

for other persons. The widow on the testator's death took possession of the estate and paid the debts and funeral expenses; and on her death a considerable portion of the estate still remained undisposed of. The question then arose whether the gift over took effect. Byrne, J., held it to be inoperative, and that the widow took absolutely, and her absolute interest was not cut down to a life interest by anything contained in the will, or by the attempted gift over on her decease.

**COMPANY** WINDING UP—SURPLUS ASSETS, DISTRIBUTION OF.

In *re Driffield Gas Co.* (1898) 1 Ch. 451, Wright, J., discusses the proper method of distributing surplus assets upon a winding up of an unlimited company, and determines that it must be governed by the articles of association when they make provision therefor. In the case of the company in question the deed of settlement provided that upon a winding up, the residue, after paying debts was to be divided between the shareholders for the time being "in proportion to their respective shares." The shares were £10 each. Some had been paid in full, some partly paid, and some had been issued at a premium; and Wright, J., held that the surplus must first be applied in returning the paid up capital, and the balance must be distributed amongst all the shareholders in proportion to the nominal amount of their shares, without regard to premiums paid by any of the shareholders, or the manner in which dividends were payable, or had in fact been paid.