It's that time of year again. The weather is cold and it gets dark early. Fewer people seem to be at work this week. When you are at work, every day at the office brings new cards and gifts (occasionally from people who didn't make it to your own list, which can be quite disconcerting). And it's also the time of year for reflection, when bloggers, columnists, pundits and generally opinionated people alike all make lists of the past year's highlights. This will be a two-part column, with my look back at 2005 in Part 1 and a look ahead at 2006 in Part 2. Write in and let me know which story below you think should have been ranked highest, or if I missed something important.

So without any further ado, focusing solely on the five biggest business-related legal stories of 2005, here are my picks:

5. Refco

Former Refco Inc. CEO Phillip Bennett borrowed close to half a billion bucks from an Austrian bank to cover $430 million in bad debt he allegedly hid from regulators and shareholders of the commodities brokerage. He might as well not have even tried. Investors and clients jumped ship in October when the scheme was discovered. With the speed and destruction of a natural disaster, Refco's stock was booted the NYSE and Refco shares lost practically all their value. Refco headed to bankruptcy court, and with most of the legal proceedings in this case scheduled to begin in 2006, I wouldn't be surprised to see Refco make this list next year, too.

4. Bayou

Samuel Israel III, who founded Bayou and was its chief executive, pleaded guilty in federal court to conspiracy, investment adviser fraud and mail fraud. His chief financial officer, Daniel Marino, pleaded guilty to those charges and wire fraud. The executives admitted telling existing and prospective customers — in weekly, monthly, quarterly and annual reports — that Stamford, Conn.-based Bayou was generating significant profits when the fund was actually sustaining losses. They also set up a fake accounting firm to show that the fund was being properly audited. Court papers said the fraud enticed $450 million in investments. Israel's maximum sentence in the criminal case would be 30 years in prison, and Marino would face up to 50 years, but federal guidelines should keep the sentences shorter than that. In addition to some lengthy prison time, the maximum sentences could also order restitution of up to $300 million on each count.

3. Bernie Ebbers

In July, we all watched as the former head of WorldCom, Bernard Ebbers broke down in tears as he was sentenced to 25 years in prison, after being convicted in March for leading what was probably the largest corporate fraud in U.S. history. While there is a chance that some time might be taken off for good behavior, Ebbers, 63 and with serious heart problems, would remain locked up until 2027. It amounts to a life sentence, as Ebbers will be 87 in 2027, if indeed he lasts that long.

2. L. Dennis Kozlowski

In September, L. Dennis Kozlowski, the former chief executive of Tyco International, was sentenced to serve 8 1/3 to 25 years in prison and pay approximately $170 million in fines and restitution. Similarly, Mark H. Swartz, Tyco's former chief financial officer, received a similar prison term and was ordered to pay $72 million in fines and restitution. Unlike the other prominent executives who were found guilty and sentenced in 2005, Kozlowski and Swartz are doing real hard time, right along with the gang members, murderers, rapists and other dangerous felons incarcerated in the New York State Maximum Security Prison system, a far cry from the Camp Cupcake and Club Fed federal prisons at which most white-collar criminals spend their stay.

1. Martha Stewart

My girlfriend took the remote out of my hand the other night and flipped through the channels until she found a rerun of Martha Stewarts's show. Martha was showing Rosie O'Donnell how make home-made candy apples. Martha finished with a flourish, as she used the leftover candy coating to make a lollipop for Rosie. There may have been more to the show, but I was so bored by the mind-numbing banter that I dozed off. I awoke with the realization that Martha had indeed come full circle. Her daytime show is boring to people like me. Her version of the Apprentice did so poorly that it didn't get picked up for another season, and the new scandal Martha is involved in concerns whether runner-up Bethenny Frankel was cheated out of winning the coveted "apprenticeship" by a 6-year old girl's inadvertent last minute leak that Bethenny was supposed to win, forcing a last minute script change.

And the biggest news of 2005 may be that I just went on about Martha for that long without once mentioning stocks at all, much less ImClone. (For those of you with short memories, Stewart avoided a loss of about $51,000 by selling nearly 4,000 shares of ImClone stock on Dec. 27, 2001, rather than the next trading day, when the stock tumbled after regulators rejected the company's application for a key cancer drug; however, she was not convicted of securities fraud or insider trading.) Just a few months after finishing her time at Camp Cupcake federal prison, she's back to being, well, a domestic diva, rather than a convicted felon.

Runners-Up

- Richard Scrushy, founder of HealthSouth, was *acquitted* in a $2.7 billion accounting fraud (he blamed it on 15 other executives who had pleaded guilty).
- Former Cendant Vice-Chair Kirk Shelton received 10 years in prison for conspiracy and securities fraud, wire fraud and mail fraud, and was ordered to make restitution for his role in a $3 billion accounting scandal.