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Dear Tom:

After receiving last year's annual report letter, an old boss of mine said that I must be doing well, because my letters were not funny at all anymore. I vowed to maintain at least the appearance of prosperity and to diligently weed out humor wherever might seep in. I can also happily and independently report that last year was economically a good one too. Revenues in 2005 were just about the same as in 2004, which was good, all things being equal. As some of you know, however, my friend and sidekick of three years, Vin Filardo, went back into the fold of big-firm practice in June of 2005. Maintaining the same revenue with half of the people for half of the year was a very good outcome by my standards, although Vin is missed.

The financial good fortune of last year was largely due to the fact that 2005 was a great year for courtroom results. I won a trial in Federal Court in New York on behalf of a Mexican toy company that was seeking to collect a nearly seven-figure judgment from a toy distributor here in Manhattan. That distributor had closed its old doors and reopened new ones as a result of the judgment, and so a litigation was necessary to show that the new company was an alter ego of the old one, as were its affiliates in Hong Kong and Puerto Rico. That was proven, and the Court also found both the company owner and his wife in contempt of Court for secretly using undisclosed bank accounts to continue business here in New York, giving a basis for personal liability. I also wrestled a settlement out of a money-center bank for negligently allowing the "new" company to do business through an account there. While a significant part of the original judgment has been collected, some remains, and so I hope that the toy company at issue enjoys great success in the coming months and years.

Next, I took a case to trial in Federal Court out on Long Island at the end of last summer, in a bench trial before a new judge there. The trial went better than I had dared to dream, so much so that the defendant's chief executive complimented me at the end of the case, after he had elected to rest without taking the stand himself. We await a decision from the judge on the amount of damages in that case (in non-jury trials a judge

will frequently ask for post-trial briefs on such issues, for you non-lawyers), and I am confident of a significant judgment.

Finally, I again received a little media attention last year from the so-called (by the N.Y. Post) “Squawk Box” case. Earlier in 2005 I had brought a case in Manhattan Federal Court on behalf of a large foreign investor who claimed to have been defrauded of a very large sum of money by a New York brokerage house. A few months later one of the individual defendants was also revealed to be a cooperating witness in a criminal case (known as a “rat” in certain circles) against some of his former co-workers (or conspirators). Consequently I had my annual fifteen minutes of fame as a few reporters were now curious about my case, which has some not-dissimilar allegations.

I am hopeful that I will be as fortunate in 2006 as in 2005, and that I will hear from you this year, if for no other reason than to hatch another scheme to get me quoted in the Post.

Sincerely,

Thomas M. Mullaney