# Exhibit 7

1 UNITED STATES BANKRUPTCY COURT
2 FOR THE DISTRICT OF ARIZONA
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In re:
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DEWEY RANCH HOCKEY, LLC,
5 COYOTES HOLDINGS, LLC,
COYOTES HOCKEY, LLC, and
6 ARENA MANAGEMENT GROUP, LLC,
7 Debtors.
8 Case No. 2:09-bk-09488-RTBP
Chapter 11
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12 Deposition of CRAIG LEIPOLD
13 Wednesday, August 26th, 2009
14
9:05 a.m.
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at
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Johnson Bank
17 555 Main Street
Racine, Wisconsin
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20 Reported by Sarah M. Sondag, RPR, RMR
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that all the terms and conditions of this term sheet shall become legally binding and enforceable obligations of the party hereto, fully enforceable against each party, and two, require that the buyer to place $10,000,000 in escrow, with such escrowed funds to be automatically released to Sellers as a 'breakup fee' in the event that the buyer refuses to close the transaction because the NHL's Consent Agreement is unsatisfactory to the buyer for any reason."

"The Sellers would be entitled to exercise this option by providing the Buyer with written notice of their desire to amend this term sheet in accordance with the terms of the previous sentence. In the event that the Buyer refused to amend this term sheet in accordance with the terms of the first sentence of this section, then this term sheet would remain in effect (as a non-binding term sheet); provided, that the Sellers would no longer be subject to the terms and conditions of the section entitled above "Exclusivity.'"

Q So isn't it the case that if the seller demanded the $10 million escrow account, the term sheet expressly gave the buyer the right to refuse to amend the term sheet to make it binding and in that case would not



have to pay the $10 million?

MR. GOLDFEIN: Object to the form of the question.

THE WITNESS: And if that were to occur -- okay, if they didn't put the $10 million in, that "each of the Buyer and Sellers acknowledge and agree that the binding provisions shall be deemed to be legally binding and enforceable obligations between the parties hereto."

BY MR. BADINI:

Q Where are you?

A I'm on --

Q Page 2?

A Page 2. At the very top. "Nevertheless, by executing this term sheet, the Buyers -- the parties evidence their mutual intent to proceed in good faith to complete this transaction substantially in accordance with the terms of this term sheet. The essential terms of the proposed term sheet are as follows." And then it describes the terms sheet.

Q Right.

A The term sheet.

Q My question is doesn't the section on the breakup fee expressly give the buyer the right to refuse to make the $10 million payment, in which case he would no



longer have exclusive rights to the purchase?

MR. GOLDFEIN: Object to the form of the question.

THE WITNESS: Well, he -- he would always have the right not to make the $10 million payment, but then we go back to the framework of the term sheet. So here we come to an agreement, you know, on a couple days before and -- ten days before and ten days later he doesn't make the $10 million payment to make it binding.

And if that's the case, I mean, within ten days everything changed and that gets to the issue of trusting him. It gets to the entire issue of -- of do I trust Jim Balsillie. And that's really what we're talking about, what I'm -- what I'm inferring here in my letter to my partners, the Board of Governors, that he cannot be trusted. He says he'll put $10 million down and he doesn't. He says he'll abide by the terms of the -- of the term sheet and he doesn't.

BY MR. BADINI:

Q In fact, he fully abided by the terms of the term sheet, didn't he?

A No, he didn't.

Q Show me one term in the term sheet that he breached?



MR. GOLDFEIN: Object to the form of the question.

THE WITNESS: Well, first of all, he didn't -- the issue of not putting the $10 million down, then he had agreed to sign the NHL consent agreement.

BY MR. BADINI:

Q Where is that in the term sheet?

A It's in the term sheet.

Q There is a section entitled "NHL Consent."

A Okay.

Q On page five.

A Okay.

Q Show me where in that section it requires that he sign the NHL consent agreement.

A "The purchase agreement shall contain a condition precedent to closing stating that neither party shall be required to complete the transaction unless it has received an NHL consent agreement." So there will be no transaction unless there is an NHL consent agreement.

Q Correct.

A So we've gone through this -- through these discussions now for six months and these negotiations and -- and with his knowledge and understanding and

perspective it was binding.
Q Right. And, in fact, you say that -- I was paraphrasing from paragraph F on page three of your statement where you say, "On May 24 we exercised the option to make the term sheet binding and to force Balsillie to put $10 million in escrow." You told the Executive Committee that by your actions you had made it binding; is that correct?
A Well, they were -- they were --
MR. GOLDFEIN: Object to the form of the -- you're saying he told the Executive Committee on July 29th, is that the question?
BY MR. BADINI:
Q Yes. You told the --
MR. GOLDFEIN: That's a little confusing.
BY MR. BADINI:
Q All right. Let me rephrase the question. When you read this statement to the Executive Committee, which I think was on July 29th, you made the statement to them that by your exercise of the option on May 24th you had made the term sheet binding; is that correct?
MR. GOLDFEIN: Object to the form of the question.
THE WITNESS: Where is it in the statement?



BY MR. BADINI:
Q So it's on the third page of your statement, paragraph F, like Frank.
A Well, I guess there is a little wordsmithing, but we exercised our part of the term sheet -- of the binding term sheet by signing it. He did not. He did not exercise his part of the -- of the signing of the term sheet to make it binding.
Q So are you now saying that you concede that the term sheet was not binding?
MR. GOLDFEIN: Object to the form of the question. He never said it was not binding.
BY MR. BADINI:
Q You may answer.
A Yeah. Well, we exercised -- it states on May 24th we exercised -- we exercised our side. I did. I exercised the option to make the term sheet binding, all right, and force Balsillie to put the $10 million in escrow. We then announced at the press conference that we had a deal with Mr. Balsillie. He -- and if we go back to the term sheet, that -- we had the option to sign this to make it binding. We signed ours, he didn't sign his.
Q So let me make it real simple. Maybe we're getting hung up on the term "binding."



After May 24th when you exercised the option, did you have a belief that you had an enforceable contract with Mr. Balsillie?
A No. No. Because he didn't sign it.
MR. GOLDFEIN: There is a -- there is a different confusion for me, but -- he signed the May 15th term sheet. I think that's the confusion.
MR. BADINI: Well, but the May 15th term sheet says it's non-binding by its terms.
MR. GOLDFEIN: Yeah. But what it says is there will be a second revised term sheet once he makes the demand. I think that's what he referred to. He didn't sign the second revised term sheet; is that correct?
THE WITNESS: Yeah.
MR. BADINI: Again, I would appreciate no coaching of the witness here.
MR. GOLDFEIN: It's not a matter of coaching, it's a matter of having a very confused and confusing record.
MR. BADINI: Maybe the statements to the Executive Committee confused the Executive Committee.
Q Your -- is it your testimony that you were not trying to give the Executive Committee the impression that Mr. Balsillie had welched on the deal here?



MR. GOLDFEIN: Object to the form of the question.
BY MR. BADINI:
Q I'll rephrase the question. In fact, you were trying to give the Executive Committee the impression that Mr. Balsillie had welched on his deal, isn't that right?
A What I tried to inform the Executive Committee is a situation where we have a party that I've been negotiating with now over six months and understanding we both believe we have a deal and I believe we have a deal, he told me we had a deal, we go and make an announcement in Nashville that we have a deal. I now enforce the non-binding term sheet to cause it to go binding, he then has to put his $10 million. That's where it stops.
So at that point I guess -- again, we're talking about where -- when does the deal and when is it not -- as a business person, I believed we had a deal. As a business person. Not as an M and A lawyer, as a business person that I am now sharing with my business partners, who also are not M and A lawyers, they have got their own M and A people. And I'm letting them know that I have negotiated in good faith with someone I thought was negotiating in good

sitting here today with a problem. If that was the only untruthful thing that he did in this process, I could have lived with that.

Q Well, what was untruthful about that, selling the tickets?

A Well, untruthful -- what time is it? 5:20 now. It's just wrong. I mean, you can't take somebody's logo. This is business 101. And let me tell you, he's a smart man. You can't take a logo and sell it in his market. Was it untruthful? I mean, there is other words and it's just -- it's totally inappropriate.

Q Okay. Now, I'm almost done, but I have to go back to some testimony that Mr. Goldfein elicited about the term sheet and he suggested that somehow your statement made it clear to the Executive Committee that the term sheet was not binding unless both parties agreed that it was binding. Do you agree with that?

A No, I don't -- I don't agree with that. No. Ask me again. Restate that question.

Q All right. Is it correct that the term sheet and in particular the obligation to deposit the $10 million would not be binding unless you exercised your option and Mr. Balsillie agreed?

A Well, this was a non-binding term sheet. I exercised



the option and at that point he had a binding obligation to -- to put $10 million in escrow and he did not.

Q Right. And, in fact, Mr. Goldfein read paragraph F to you on page three, but he neglected to read paragraph E to you, which says, "After that meeting we executed the term sheet. The term sheet clearly stated that the sellers could unilaterally make the term sheet binding and that Balsillie would be required to put $10 million in escrow as a breakup fee."

Have I read that correctly?

A Yes.

Q You have -- now you used the word "unilaterally," right?

A Yes.

Q What did you mean by the word "unilaterally"?

A He would be required.

Q Right. And he would be required by your action of exercising the option to make it binding, right?

A Correct.

Q And that's what you told the Executive Committee the term sheet required?

A Yes.

MR. BADINI: All right. I have no further



questions.

MR. GOLDFEIN: I have nothing further. Anything on the phone?

MS. LaFAVE: Nothing here.

MR. McCOY: Nothing from the Committee.

MR. GOLDFEIN: Okay. Then I think we're done. Thank you.

(Deposition concluded at 5:24 p.m.)

(Exhibits retained by the reporter. Original exhibits attached to the original transcript. Exhibit copies attached to transcript copies.)m.)



STATE OF WISCONSIN )
) SS:
MILWAUKEE COUNTY )

I, Sarah M. Sondag, RPR and Notary Public in and for the State of Wisconsin, do hereby certify that the deposition of CRAIG LEIPOLD was recorded by me and reduced to writing under my personal direction.

I further certify that said deposition was taken at 555 Main Street, Racine, Wisconsin, on the 26th day of August, 2009, commencing at 9:05 a.m.

I further certify that I am not a relative or employee or attorney or counsel of any of the parties, or a relative or employee of such attorney or counsel, or financially interested directly or indirectly in this action.

In witness whereof, I have hereunto set my hand and affixed my seal of office on this 27th day of August, 2009.

_____
Sarah M. Sondag
RPR, RMR and Notary Public
My commission expires June 6th, 2010

STATE OF _____)
) ss.
COUNTY OF _____)

I, CRAIG LEIPOLD, do hereby certify that I have read the foregoing transcript of proceedings taken on the 26th day of August, 2009, at 555 Main Street, Racine, Wisconsin, and the same is true and correct except for the list of corrections, if any, noted on the annexed errata sheet.

Dated at _____, _____,
(city) (state)

this _____ day of _____, 2009.

_____
CRAIG LEIPOLD