only air to breathe, but no sight of the earth and the blue sky, from which he is separated by the bonds of the living death to which the enemy has condemned him.

We recite these accounts of our prisoners, which we have no reason to doubt, that the people of the South may know what debt of retribution and vengeance to the North remains unpaid by them.—*Examiner.*

The Enemy's Fleet.—Movements of McClellan's Army.—RICHMOND, July 30.—The daring exploit of a few members of the Prince George cavalry, on James river, opposite McClellan's camp, last Saturday morning, has led to greater watchfulness on the part of the enemy, who seem to fear for the safety of their fleet of transports. All the vessels have been drawn up as near as possible to the Northern shore of the stream, where they are protected by gunboats. The belief that a considerable portion of McClellan's army is being withdrawn for the purpose of reinforcing Pope, gains strength daily. Information has reached us within the past week that large bodies of Federal troops were quietly crossing the Chickahominy and marching down the Peninsula towards Fortress Monroe. It is now asserted that observations from the opposite side of James river show that many of the enemy's tents have disappeared, and it is also noticed that the vessels in front of the camp frequently diminish in number during the night. That some important movement is in progress, seems to be well authenticated; and the utmost caution is observed, with the view of preventing the Confederate authorities from learning its object. It is presumed that McClellan, unwilling to hazard another advance towards Richmond from below, will hold his present fortified position with a sufficient number of men, protected by gunboats, while the business of conquering the "Rebel Capital" will be entrusted to Pope, the idol of the present hour in Yankeedom, who is to have all the men and means necessary to make "short work" of the enterprise.

Dispatch.

From the Rappahannock.—RICHMOND, July 30.—It is pretty well ascertained that Pope's army is being heavily reinforced, and an early engagement in that quarter is confidently anticipated.

The Central train yesterday afternoon brought down 43 Federal prisoners from Staunton, who were captured at Harrisonburg shortly after the battle at Port Republic. Most of these prisoners—nearly all of whom are foreigners—were wounded in that engagement.

Dispatch.

Federal Gun-Boats Repulsed.—AUGUSTA, GA., July 30.—The Savannah papers this morning state that 4 or 5 Federal gun boats attacked our battery at Genesis Point on Great Ogeechee river, on yesterday morning. The gunboats were repulsed. No loss on our side. The quarters in the battery were damaged by the enemy's shot and shell.

Capture of a British Steamer attempting to run the Blockade.—CHARLESTON, July 29.—Four of the crew of the British steamer Tubal Cain, arrived here to-day. The steamer left Nassau Sunday evening, and was chased on Thursday by a Yankee cruiser, which was rapidly gaining on her, when these four men, including the pilot, left her in an open boat to escape capture. Whilst they were still in sight the Yankee cruiser had got within gunshot of the steamer, and they have no doubt she was captured.

The Tubal Cain was an iron-screw steamer of 500 tons. She had a cargo of general merchandise, with a few cases of arms.

Butler Relenting.—A private dispatch received in this city yesterday, says Mrs. Phillips has been released from confinement on Ship Island. It is not certain that she ever reached her place of exile.

Savannah Republican, July 26.

Money and Stocks—The Markets.—RICHMOND, July 30.—The brokers now pay 100 per cent. premium for gold, and sell at 120. Silver is bought at 80 per cent. premium, and sold at 100. We notice the following sales of stocks since our last report: Confederate States bonds, ($15,000,000 loan,) 101 and interest; do. do. (100,000,000 loan; 100; Virginia State stock, registered, 100; Virginia coupon bonds, 105; North Carolina 6 per cent. bonds, 110 a 111½; do. do. 8 per cent. bonds, 107½; Richmond City bonds, 111½.

The produce markets have undergone but little change during the past week. Bacon is selling at 45 a 50 cents per lb., for hog round. Superfine flour $11, and extra $12 per bbl.

A Good Reply.—A shade officer asked a soldier how the boys in camp would vote, and added "I am in favor of the man for Governor who is for a vigorous prosecution of the war." "And I"—said the soldier—"am in favor of the man for Governor who is for *fighting* the war." The shade officer subsided.—*Raleigh Standard.*

From the Providence Post, July 21.

The President ascertained, when at Harrison's Landing, that about seventy thousand officers and soldiers of the army of the Potomac were absent from their posts. It was believed that not more than forty thousand could properly be reckoned as killed, wounded or sick. Thousands had been allowed leave of absence on account of sickness, but were now loitering about our cities in good health. Other thousands were away on furlough, notwithstanding the calls that had been made upon them to return; and large numbers had left without any authority whatever, and should be at once arrested as deserters. There can be no doubt as to the truth of this statement, for it is corroborated by General McClellan himself, or a member of his staff, who appeals to the press to assist in correcting the evil.

DIED,

In this town, last night, Miss ELIZABETH SHAW, daughter of the late John Shaw of Harnett county, aged 30 years, 2 months and 20 days.

Her funeral will take place from the Methodist E Church, this afternoon at 5 o'clock. The friends and acquaintances are invited to attend.

In Pittsboro', 28th July, MARGARET MONTGOMERY (and her infant child,) wife of Matthew J. Ramsey, and daughter of Thomas Waddill, in the 30th year of her age, leaving a husband and four small children, who sustained an irreparable loss in her death. Mrs. R. at an early age attached herself to the M. E. Church (South) and died as she had lived—an exemplary Christian, and in her social intercourse was universally beloved. COM.

Wadesboro' Argus please copy.

In the neighborhood of Galatia Church, 15th inst., Mrs. LEACH, aged 87 years.

In Moore county, 24th inst., Mr. JAMES JACKSON, in the 47th year of his age. He was an honest man, a good neighbor and a consistent member of the Presbyterian church. Presbyterian please copy.

In Randolph county on the 27th July, WILLIAM F. MOFFITT, son of Solomon and Eliza Moffitt, aged 6 years 5 months and 8 days.

In Randolph county, on the 16th inst. Mrs. MARY ANN POPE, daughter of John H. Hale, Esq. She leaves a husband and five children to mourn her loss. She bore her sickness with fortitude. She was a kind and affectionate wife and good mother and neighbor, and we hope has exchanged this world for a better one in Heaven.—COM.

In Asheboro', 18th July, Rev. JESSE LAWRENCE, aged 76 years, 6 months and 17 days. For 56 years he was an acceptable minister in the M. E. Church, a kind husband, and an affectionate father.

In Charlotte, on the 25th inst., Mr. S. T. WRISTON, aged 40 years—a useful and valuable citizen.

THROUGH THE BLOCKADE!

"Per Steamships "Memphis" and "Modern Greece."

O. S. BALDWIN,

38 MARKET STREET, WILMINGTON, N. C.,

Has just received from

AUCTION SALES!

50 DOZ. FRENCH DRESS SHIRTS.
160 doz. Gauze Merino Shirts, assorted sizes—very fine!
50 doz. Lisle Gloves—all sizes, superb goods.
200 doz. Men's, Youths' and Boys' British Half Hose "regular make,"—assorted sizes—the best goods offered in the South since the war.
12 doz. Fine English Razors.
6 " Fine English Strops.
50 " Umbrellas.
10 Gross Staff Buttons.
20 Reams Letter Paper—best English.
20 doz. English Merino Shirts—a fine article.
1 case Black Cloths and Doeskins.
1 " Linen Handkerchiefs.
50 pieces Mosquito Netting.
1 Sharpe's Rifle, (improved,) with fixtures and 75 Round Cartridges.

DAILY EXPECTED!

Uniform Cloths and Uniform Trimmings,

FOR FALL TRADE!

Best Cutters and most skillful workmen employed in the MANUFACTURING DEPARTMENT at BALDWIN'S,

38 Market St., Wilmington, N. C.

July 31. 1t

LOST.

YESTERDAY, between the Fayetteville Hotel and Mr. W. C. Troy's Livery Stable, THIRTY-THREE DOLLARS in Confederate Notes. The finder will be liberally rewarded by leaving it with Mr. Geo. Brandt.

July 29. 47-1tpd

The Lincoln, Illinois, Sun says:

"A car load of contrabands passed through Lincoln on Monday last, who were willing to work for ten cents a day and board. What chances have the poor of Illinois to make a living when placed in competition with thieving, runaway negroes at ten cents per day?"

Names of Wounded North Carolina Prisoners in the Hospital at Newport, Rhode Island.

L W Heagefeth, Co I, 12th; Sergt E V Latter, C, 12th; R Lovit, H, 12th; M W Williams, C, 12th; Corpl J A Roberts, G, 37th; T C Blankinship, I, 37th; Geo Bell, A, 37th; Jos Hightower, B, 37th; Wm J Hinson, A, 37th; Wm Smith, A, Latham's artillery; Jno Heorner, A, 18th; A L W Roe, F, 18th; John W Tedder, A, 18th; Captain Tho V Anderson, F, 28th, wounded at Hanover C H, 27th May 1862; H C Page, K, 28th; John McLaughlin, F, 18th; John F McLane, E, 18th; Jas A Cromartie, K, 18th; A B Rooks, E, 18th; Wm Hall, A, 18th; Sergt Th H Christman, G, 37th; R C Rutledge, G, 37th; Philip H Paysour, G, 37th; Perton S Rhyne, G, 37th; John B Nicholson, I, 37th; Corpl Zephaniah W Burgess, Latham's battery; Corpl J W Murphy, B, 22d; Sergt Albert Rinaldi, K, 18th; Sergt Jno S Willis, K, 18th.

FAYETTEVILLE MARKET.—July 31.

REVIEW OF THE MARKET

Beef—Retailing at 16.
Bacon 34.
Beeswax 25 to 30.
Cotton 20 to 22.
Corn 1 45.
Spun Yarn $3 per bunch; Factory Sheeting, 4-4, 35; 3