

EXHIBIT A

The Asset Purchase Agreement

ASSET PURCHASE AGREEMENT

dated May 5, 2009

between

COYOTES HOCKEY, LLC

("Seller"),

and

PSE SPORTS & ENTERTAINMENT LP, a Delaware limited partnership

("Buyer")

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("**Agreement**") is made as of May 5, 2009, by and between Coyotes Hockey, LLC, a Delaware limited liability company ("**Seller**"), on its behalf and on behalf of its bankruptcy estate, and PSE Sports & Entertainment LP, a Delaware limited partnership ("**Buyer**") (collectively, the "**Parties**" and individually, a "**Party**").

RECITALS:

A. Seller is a member of the National Hockey League ("**NHL**") and the owner of the Phoenix Coyotes hockey team (as defined more fully below, the "**Team**").

B. Seller wishes to sell to Buyer and Buyer wishes to purchase from Seller the Acquired Assets (as defined below) on the terms and conditions specified in detail below.

C. In connection with this Agreement, Seller shall commence a Bankruptcy Proceeding (as defined below) with an appropriate Bankruptcy Court (as defined below).

D. Pursuant to a Sale Procedures Order (as defined below), Seller shall seek the entry of Orders (as defined below) by the Bankruptcy Court and, if applicable under Section 6.3, the CCAA Court, authorizing and approving this Agreement and its consummation.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants and promises of the Parties set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 Certain Definitions. As used in this Agreement the following terms shall have the following meanings:

"**Accountant's Report**" is defined in Section 3.5.

"**Accounting Firm**" is defined in Section 3.5.

"**Acquired Assets**" is defined in Section 2.2(a).

"**Acquired Contracts**" is defined in Section 2.2(a)(vii).

"**Acquired Intellectual Property**" is defined in Section 2.2(a)(iv).

"**Action**" means any action, suit, arbitration, inquiry, proceeding or investigation by or before any court, arbitrator, NHL Board of Governors, governmental or other regulatory or administrative agency or commission.

“Additional Payment” is defined in Section 3.1(d).

“Affiliate” means with respect to any Person, any other Person that directly or indirectly through one or more intermediaries, controls or is controlled by or under common control with the Person specified.

“Allocation” is defined in Section 3.5.

“Arena Assets” means all real and personal property owned by the lessor of the arena facility in Glendale, Arizona known as Jobing.com Arena, in which the Seller currently operates or pursuant to which Seller uses such assets, including without limitation any lease of such arena, contracts for maintenance of such arena, and concession contracts applicable to such arena, excluding items owned by Seller which are removable from such arena.

“Assignment and Assumption Agreement” is defined in Section 7.1(i)(ii).

“Assumed Liabilities” is defined in Section 2.4.

“Assumed Player Contracts” is defined in Section 2.2(a)(vi).

“Auction” shall mean an auction scheduled by the Bankruptcy Court in connection with the Sale Procedures Motion.

“Auction Date” means the date scheduled for the Auction.

“Bankruptcy Code” means 11 U.S.C. §§ 101 et. seq.

“Bankruptcy Court” means the United States Bankruptcy Court for the District of Arizona.

“Bankruptcy Proceeding” means the Chapter 11 proceeding commenced by Seller in order to implement this transaction.

“Bill of Sale” is defined in Section 7.1(i)(i).

“Books and Records” of Seller means files (including electronic files), documents, instruments, papers, books, and records (tangible or electronic, including computer files with historical operating data) relating to the business, operations, condition (financial or otherwise), results of operations, and assets and properties of Seller in existence and in its possession or control, including, without limitation, financial statements and related work papers and management letters from accountants, Tax Returns, budgets, ledgers, journals, Contracts, licenses, documents containing technical support (including vendor documents), customer lists, environmental studies and plans, and development plans.

“Breach” means any breach of, or any inaccuracy in, any representation or warranty or any breach of, or failure to perform or comply with, any covenant or obligation, in this Agreement or any Contract; provided, if a particular representation, warranty, covenant or obligation in this Agreement does not contain an express materiality qualification, a breach of

such representation, warranty, covenant, or obligation to constitute a "Breach" must be reasonably expected to result in a Material Adverse Change.

"Business" means the operation of the professional NHL hockey team known currently as the Phoenix Coyotes by the Seller, including all of Seller's operations that would be useful if conducted in a new location in Ontario, Canada, but excluding any non-hockey operations relating exclusively to the Arena Assets in Glendale, Arizona in which the Seller currently operates.

"Business Day" means a day on which banks are generally open for business in the State of Arizona.

"CCAA" means the *Companies' Creditors Arrangement Act*, R.S. 1985 c. C-36, as amended.

"CCAA Court" means the Canadian court described in Section 6.3.

"Closing" and **"Closing Date"** means the consummation and date of consummation of the transactions contemplated by Section 2.1 hereof.

"Consent" means any consent, waiver, or approval of a third party, or Bankruptcy Court authorization in lieu thereof, required to take any action contemplated by this Agreement with respect to the Purchase.

"Contract" means any agreement, contract, lease, consensual obligation, promise, or undertaking (whether written or oral and whether express or implied), including independent contractor relationships with individuals.

"DIP Financing" means debtor-in-possession financing arranged by Buyer as described in Section 6.8 hereof.

"DOJ" means the United States Department of Justice.

"Employee" means each employee and officer of Seller or its Affiliates primarily engaged in the conduct of the Business.

"Employee Benefit Plan" means any "employee pension benefit plan" as defined in Section 3(2) of ERISA.

"Encumbrance" means any charge, claim, community or other marital property interest, lien, option, pledge, security interest, mortgage, deed of trust, right of way, easement, encroachment, right of first option, or right of first refusal.

"Environment" means the waters of the United States, the waters of any state, the waters of the contiguous zone and the ocean waters, and any other surface water, groundwater, drinking water, water supply, land surface, subsurface, subsurface strata, soil or air or atmosphere within the United States or under the jurisdiction of the United States, any Governmental Body, or within the jurisdiction of Environmental Laws.

“Environmental Contamination” means the presence of one or more Hazardous Materials in the Environment at greater concentrations than is allowed by Environmental Laws.

“Environmental, Health or Safety Liabilities” means any cost, damages, expense, Liability, or other responsibility arising from or under any Environmental Law or Occupational Safety and Health Law.

“Environmental Laws” means any federal, state, or local law, statute, ordinance, or regulation pertaining to health, industrial hygiene, or environmental conditions, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601, *et seq.*; the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§ 6901, *et seq.*; the Toxic Substances Control Act of 1976, 15 U.S.C. §§ 2601, *et seq.*; the Superfund Amendments and Reauthorization Act of 1986, Title III, 42 U.S.C. § 11001, *et seq.*; the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801, *et seq.*; the Clean Air Act, 42 U.S.C. §§ 7401, *et seq.*; the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251, *et seq.*; the Safe Drinking Water Act, 42 U.S.C. §§ 300f, *et seq.*; the Solid Waste Disposal Act, 42 U.S.C. §§ 3251, *et seq.*; and any other federal, state, and local laws and regulations relating to pollution or the environment (including, without limitation, ambient air, surface water, groundwater, land surface, or sub-surface strata), including, without limitation, laws and regulations relating to emissions, discharges, releases, or threatened releases of Hazardous Materials, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Materials. Any reference in the definition of the Environmental Laws to statutory or regulatory sections shall be deemed to include any amendments thereto and any successor sections.

“ERISA” means the Employee Retirement Income Security Act of 1974 or any successor law, and regulations and rules issued pursuant thereto.

“Escrow” means the escrow account to be established and into which Buyer will deposit the Escrow Deposit and thereafter the Purchase Price pursuant to Section 3 hereof for the purpose of consummating the transactions contemplated herein.

“Escrow Agent” means the entity described in Section 3.2.

“Escrow Deposit” means the deposit described in Section 3.2.

“Excluded Assets” means any claims, rights, or other assets of the Seller that are excluded from the Purchase as set forth in Section 2.3.

“Excluded Taxes” is defined in Section 2.5(a)(iv).

“Final Order” means an Order entered by a court of competent jurisdiction (x) that has not been reversed, stayed, modified or amended, (y) as to which no appeal or petition for review or motion for rehearing or reargument has been taken or has been made, and (z) as to which the time for filing a notice of appeal, a petition for review or a motion for reargument or rehearing has expired.

“Franchise” is defined in Section 2.2(a)(i).

“GAAP” means United States generally accepted accounting principles in effect at the time in question.

“Governmental Body” means any (a) nation, state, county, city, town, borough, village, district, province or other jurisdiction; (b) federal, state, provincial, local, municipal, foreign, or other government; (c) governmental or quasi-governmental authority of any nature (including any agency, branch, department, board, commission, court, tribunal, or other entity exercising governmental or quasi-governmental powers); (d) body exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power; or (e) official of any of the foregoing.

“Hazardous Activity” means the distribution, generation, handling, importing, management, manufacturing, processing, production, refinement, Release, storage, transfer, transportation, treatment or use (including any withdrawal or other use of groundwater) of Hazardous Material into the Environment and any other act, business, operation or thing that constitutes a threat of Release, or poses an unreasonable risk of harm to any Person or property or the Environment.

“Hazardous Material” means any substance or material defined as or included in the definition of “hazardous substances”, “hazardous wastes”, “hazardous materials”, “extremely hazardous waste”, “acutely hazardous waste”, “restricted hazardous waste”, “toxic substances” or “known to cause cancer or reproductive toxicity” (or words of similar import), petroleum products (including crude oil or any fraction thereof) or any other chemical, substance, or material which is prohibited, limited or regulated under any federal, state or local law, ordinance, regulation, Order, permit, license, decree, common law, or treaty regulating, relating to, or imposing liability or standards concerning materials or substances known or suspected to be toxic or hazardous to health and safety, the environment, or natural resources.

“HSR Act” means Section 7A of the Clayton Act, as added by Title II of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.

“HSR Filing” has the meaning set forth in Section 6.9.

“Intellectual Property” means and includes all trademarks and trademark rights, trade names, and trade name rights, service marks, and service mark rights, service names, and service name rights, brand names, trade dress, business and product names, logos, copyrights, maps, and slogans relating to the development and operation of the Team, and related documentation and all applications and registrations therefor, all assignable code for the Seller’s websites, if any, all assignable licenses and other rights to the Team’s point of sale system, if any, all of the Seller’s E-mail addresses, computer files for historical operating data, contents of Books and Records, and all site plans, renderings, diagrams, architectural and engineering design drawings and specifications, applications, studies, reports and similar materials relating to any potential expansion or renovation of the Team.

“Injunctive Relief” means the injunctions of the Bankruptcy Court and, if applicable under Section 6.3, the CCAA Court, enjoining pursuit in any manner of any claims or causes of

action against Buyer relating to its purchase of the Acquired Assets and operation thereof in the location of Buyer's choice in Southern Ontario, Canada, under the Sale Approval Order and Plan.

"Knowledge" of any matter or fact means an individual's actual awareness of that matter or fact, and the Knowledge of Seller shall mean the Knowledge of Earl Scudder and any person who has been a senior officer of the Seller from September 1, 2008 to the Closing, including without limitation Jerry Moyes and the Seller's president, vice president, general counsel and general manager.

"Legal Requirement" means any federal, state, local, municipal, foreign, international, or multinational constitution, law, ordinance, principle of common law, code, regulation, statute or treaty.

"Liability" means, with respect to any Person, any liability or obligation of such Person of any kind, character, or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

"Material Adverse Change" means (a) with respect to the Seller, any material adverse change in the Business or the Acquired Assets, or in the Seller's ability to perform its obligations under the Transaction Documents, as determined from the perspective of a reasonable person in the Buyer's position, and (b) with respect to the Buyer, any material adverse change in the Buyer's ability to perform its obligations under the Transaction Documents, as determined from the perspective of a reasonable person in the Seller's position.

"Membership Interest" is defined in Section 2.2(a)(i).

"NHL Accounts" is defined in Section 2.2(a)(iii).

"NHL Accounts Shortfall" is defined in Section 3.1(b).

"Occupational Health and Safety Law" means any Law designed to provide safe and healthful working conditions and to reduce occupational safety and health hazards, including the Occupational Safety and Health Act, and any program, whether governmental or private, designed to provide safe and healthful working conditions.

"Order" means any writ, judgment, decree, injunction or similar order of any Governmental Body (in each such case whether preliminary or final).

"Person" means an individual, partnership, joint venture, corporation, limited liability company, trust, unincorporated organization, and a government or any department or agency thereof.

"Plan" means a plan of reorganization filed with the Bankruptcy Court for distribution of proceeds from the transaction in accordance with the Bankruptcy Code, provided that it is, and remains through confirmation thereof, consistent in all respects with the provisions of this

Agreement, including as such may be modified and confirmed by the Bankruptcy Court and, if applicable, by the CCAA Court.

“Purchase” means the transactions contemplated by this Agreement at the Closing.

“Purchase Price” means the amount set forth in Section 3.1 hereof, as it may be increased at the Auction and approved by the Bankruptcy Court in the Sale Approval Order.

“Related Parties” means with respect to any person or entity, the officers, directors, shareholders, partners, members, employees, agents, attorneys, successors, personal representatives, heirs, executors, or assigns of any such person or entity.

“Release” means any release, spill, emission, leak, pumping, pouring, dumping, emptying, injection, deposit, disposal, discharge, dispersal, leaching, or migration on or into the indoor or outdoor environment or into or out of any property.

“Representative” means with respect to a particular Person, any director, officer, member, manager, employee, agent, consultant, advisor, or other representative of that Person, including legal counsel, accountants, and financial advisors.

“Revenue Code” means the Internal Revenue Code of 1986, as amended, and any successor thereto and the rules and regulations promulgated thereunder.

“Sale Approval Order” means the Order entered by the Bankruptcy Court approving the sale of the Acquired Assets pursuant to Section 363 of the Bankruptcy Code.

“Sale Procedures Motion” means a motion filed by the Seller on or about May 5, 2009, seeking Bankruptcy Court approval of certain sale procedures on terms that have been mutually agreed to between Buyer and Seller as of the date hereof.

“Sale Procedures Order” means an Order of the Bankruptcy Court granting relief pursuant to the Sale Procedures Motion.

“Seller Deliverables” is defined in Section 7.1(i).

“Tangible Personal Property” is defined in Section 2.2(a)(ii).

“Team” means all of the assets of the Seller that comprise the Phoenix Coyotes NHL hockey team which the Seller owns, operates, and is developing, including all personal property owned by the Seller relating to such franchise, including Seller’s interest in San Antonio’s and any other minor league hockey teams.

“Tax Returns” means all returns, declarations, reports, or information returns or statements relating to Taxes.

“Tax” or “Taxes” means all taxes, charges, fees, imposts, levies or other assessments, including, without limitation, all net income, gross receipts, capital, sales, use, gains, ad valorem, value-added, transfer, franchise, profits, inventory, capital stock, license, withholding, payroll,

employment, social security, unemployment, excise, severance, stamp, occupation, property and estimated taxes, customs duties, fees, assessments and charges of any kind whatsoever, whether computed on a separate, consolidated, unitary, combined or any other basis, together with any interest (including interest that would have accrued absent a netting of Taxes) and any penalties, fines, additions to tax or additional amounts imposed by any domestic taxing authority.

“**Transaction Documents**” means, without limitation, this Agreement, the Assignment and Assumption Agreement, the Bill of Sale, and all other documents related to the transactions contemplated in this Agreement.

ARTICLE II

ACQUIRED ASSETS AND ASSUMED LIABILITIES

2.1 Closing. The Closing of the Purchase shall take place on a date mutually acceptable to the Seller and Buyer after all conditions precedent to Closing are met but not later than the fifth business day thereafter (the “**Closing Date**”), through the Escrow to be established with the Escrow Agent upon execution and delivery of this Agreement to Escrow Agent.

2.2 Acquired Assets.

(a) The Buyer will acquire, free and clear of all liens and other Encumbrances, those assets of the Seller used or useful in connection with the Business, including as described in this Section 2.2, but excluding the Excluded Assets (collectively, “**Acquired Assets**”). The Acquired Assets include the following:

(i) The Team’s NHL franchise (the “**Franchise**”) and Seller’s membership interest in the NHL (“**Membership Interest**”), as modified and assigned under the Sale Approval Order;

(ii) all items of tangible personal property and fixtures owned by the Seller and the Seller’s interest in all items of tangible personal property and fixtures leased by the Seller and, in either case, used in connection with the Business (“**Tangible Personal Property**”), including, without limitation, furniture, fixtures, furnishings, equipment including hockey, exercise and weight training and medical equipment, computer hardware and software and related materials, machinery, office equipment, telephone systems, instruments supplies, inventory, automobiles and other vehicles, all as will be set forth in a Schedule 2.2(a) approved by Buyer and attached hereto at or prior to Closing;

(iii) those amounts which have been accrued but not yet paid by the NHL to Seller in connection with the Business as of the Closing (the “**NHL Accounts**”), all as more particularly described in Schedule 2.2(a) attached hereto;

(iv) all Intellectual Property owned by or licensed by the Seller and all licenses of Intellectual Property held by the Seller and used in connection with the Business (the “**Acquired Intellectual Property**”), including, without limitation,

all associated trade names, proprietary product names, service marks, logos, trademarks, and the goodwill associated therewith, and all copyrights, trade secrets, and confidential business information (including ideas, research and development, know-how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals), patents, patent applications, inventions, know-how (whether or not patented, patentable or already reduced to practice), the Team's interest in its website, website domain names, and all off-the-shelf software and the Seller's rights therein, all as set forth in Schedule 2.2(a) attached hereto;

(v) all Books and Records of the Seller relating to the Business;

(vi) all rights of the Seller under contracts for the employment of Team players (the "**Assumed Player Contracts**") and rights to Team players who are not under Assumed Player Contracts, all as set forth in Schedule 2.2(a) attached hereto with the cure amounts asserted by the Seller to be payable in connection with assumption and assignment of such Assumed Player Contracts;

(vii) all rights of the Seller under the other Contracts set forth in Schedule 2.2(a) attached hereto with the cure amounts asserted by the Seller to be payable in connection with assumption and assignment of such other Contracts (collectively, the "**Acquired Contracts**");

(viii) all causes of action of the Seller, whether mature, contingent, or otherwise, against any Person relating to any of the Acquired Assets or the Business, whether arising in tort, contract, or otherwise (but excluding causes of action set forth on Schedule 2.3 as Excluded Assets);

(ix) all insurance benefits, including rights and proceeds, arising from or relating to the Acquired Assets or the Assumed Liabilities prior to the Closing Date;

(x) all other intangible assets of the Seller relating to the Business, including all goodwill associated with the Business;

(xi) all of Seller's interest in 3051349 Nova Scotia Company, a Nova Scotia unlimited liability company;

(xii) prepaid insurance as set forth in Schedule 2.2(a) attached hereto.

(b) The Seller shall transfer all non-leased Acquired Assets, and all rights and interests in and to all scheduled and assumed leases and leasehold interests, to the Buyer free and clear of all liens and other Encumbrances.

2.3 Excluded Assets. The Seller will not transfer, and the Buyer will not purchase, the following (the "**Excluded Assets**"), which shall be listed on Schedule 2.3:

- (a) the Arena Assets;
- (b) any asset that Buyer elects to exclude either by listing it on Schedule 2.3 or by requiring that such item does not appear on any of the Schedules referred to in Section 2.2;
- (c) all rights of Seller under any Contracts other than the Assumed Player Contracts and the Acquired Contracts; and
- (d) any causes of action arising pursuant to Chapter 5 of the Bankruptcy Code.

2.4 Assumed Liabilities.

(a) At the Closing, the Buyer will assume the following liabilities of the Seller (collectively, "**Assumed Liabilities**");

(i) all Liabilities relating to the Acquired Assets that accrue after the Closing Date, including without limitation all Liabilities under the Assumed Player Contracts and Acquired Contracts, except Liabilities for any breaches by the Seller of any of the Assumed Player Contracts and Acquired Contracts that occurred before the Closing Date, which shall be satisfied and/or discharged by the Seller's payment of any cure amount held due before assumption and assignment or under Seller's Plan.

2.5 Excluded Liabilities.

(a) The Buyer shall not be required to assume any Liabilities of the Seller other than the Assumed Liabilities (all such other Liabilities are referred to as the "**Excluded Liabilities**"). Excluded Liabilities include without limitation the following:

(i) any Liability related to or incurred in connection with the Business attributable to periods before the Closing Date, even if that Liability is unknown to the Seller or contingent as of the Closing Date;

(ii) any Liability related to the Excluded Assets;

(iii) except for the Assumed Player Contracts, all amounts of deferred compensation payable to players and former players on the Team attributable to services rendered by such players for employment services rendered during the 2008-2009 NHL season and prior NHL seasons and payable on or after the Closing Date including those set forth on the schedule attached hereto as Schedule 4.8 (which shall be paid by Seller from the sale proceeds as cure payments), any Liability as to any employee or former employee of the Seller with respect to any matter arising out of or relating to that employee's or former employee's employment by the Seller, including, without limitation, unpaid compensation, vacation pay, pension, severance, retirement, employee welfare, healthcare, or other benefits, or claims arising under any Law designed to protect employees,

including equal employment laws, unemployment taxes, wrongful discharge laws, and laws relating to health insurance coverage;

(iv) any Liability for Taxes, including any Taxes arising as a result of Seller's operations of the Business prior to the Closing Date, any Taxes that arise as a result of the sale of the Acquired Assets, and any deferred Taxes of any nature (collectively, the "**Excluded Taxes**");

(v) any Liability arising out of violations of any Environmental Laws occurring or existing before the Closing Date or arising out of any events, actions or omissions occurring or existing before the Closing Date;

(vi) any contributions to, or any Liability in connection with, any Employee Benefit Plan and any continuation coverage (including any penalties, excise taxes, or interest resulting from the failure to provide continuation coverage) required by Section 4980B of the Revenue Code due to qualifying events as defined therein, occurring on or before the Closing Date;

(vii) any Liability arising out of or relating to any products or services of the Seller, to the extent manufactured, sold or performed before the Closing Date, including, without limitation, liability for personal injury, death or property damage in connection with product liability claims;

(viii) any Liability that is not related to, or was not incurred in connection with, the Business.

ARTICLE III

PURCHASE PRICE AND ESCROW

3.1 Purchase Price. The purchase price for the Assets to be sold to Buyer pursuant to Article II (the "**Purchase Price**") is \$212,500,000.00 consisting of:

- (a) \$20,000,000.00 cash Escrow Deposit
- (b) \$170,000,000.00 additional cash payment at the Closing, subject to reduction by the amount, if any, by which the chief financial officer of the Team determines and certifies to Buyer and Seller that the amount that will be recoverable with respect to the NHL Accounts will be less than \$25,000,000 (the "**NHL Accounts Shortfall**")
- (c) \$8,000,000.00 to be paid directly to Wayne Gretzky ("**Mr. Gretzky**") on behalf of Seller to discharge Seller's deferred compensation obligation to Mr. Gretzky
- (d) An "**Additional Payment**" of \$14,500,000.00 cash (representing amounts that would be contractually owing to Mr. Gretzky under the terms of his current employment arrangement with Seller if Mr. Gretzky elected to terminate his employment arrangement because of a sale of control of Seller) payable either:

(i) to Mr. Gretzky, if Mr. Gretzky elects to terminate his employment arrangement with Seller because of a sale of control of Seller and in connection therewith Mr. Gretzky does not waive his right to receive the \$14.5 million that would have otherwise been paid to him through the end of his employment term; or

(ii) to Seller if Mr. Gretzky signs a written waiver pursuant to which Mr. Gretzky waives his rights to receive the \$14.5 million that would have otherwise been paid to him through the end of his employment term, with such waiver to be delivered to the Escrow Agent for delivery to Buyer at Closing; provided, however, that the amount payable to Seller hereunder shall not exceed the amount of the NHL Accounts Shortfall.

3.2 Escrow Deposit and Escrow. Upon execution of this Agreement, the Buyer shall transfer \$20,000,000.00 ("**Escrow Deposit**") to a trust account maintained by Seller's lawyers, who shall transfer the funds to an interest-bearing escrow account at a bank or financial institution located in the State of Arizona, mutually acceptable to Buyer and Seller with escrow instructions in the form of Exhibit A attached hereto, and opened and held by an escrow agent mutually approved by Buyer and Seller in their reasonable discretion ("**Escrow Agent**") as soon as feasible thereafter.

3.3 Delivery of Transaction Documents. If Buyer is determined to be the successful bidder at the Auction, then within five (5) Business Days after entry of the Sale Approval Order by the Bankruptcy Court as provided in Section 6.2(b), Buyer and Seller shall deliver to Escrow Agent all Transaction Documents required by this Agreement for Closing.

3.4 Payment of Purchase Price. No later than five (5) Business Days after all of the Conditions Precedent are met, Buyer shall wire transfer to the Escrow Agent the balance of the Purchase Price, to be held in Escrow pending the Closing.

3.5 Allocation of Purchase Price. Buyer and Seller agree that the Purchase Price and any other consideration, such as the Liabilities assumed under Section 2.4, shall be allocated 85% to the Assumed Player Contracts and 15% to all other Acquired Assets. Buyer and Seller shall endeavor to agree upon the further allocation of such 15% among such other Acquired Assets (the "**Allocation**"), upon reaching such agreement, shall execute a written acknowledgement of such Allocation pursuant to Section 1060 of the Revenue Code. The Allocation shall be prepared jointly by the parties within ninety (90) days following the Closing Date. Notwithstanding the foregoing, agreement on the Allocation is not a condition precedent to Closing, and if Seller and Buyer are not able to agree upon the Allocation, each Party may allocate the 15% of the Purchase Price attributable to Acquired Assets other than the Assumed Player Contracts for its own purposes in its sole discretion. However, in the event that the Revenue Code requires the Parties to agree on an Allocation, and such agreement has not been reached within the ninety (90) day period, the issues of disagreement shall be submitted to the Buyer's national independent public accounting firm ("**Accounting Firm**") for determination. The Accounting Firm shall be directed to deliver its written report resolving all disputed matters and setting forth the Accounting Firm's determination of the Allocation (the "**Accountant's Report**") no later than thirty (30) days from its engagement,

and the determinations in Accountant's Report shall be deemed to amend or supersede the Allocation with respect to all matters addressed therein. The fees of the Accounting Firm shall be borne by the Seller. The Parties will prepare and file all Tax Returns and reports with respect to Taxes in a manner consistent with the Allocation as amended or superseded by the determinations in the Accountant's Report.

3.6 Escrow Completion.

(a) If all Conditions Precedent in Article VII have been met or waived, the Parties shall execute and deliver to Escrow Agent mutual written instructions directing Escrow Agent to (i) deliver to Buyer the executed Seller Deliverables and other Transaction Documents required to be delivered by Seller to Buyer hereunder, (ii) deliver to Buyer the Books and Records, subject to Buyer providing access and/or copies of such Books and Records on reasonable notice to Seller as may be needed by Seller in the Bankruptcy Case or for the purpose of filing final tax returns, and (iii) disburse the Purchase Price to Seller and/or to Mr. Gretzky as appropriate under Section 3.1 of this Agreement or as otherwise may be required by the Bankruptcy Court.

(b) In the event of Termination of this Agreement in accordance with Section 8.1, the Parties shall execute and deliver to Escrow Agent mutual written instructions directing Escrow Agent to disburse the Escrow Deposit in accordance with Section 8.2 of this Agreement and to return the Transaction Documents to the Party that delivered the same to Escrow Agent.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF SELLER

As of the date of this Agreement and as of the Closing Date, the Seller represents and warrants to the Buyer as follows:

4.1 Seller's Organization. Seller is a limited liability company duly organized, validly existing, and in good standing under the laws of Delaware, and has full corporate power and authority to enter into this Agreement and consummate the transactions contemplated hereby, subject only to Bankruptcy Court approval.

4.2 Authority and Enforceability. Subject to the Sale Approval Order, Seller has full corporate power and authority to enter into this Agreement. The execution and delivery of this Agreement, and the consummation and performance by the Seller of the transactions contemplated herein, have all been or will be duly authorized by all necessary corporate action, and no other proceedings on the part of the Seller are necessary with respect thereto, and this Agreement constitutes a valid and binding agreement of the Seller enforceable against it in accordance with its terms except as enforceability is limited by (a) any applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting creditors' rights generally, or (b) general principles of equity, whether considered in a proceeding in equity or at law.

4.3 Consents. Except as will be specified in a Schedule 4.3 approved by Buyer and attached hereto at or prior to Closing, Seller is not required or obligated to give any notice to, make any filing with, or obtain the Consent of any Person in connection with the execution and delivery of the Transaction Documents, the consummation of the transactions contemplated thereby, and performance of the Seller's obligations thereunder, including, without limitation, the Consent of any party to any Contract, provided that, with respect to Consents described in Section 6.2(b)(iv) and (viii), this requirement may be satisfied by entry of the Sale Approval Order as provided in Section 6.2(b) which has not been stayed, postponed in effect or prohibited in whole or part, any which stay, postponement or prohibition Seller will use its best efforts to resist and terminate.

4.4 Seller's Ownership Interests. Attached as Schedule 4.4 is a list of all of Seller's equity ownership interests in Affiliates.

4.5 Absence of Certain Changes. Since March 30, 2009, except as disclosed on Schedule 4.5, Seller has conducted the Business only in the ordinary course, consistent with sound business practices, and has not done any of the following: (a) suffered any change except changes that, in the aggregate, have not resulted and could not reasonably be expected to result in a Material Adverse Change; (b) disposed of any tangible or intangible assets of the Business except in the ordinary course of business; (c) except as will be specified in a Schedule 4.5 (as will be referenced and set forth in a Schedule 2.2(a) approved by Buyer and attached hereto at or prior to Closing), incurred any Liability, except current liabilities for trade or business obligations incurred in the ordinary course of business and consistent with its sound business practices or suffered any "Loss" (meaning any Liability, penalty, fine, loss, claim, settlement payment, cost, expense, interest, award, judgment, damages (including punitive damages), diminution in value, fines, fees and penalties or other charge), (d) except as will be specified on a Schedule 4.5 (as will be referenced and set forth in a Schedule 2.2(a) approved by Buyer and attached hereto at or prior to Closing), prior to Closing, created or permitted to exist any Lien on any Acquired Assets; (e) terminated or amended or breached any Acquired Contract (except, in the case of amendment, where the Seller has provided to the Buyer a complete copy of such amendment); (f) except in the ordinary course of business, entered into any Contract or made any purchase commitment in excess of the normal, ordinary and usual requirements of its business or at any price materially in excess of the then-current market price or upon terms and conditions materially more onerous than those usual and customary in the industry; (g) failed to replenish its inventories and supplies in a normal and customary manner consistent with its prior practice and ordinary business practices prevailing in the industry; (h) except as will be specified on a Schedule 4.5 (as will be referenced and set forth in a Schedule 2.2(a) approved by Buyer and attached hereto at or prior to Closing), prior to Closing, experienced any damage, destruction or loss exceeding \$50,000 individually or \$100,000 in the aggregate, related to the Acquired Assets; (i) obtained Knowledge of any occurrence, event, action, failure to act, or transaction, any one of which was outside the ordinary course of business, unless any of the above was not reasonably likely to result in a Material Adverse Change; or (j) entered into any agreement or made any commitment to take any of the actions described in Section 4.5(a) – 4.5 (i).

4.6 Books and Records. The articles of organization and operating agreement, minute books, and all other records of the Seller, all of which have been made available to the Buyer, are complete, and contain no inaccuracies, other than as set forth on Schedule 4.6.

4.7 Acquired Contracts.

- (a) Schedule 2.2(a) attached hereto lists each Acquired Contract.
- (b) Schedule 4.7 lists all material Contracts pertaining to the Business except for Contracts pertaining to Excluded Assets, including suite license agreements, and except for sponsorship agreements. At or prior to Closing, Seller shall have delivered to Buyer a copy of all material Contracts then existing and pertaining to the Business, including all amendments and supplements.
- (c) Except as disclosed on Schedule 4.7 attached hereto, each Acquired Contract is in full force and effect and is valid and enforceable by Seller in accordance with its terms, except as enforceability is limited by (i) any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally, or (ii) general principles of equity, whether considered in a proceeding in equity or at law.
- (d) Except as stated on Schedule 4.7 attached hereto, Seller is not in default under any Acquired Contract, and no event or circumstance has occurred that would, with notice or lapse of time or both, constitute a default by Seller under any Acquired Contract.
- (e) Except as stated on Schedule 4.7 attached hereto, to Seller's Knowledge, no other Person is in default under any Acquired Contract and no event or circumstance has occurred that would, with notice or lapse of time or both, constitute a default by any other Person under any Acquired Contract.
- (f) Except as stated on Schedule 4.7, Seller is not party to any oral Contract.

4.8 Player Contracts and Employees.

- (a) Schedule 4.8 attached hereto lists the following information for each player employee of the Seller as of the date of this Agreement, including each such employee on leave of absence or layoff status: (a) name; (b) current annual base salary or annualized wages; (c) deferred compensation and time of payment of such compensation in the future; (d) vacation accrued and unused; and (e) service credited for purposes of vesting and eligibility to participate under any of the Employee Benefit Plans. At or prior to Closing, Seller shall have delivered to Buyer a copy of all Assumed Player Contracts and all amendments and supplements.
- (b) To the Knowledge of Seller, no player employee of the Seller has indicated his or her intention to resign. Except for the Seller's player employees that the Seller identifies in a written communication to the Buyer before the Closing that shall remain confidential, all of the Seller's managers, officers, and employees are in good

standing under the terms of their employment, and to the Seller's Knowledge there exists no problem or difficulty with the employment of any of the Seller's players. Except as disclosed on Schedule 4.8 attached hereto and except for certain incentive compensation and deferred compensation amounts owing to Mr. Gretzky, which have been previously disclosed to Buyer, Seller has paid all wages, bonuses, commissions, or other compensation due and payable to each of its employees in accordance with its customary practice, or such amounts will be paid under a Plan or otherwise.

(c) Seller currently complies and has always complied, in all respects, with the Immigration Reform and Control Act of 1986 and all laws and all rules of the NHL with respect to player employees.

(d) Except as disclosed on Schedule 4.8 attached hereto, each Assumed Player Contract is in full force and effect and is valid and enforceable in accordance with its terms, except as enforceability is limited by (a) any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally, or (b) general principles of equity, whether considered in a proceeding in equity or at law.

(e) Except as stated on Schedule 4.8 attached hereto, Seller is not in default under any Assumed Player Contract, and no event or circumstance has occurred that would, with notice or lapse of time or both, constitute a default by Seller under any Assumed Player Contract.

(f) Except as stated on Schedule 4.8 attached hereto, to Seller's Knowledge, no other Person is in default under any Assumed Player Contract or Acquired Contract and no event or circumstance has occurred that would, with notice or lapse of time or both, constitute a default by any other Person under any Assumed Player Contract or Acquired Contract.

4.9 Intellectual Property.

(a) To the best of Seller's Knowledge, all Acquired Intellectual Property is listed on Schedule 2.2(a) and owned by Seller and not one of its Affiliates.

(b) With respect to each item of Acquired Intellectual Property identified on Schedule 2.2(a) (other than the off-the-shelf software) Seller represents and warrants the following:

(i) No activity of Seller in conducting the Business and no Acquired Intellectual Property listed on Schedule 2.2(a) violates or misappropriates any Intellectual Property or other proprietary rights of any other Person. Seller owns or has the right to use pursuant to license, sublicense, Contract, or permission such Acquired Intellectual Property for the operation of the Business as presently conducted. Each item of Acquired Intellectual Property owned or used by the Seller immediately before the Closing will be owned or available for use by the Buyer on identical terms and conditions immediately after the Closing;

(ii) To the extent Seller owns an item of Acquired Intellectual Property, except as disclosed on Schedule 4.9 attached hereto, Seller possesses all right, title, and interest in and to such item, free and clear of any lien, license, or other restriction;

(iii) Except as disclosed on Schedule 4.9 attached hereto, Seller has the right to assign the item to Buyer and has not conveyed any rights in the item to any other Person;

(iv) the item is not subject to any outstanding Order;

(v) no Proceeding, complaint, or demand is pending or is threatened that challenges the legality, validity, enforceability, use, or ownership of the item;

(vi) Seller has not agreed to indemnify any Person for or against any interference, infringement, misappropriation, or other conflict with respect to the item; and

(vii) Seller will not use, interfere with, infringe upon, misappropriate, or otherwise come into conflict with, the Acquired Intellectual Property after the Closing.

(c) Schedule 2.2(a) shall list all off-the-shelf software licensed by Seller that is material to the operation of the Business in sufficient detail to permit the Buyer to assess compatibility with Buyer's software. Schedule 2.2(a) shall identify all such off-the-shelf software by type, number of copies of each software product, and number of licenses. As of the Closing Date, Seller is fully compliant with all software licenses and to Seller's Knowledge there are no unlicensed copies of software existing on any equipment, computers, machinery or media that is being transferred to the Buyer in the transactions contemplated by this Agreement.

4.10 Taxes. Seller has filed all Tax Returns required to be filed relating to the Business and has paid all Taxes relating to the Business that have become due as a result of those Tax Returns or any assessment that has become payable, other than those amounts being diligently contested in good faith by appropriate proceedings and against which adequate reserves are being maintained. All those Tax Returns were correct in all respects as filed on the date filed and all Taxes due have been paid or will be paid under the Seller's Plan. Seller has not waived or been asked to waive any statute of limitations in respect of Taxes relating to the Business.

4.11 Tangible Personal Property. Schedule 2.2(a), as approved by Buyer and attached hereto at or prior to Closing, accurately lists all items of Tangible Personal Property and accurately shows for each item of Tangible Personal Property whether it is subject to a lease or Lien. Except as otherwise disclosed on Schedule 4.11, the Tangible Personal Property is in good operating condition and repair (ordinary wear and tear excepted) and is available for use in the Business. All Tangible Personal Property (including Tangible Personal Property in which the Seller has only a leasehold interest) has been maintained and repaired in a

reasonably prudent manner and at a level not less than the level of maintenance and repair existing prior to the execution of the Agreement.

4.12 NHL Accounts. Schedule 2.2(a) attached hereto contains an accurate description of all NHL Accounts as of the date specified therein, which shall be transferred to Seller under Section 3.1(d).

4.13 Adequacy of Assets. The Acquired Assets constitute, in the aggregate, all of the assets, property, and Contracts necessary for conduct of the Business in all material respects in the manner in which, and to the extent to which, it is currently being conducted.

4.14 NHL Status. Seller is an existing member of the NHL and Seller's Franchise and NHL membership have not been revoked.

4.15 Environmental Matters.

(a) Seller has obtained all permits required for the operation of the Business by all Environmental Laws and Occupational Health and Safety Law and is in compliance with these permits and with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules, and timetables contained in or arising from any Environmental Laws and Occupational Health and Safety Laws. Seller has not received, nor does it have any reason to suspect that it may receive, any notices, reports, or other information, and is not subject to any threatened or pending investigations or proceedings or any Order, from any Person, regarding (i) an actual, potential, or alleged violation of or failure to comply with any Environmental Law or Occupational Health and Safety Law; (ii) any Environmental Contamination; or (iii) any Release, event, incident, condition, action, or failure to act related to the Seller, or the Business, which is reasonably likely to prevent continued compliance with any Environmental Law or Occupational Health and Safety Law or which would otherwise be reasonably likely to give rise to any Environmental, Health or Safety Liabilities, and, to Seller's Knowledge, no facts exist that would be reasonably likely to result in any such matter listed in (i)-(iii).

(b) Seller has no Knowledge of any facts or conditions relating to the Seller's Business that prevent, hinder, or limit the Buyer's ability to comply with Environmental Laws or Occupational Health and Safety Laws, and has no Knowledge of or any basis to expect, nor has it or any other Person for whose conduct it is or may be held responsible, received any citation, directive, inquiry, notice, Order, summons, warning or other communication that relates to (x) a Hazardous Activity, (y) Hazardous Materials, or (z) any alleged, actual, or potential obligation to undertake or bear the cost of any Environmental, Health or Safety Liabilities, including, without limitation, facts or conditions consisting of or relating to the following: (a) any environmental, health, or safety matter or condition (including on-site or off-site Environmental Contamination, occupational safety and health, and regulation of any Hazardous Material); (b) any proceeding, Order, loss, or litigation expense arising under any Environmental Law or Occupational Safety and Health Law; (c) financial responsibility under any Environmental Law or Occupational Safety and Health Law for cleanup costs or

corrective action, including any cleanup, removal, containment, or other remediation or response actions required by any Environmental Law or Occupational Safety and Health Law or any Person; or (d) any other compliance, corrective, or remedial measure required under any Environmental Law or Occupational Safety and Health Law. If required by any Environmental Law, the Seller has sent all Hazardous Materials for storage, recycling, treatment or disposal in accordance with all Environmental Laws.

(c) Seller has not assumed, either expressly or by operation of law, any Liability of any other Person relating to an Environmental Law.

(d) Seller has delivered to Buyer true and complete copies and results of any reports, studies, analyses, tests, or monitoring that Seller has Knowledge of having been in Seller's possession, pertaining to Hazardous Materials or Hazardous Activities in, on, or under any property related to the Business or concerning compliance by Seller, or any other Person for whose conduct the Seller may be held responsible, with Environmental Laws.

4.16 Disclosure. The Transaction Documents do not contain any untrue statement of material fact and do not omit any material fact necessary to make statements contained therein not misleading. To Seller's Knowledge, there are no facts relating to the Business that have not been disclosed to the Buyer, unless those facts would not reasonably be likely to result in a Material Adverse Change.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF BUYER.

As of the date of this Agreement and as of the Closing Date, the Buyer represents and warrants to the Seller as follows:

5.1 Buyer's Organization. Buyer is a limited partnership duly organized, validly existing, and in good standing under the laws of Delaware, and has full corporate power and authority to enter into this Agreement and consummate the transactions contemplated hereby, subject only to Bankruptcy Court approval.

5.2 Authority and Enforceability. Buyer has full corporate power and authority to enter into this Agreement. The execution and delivery of this Agreement, and the consummation and performance by the Seller of the transactions contemplated herein, have all been or will be duly authorized by all necessary corporate action, no other proceedings on the part of the Seller are necessary with respect thereto, and this Agreement constitutes a valid and binding agreement of the Seller enforceable against it in accordance with its terms except as enforceability is limited by (a) any applicable bankruptcy, insolvency, reorganization, moratorium, or similar law affecting creditors' rights generally, or (b) general principles of equity, whether considered in a proceeding in equity or at law.

5.3 Financial Capability. Buyer will have as of the Closing Date sufficient funds to consummate this Agreement.

5.4 Binding Obligation. This Agreement constitutes the legal, valid, and binding obligation of Buyer, enforceable against Buyer in accordance with its terms. All Persons who have executed this Agreement on behalf of Buyer have been duly authorized to do so.

5.5 Litigation. There is no Action now pending, or threatened against Buyer before any court, arbitration, administrative, or regulatory body or any Governmental Body which may result in any Order or other determination which will, or could reasonably be expected to, materially impair the ability of Buyer to fulfill and perform its obligations under this Agreement.

ARTICLE VI

COVENANTS OF SELLER AND BUYER

6.1 Due Diligence. Buyer shall be entitled to conduct such due diligence as is necessary or desirable to confirm the accuracy of Seller representations and warranties in this Agreement and the satisfaction of Conditions Precedent to Closing.

6.2 Court Approval Procedures. Unless waived by both Seller and Buyer in writing, the following sale procedures shall be undertaken.

(a) Auction Procedures. Seller shall file the Sale Procedures Motion in the form mutually agreed to between Buyer and Seller as of the date hereof with the Bankruptcy Court no later than May 4, 2009 (with notice to all 30 members of the NHL), and providing for an Auction and hearings on sale approval no later than the week of June 8, 2009, and a Sale Approval Order as soon as possible thereafter and in any event no later than June 29, 2009,

(i) using this Agreement with Buyer as its stalking-horse bid,

(ii) requiring that any overbid provide for payment of the purchase price in all cash (with no financing condition to closing, and with a personal guarantee or guarantees by persons with sufficient assets and liquidity to pay the overbid Purchase Price, and damages pursuant to Section 8.2(b)), with a deposit of not less than \$20 million, and that any overbid must exceed the immediately preceding bid by at least \$5 million,

(iii) providing for a break up fee of \$4 million if the Acquired Assets are sold to another bidder at a higher price than Buyer's,

(iv) determining the highest and best bid first without consideration of NHL consent or approval, which consent may thereafter be taken into consideration by the Bankruptcy Court; and

(v) providing specific language in the notice of such sale to all members of the NHL regarding, with specificity, the relief requested in the Sale Approval Order to be issued by the Bankruptcy Court in accordance with subsection (b), below, including subsection (b)(iv).

(b) Sale Approval Order. If Buyer's bid is approved by the Bankruptcy Court, the Sale Approval Order by the Bankruptcy Court shall be acceptable in form and substance to Buyer in Buyer's reasonable discretion, which Sale Approval Order will be deemed to be acceptable if it includes the following provisions, without other provisions unacceptable to Buyer in its reasonable discretion:

(i) providing that Buyer shall not incur any liability as a successor to the Seller unless such liability is expressly assumed,

(ii) approving the sale of the Acquired Assets to Buyer on the terms and conditions set forth in this Agreement, or such higher and better terms and conditions offered at the Auction, and authorizing Seller to proceed with this transaction,

(iii) stating that any objections timely filed with respect to the sale of the Assets, which have not been withdrawn, are overruled or the interests of such objecting parties have been otherwise satisfied or adequately provided for by the Bankruptcy Court,

(iv) holding that, if NHL and those of its constituent members that have, or claim to have, consent rights pursuant to the last two sentences of Article 4.3 of the NHL Constitution, does not consent in writing to transfer and/or assumption and assignment (as applicable) of the Franchise to Buyer to be performed by Buyer with its home games to be played at the location of Buyer's choice in Southern Ontario, Canada subject to terms and conditions no less advantageous than those currently enjoyed by the Toronto Maple Leafs hockey team (which, for greater certainty, shall not include any obligation of Buyer to provide any payments or other consideration to the NHL or any of its constituent members), (1) such written consent was deemed given, or objections to such operations were waived, and/or (2) the restrictions on assignment to Buyer do not bar transfer, assumption and assignment under Bankruptcy Code § 363(f)(4) and 365(b)(2), (c)(1), (f)(1), and they are transferred and assigned free and clear of any such claims, rights or objections as set forth in the Order and as set forth in subsection (viii), below,

(v) finding that the Purchase Price (as approved in the Sale Approval Order) represents fair value for the Acquired Assets,

(vi) finding that the sale is in the best interests of Seller's estate and creditors,

(vii) finding that Buyer is a good faith purchaser of the Assets under Section 363(m) of the Bankruptcy Code and that the provisions of Section 363(m) of the Bankruptcy Code have not been violated and Buyer is entitled to all protections of Section 363(m),

(viii) providing that the sale of the Acquired Assets to Buyer shall be free and clear of all liens, claims, interests, obligations and encumbrances

whatsoever under Section 363 of the Bankruptcy Code and any other applicable sections of the Bankruptcy Code, including claims of the NHL, its related entities, and those of its constituent members that have, or claim to have, consent rights pursuant to the last two sentences of Article 4.3 of the NHL Constitution for relief of any kind on account of the sale and Buyer's relocation of the Team and Franchise to the location of Buyer's choice where the Franchise's home games will be played in Southern Ontario, Canada, whether such member is located in the United States or Canada.

(ix) providing that the Bankruptcy Court shall retain jurisdiction for the purpose of enforcing the provisions of the Sale Approval Order including, without limitation, compelling delivery of the Acquired Assets to Buyer and protecting Buyer against any liens, claims, interests, obligations and encumbrances against Seller or the Acquired Assets as transferred to Buyer, and to the extent permitted by applicable law granting Injunctive Relief, including permanently enjoining each and every holder of any claim for such liabilities, wherever located, from commencing, continuing or otherwise pursuing or enforcing any remedy, claim, cause of action or encumbrance against Buyer or the Acquired Assets,

(x) finding that there are no brokers involved in consummating the sale and no brokers' commissions are due,

(xi) authorizing and directing Seller to execute, deliver, perform under, consummate and implement this Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the foregoing, and

(xii) determining that Buyer is not a successor to Seller or otherwise liable for any liabilities not expressly assumed.

Seller shall use commercially reasonable efforts to obtain entry of the Sale Approval Order in the form described herein. Buyer's obligations to consummate the transactions contemplated herein shall be conditioned upon the Bankruptcy Court's entry of the Sale Approval Order in the form described herein, which shall be in form and substance satisfactory to Buyer in its reasonable discretion.

6.3 Canadian Court Proceedings. If requested by Buyer, Seller will promptly commence court proceedings in the Canadian city and court requested by Buyer (the "**CCAA Court**") under the CCAA and/or as otherwise directed by Buyer with such notice to third parties as Buyer may request in addition to notice deemed appropriate by Seller for the purpose of authorizing and/or enforcing the sale, including the provisions of Section 6.2(b) hereof. Seller will use its best efforts to: (a) obtain any order or decision in such proceedings as soon as possible, and (b) make such order or decision a Final Order by August 31, 2009, and will support the participation of Buyer in such proceedings. Upon Closing of the sale as contemplated in this Agreement, Buyer shall have the right to designate an appropriate estate representative in the CCAA Court proceedings to make necessary decisions for Seller related to the order or decision being sought, provided further that all further activities in the

proceeding at that time will be borne by Buyer, and the costs and expenses, including attorneys' fees, related to all further activities in the proceeding from and after the Closing will be borne by Buyer.

6.4 Plan. Should Seller file a Plan in its Bankruptcy Proceeding, if any appeal of the Sale Approval Order is then pending, the Plan will include an injunction or other provisions reconfirming and further implementing the Sale and this Agreement, and Buyer shall have the right to approve such Plan provisions, which review and consent rights shall not be unreasonably withheld.

6.5 Further Assurances. Each of the Seller and Buyer agree that, from time to time, whether before, at, or after the Closing, it shall execute, deliver, and record such further instruments of conveyance and transfer and take such other action as may be necessary or desirable to carry out the purposes and intents of this Agreement.

6.6 Operation of the Business of Seller. Until the Closing, in each instance with respect exclusively to the Business, unless consented to in writing by Buyer (which consent shall not be unreasonably withheld, delayed, or conditioned), Seller shall:

(a) Preservation. Use commercially reasonable efforts to preserve intact its current business organization, keep available the services of its officers, employees, and agents and maintain its relations and goodwill with suppliers, customers, landlords, creditors, employees, agents, and others having business relationships with Seller;

(b) Changes. Confer with Buyer prior to implementing operational decisions of a material nature;

(c) Maintenance. Not dispose of or transfer Acquired Assets (including the disposition or transfer of any Tangible Personal Property) except in the ordinary course of business; and maintain the Acquired Assets in a state of repair and condition that materially complies with Legal Requirements and is consistent with Seller's ordinary course of business;

(d) Compliance. Comply in all material respects with all Legal Requirements and contractual obligations applicable to the operations of the Business;

(e) Consents. Cooperate with Buyer in good faith and in a commercially reasonable manner, but without incurring any material cost or expense, to assist Buyer in identifying and obtaining any Consents required by Buyer to operate the Business from and after the Closing Date, provided that Seller will be responsible for obtaining Consents pursuant to Section 7.1(d) prior to Closing;

(f) Books. Maintain all Books and Records relating to the Business in the ordinary course of business;

(g) Other Actions. Do or refrain from doing all acts and things in order to (i) ensure that the representations and warranties in Articles IV remain true and correct at the Closing as if such representations and warranties were made at and as of such date,

and (ii) to satisfy or cause to be satisfied the conditions in Article VII which are within its control;

(h) without limiting the generality of the foregoing, unless otherwise agreed to in writing by Buyer, Seller will re-sign all restricted free agents and will not trade or release any players or draft picks, and if the Sale Approval Order is entered by the Bankruptcy Court prior to the NHL entry draft, Seller shall draft players in the NHL entry draft at the direction of the Buyer.

6.7 Inspection of Books and Records. Buyer shall permit Seller and its Representatives, at Seller's expense, at reasonable times during business hours, and upon reasonable notice, to inspect all relevant files, books, records, and accounts of the Business transferred to the Buyer hereunder that Buyer has in its possession at the time of that request, as well as provide Seller with access to, and the cooperation of, any employee having knowledge of the information therein contained, if that inspection, access, and cooperation would serve a reasonable purpose, including without limitation (a) preparation for proceedings to which the Seller is a party relating to the Business prior to the date of this Agreement or (b) performance of accounting reviews or audits of the Business relating to periods prior to the Closing Date.

6.8 DIP Financing. An affiliate of Buyer shall provide (unless Seller obtains such financing from another source) DIP Financing to Seller from the commencement of the Bankruptcy Proceeding until the earlier of the Closing or the termination of this Agreement as provided herein, for a \$5,000,000 Postpetition Retainer for all of the Seller's professionals (the "**Postpetition Retainer**") and otherwise in accordance with the DIP Budget previously approved by the parties through July 31, 2009 and with DIP Budgets approved by the parties from time to time for periods thereafter, pursuant to a separate DIP Financing Agreement and Bankruptcy Court order. The initial amount of such DIP Financing shall be up to \$17,000,000 (including the Postpetition Retainer) estimated to be the amount needed to fund operations of the Team and expenses of the Bankruptcy Proceeding through June 30, 2009 (and an additional \$4,500,000 for each month thereafter), with such initial amount to be funded into a bank account of the DIP Lender entity or trust account of the DIP Lender's attorneys concurrent with the execution of this Agreement, and transferred to and maintained in such account for the term of the DIP Financing, except for such amounts as are provided to Seller, and with the commitment to continued funding thereafter subject to approved DIP Budgets through the Closing Date or Termination.

6.9 HSR Filing. Seller and Buyer shall, as promptly as practicable, but in no event later than ten (10) business days following the execution and delivery of this Agreement, submit all filings required by the HSR Act (the "**HSR Filing**") to the DOJ and/or any other Governmental Body, as appropriate and thereafter provide any supplemental information requested in connection therewith pursuant to the HSR Act and make any similar filing within, to the extent reasonably practicable, a similar time frame with any other Governmental Body for which such filing is required. The amount of any filing fees required to be paid in connection with filings made pursuant to this Section 6.9 shall be paid from the DIP Financing. Any such notification and report form and supplemental information will be in substantial compliance with the requirements of the HSR Act or other applicable antitrust

regulation. Seller and Buyer shall furnish to the other such necessary information and reasonable assistance as the other may request in connection with its preparation of any filing or submission which is necessary under the HSR Act or other applicable antitrust regulation. Each of Seller and Buyer shall promptly inform the other party of any material communication received by such party from any Governmental Body in respect of the HSR Filing. Each of Seller and Buyer shall (a) use its respective best efforts to comply as expeditiously as possible with all requests of any Governmental Body for additional information and documents, including, without limitation, information or documents requested under the HSR Act or other applicable antitrust regulation; (b) not (i) extend any waiting period under the HSR Act or any applicable antitrust regulation or (ii) enter into any agreement with any Governmental Body not to consummate the transactions contemplated by this Agreement, except, in each case, with the prior consent of the other party; and (c) cooperate with the other and use best efforts to contest and resist any action, including legislative, administrative or judicial action, and to have vacated, lifted, reversed or overturned any Order (whether temporary, preliminary or permanent) that restricts, prevents or prohibits the consummation of the transactions contemplated by this Agreement. Notwithstanding the foregoing or any other covenant herein contained, nothing in this Agreement shall be deemed to require any party to this Agreement or any of their respective Affiliates (i) to divest or hold separate any assets or agree to limit future activities, method or place of doing business, (ii) to commence any litigation against any entity in order to facilitate the consummation of the transactions contemplated in this Agreement, or (iii) to defend against any litigation brought by any Governmental Body seeking to prevent the consummation of, or impose limitations on the transactions contemplated in this Agreement.

ARTICLE VII

CONDITIONS PRECEDENT TO CLOSING

7.1 Conditions Precedent to Obligations of the Buyer. The obligation of Buyer to pay the Purchase Price and consummate the transactions contemplated by this Agreement is subject to satisfaction, or waiver by the Buyer, of the following conditions at or before the Closing:

(a) the representations and warranties made by the Seller in this Agreement were accurate in all material respects as of the date of this Agreement and will be accurate in all material respects on the Closing Date;

(b) the Bankruptcy Court has entered the Sale Approval Order which, if not a Final Order, has not been stayed or postponed or prohibited in effect in whole or part by any court or Governmental Body, and meets the requirements of Section 6.2(b) of this Agreement;

(c) Seller has complied in all material respects with those obligations that it is required to comply with before the Closing Date;

(d) Seller has obtained any Consent, given any notice, and made any filing required in connection with its execution and delivery of this Agreement and each of the

other Transaction Documents to which it is party and its performance of its obligations hereunder and thereunder, except such Consents as Buyer agrees may be obtained and determined in conjunction with confirmation and approval of the Plan;

(e) the waiting period applicable to the purchase and sale of the Acquired Assets under the HSR Act shall have expired;

(f) no statute, rule or regulation shall have been enacted or promulgated by any Governmental Body which prohibits the consummation of the transactions contemplated hereby; and there shall be no order or injunction of a court of competent jurisdiction in effect precluding consummation of such transactions;

(g) since the date of this Agreement, there shall not have been commenced or threatened against the Buyer or Seller, or against any Person affiliated with the Buyer or Seller, any proceeding by a Governmental Body: (a) involving any challenge to, or seeking damages or other relief in connection with the transactions contemplated hereby, or (b) that may have the effect of preventing, delaying, making illegal, or otherwise interfering with any of such transactions;

(h) the Seller has delivered the NHL Accounts Shortfall certification of its Chief Financial Officer;

(i) the Buyer has received the following items (the “**Seller Deliverables**”) through the Escrow:

(i) a bill of sale substantially in the form of Exhibit B (the “**Bill of Sale**”), signed by the Seller;

(ii) an assignment and assumption agreement substantially in the form of Exhibit C (the “**Assignment and Assumption Agreement**”), signed by the Seller.

7.2 Conditions to Obligations of the Seller. The obligation of Seller to consummate the transactions contemplated by this Agreement as of the Closing is subject to receipt by the Escrow Agent of the full Purchase Price in accordance with Section 3.4 of this Agreement, the entry of the Sale Approval Order as provided in Section 7.1(b), and the expiration of the waiting period under the HSR Act and absence of any action by a Governmental Body as provided in Section 7.1(e), (f) and (g).

ARTICLE VIII

TERMINATION PRIOR TO CLOSING

8.1 Termination Events. By notice given prior to or at the Closing, subject to Section 8.2, this Agreement may be terminated as follows:

(a) Seller Breach. By Buyer, if a Breach of any provision of this Agreement has been committed by Seller and such Breach has (i) not been waived by Buyer or (ii)

not been cured within five (5) Business Days after Buyer has notified Seller of its intent to terminate this Agreement pursuant to this Section 8.1(a);

(b) Buyer Breach. By Seller, if a Breach of any provision of this Agreement has been committed by Buyer and such Breach has (i) not been waived by Seller or (ii) not been cured within five (5) Business Days after Seller has notified Buyer of its intent to terminate this Agreement pursuant to this Section 8.1(b);

(c) Failure to Receive Sale Approval Order of the Bankruptcy Court Free of Stay on or Before June 29, 2009. By Buyer, if the condition precedent described in Section 7.1(b) of this Agreement relating to the Sale Approval Order of the Bankruptcy Court has not been satisfied on or before the close of business, Phoenix, Arizona time, on June 29, 2009.

8.2 Effect of Termination. If this Agreement is terminated pursuant to Section 8.1 or any other provision of this Agreement permitting termination, all obligations of the Parties under this Agreement will terminate, except that this Section 8.2 and Article IX, will survive; provided, however,

(a) if this Agreement is terminated by Buyer pursuant to Section 8.1(a) or Section 8.1(c), (i) Buyer's Escrow Deposit and all accrued interest thereon will be refunded to Buyer, less applicable Escrow Agent fees, and (ii) Buyer's rights to pursue all legal remedies for any Breach of this Agreement by Seller shall survive such termination;

(b) if this Agreement is terminated other than by Buyer pursuant to Section 8.1(a) or Section 8.1(c), (i) Buyer's Escrow Deposit and all accrued interest thereon will be disbursed to Seller, less applicable Escrow Agent fees, and (ii) Seller's rights to pursue all legal remedies against Buyer for any Breach of this Agreement by Buyer shall survive such termination, except that any damages resulting from such Breach shall be offset by the amount of the Escrow Deposit disbursed to Seller, and the amount by which Seller has mitigated its damages, including by selling the Acquired Assets to other parties, which Seller shall be obligated to undertake in good faith.

ARTICLE IX

MISCELLANEOUS

9.1 Contents of Agreement; Parties in Interest. This Agreement (including agreements incorporated herein) and the Schedules and Exhibits hereto contain the entire agreement between the Parties regarding the subject matter hereof, and there are no agreements, understandings, representations, or warranties between the Parties other than those set forth herein.

9.2 Successors and Assigns; Assignment. Neither this Agreement nor any right, interest, or obligation hereunder may be assigned by any party hereto without the prior written consent of the other Party hereto and any attempt to do so will be void, except that Buyer may assign any or all of its rights, interests and obligations hereunder to any post-Closing

purchaser of the Business or a substantial part of the Assets (whether by operation of law or otherwise), but no such assignment shall relieve Buyer of its obligations hereunder. Subject to the preceding sentence, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the Parties hereto and their respective successors and assigns.

9.3 Severability. The Parties hereto expressly agree that it is not the intention of any Party hereto to violate any public policy, statutory, or common law rules, regulations, treaties, or decisions of any government or agency thereof. If any provision of this Agreement is judicially or administratively interpreted or construed as being in violation of any such provision, such articles, sections, sentences, words, clauses, or combinations thereof shall be inoperative, and the remainder of this Agreement shall remain binding upon the Parties hereto.

9.4 Counterparts. This Agreement may be executed in any number of counterparts, and each counterpart shall constitute an original instrument, but all such separate counterparts shall constitute one and the same agreement.

9.5 Governing Law. The validity, construction, and enforceability of this Agreement shall be governed in all respects by the laws of the State of Arizona, without regard to its conflict of laws rules.

9.6 Waiver of Provisions. The terms, covenants, representations, warranties, and conditions of this Agreement may be waived only by a written instrument executed by the Party waiving compliance. The failure of any Party at any time to require performance of any provisions hereof shall, in no manner, affect the right at a later date to enforce the same. No waiver by any Party of any condition, or breach of any provision, term, covenant, representation, or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation, or warranty of this Agreement.

9.7 Costs. If any legal Action or any arbitration or other proceeding is brought because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the successful or prevailing Party or Parties shall be entitled to recover reasonable attorneys' fees and other costs incurred in that Action or proceeding, in addition to any other relief to which it or they may be entitled.

9.8 Expenses. Except as set forth herein, each Party will bear its own expenses in connection with the transactions described herein (including without limitation all fees of counsel, consultants, and accountants).

9.9 Section Headings and Gender. The article and section headings herein have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms or provisions hereof. The use of the masculine pronoun herein when referring to any Party has been for convenience only and shall be deemed to refer to the particular Party intended regardless of the actual gender of such Party.

9.10 Notices. All notices, demands, and statements will be in writing and will be given by (a) personal delivery, (b) facsimile or electronic mail, or (c) overnight delivery, by a

courier service such as Federal Express where there is written evidence of delivery, addressed to the Parties at the addresses appearing below or at such other place as a Party may designate in writing to the other Party. The date notice is deemed to have been given and to have become effective will be (i) the date on which the notice is delivered, if notice is given by personal delivery or overnight delivery or by electronic mail or facsimile with a response to the sender that day, and (ii) the next Business Day after a facsimile or electronic mail is sent if no response is delivered that day.

Notice Addresses.

If to Seller:

Coyotes Hockey, LLC
c/o Coyotes Holdings, LLC
P.O. Box 1397
Tolleson, AZ 85353
ATTN: Jerry Moyes, Manager
Fax no.: (602) 275-6417
Email address: jerry_moyes@swifttrans.com

Or (if via overnight delivery)

2200 South 75th Avenue
Phoenix, AZ 85043
ATTN: Jerry Moyes, Manager

with a copy to:

Squire, Sanders & Dempsey LLP.
40 North Central Avenue, Suite 2700
Phoenix, AZ 85004
ATTN: Thomas J. Salerno
Fax no.: (602) 253-8129
Email address: tsalerno@ssd.com

If to Buyer:

PSE Sports & Entertainment LP
c/o A. Richard Rodier
618 Vesta Drive
Toronto, Ontario
Canada. M5N 1H9
Fax no.: (416) 863-1716 (c/o Gary Solway)
Email address: rrodier@richardrodierlaw.com

with a copy to:

Lewis and Roca LLP
40 N. Central Avenue
Phoenix, Arizona 85004

ATTN: Susan M. Freeman
Fax no.: (602) 734-3824
Email address: SFreeman@LRLaw.com

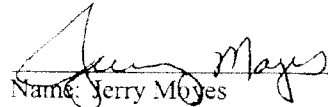
9.11 Exhibits. All exhibits referred to in this Agreement are intended to be and are hereby specifically made a part of this Agreement and incorporated herein by reference.

EXECUTED as of the date first above written.

SELLER:

COYOTES HOCKEY, LLC, a Delaware limited liability company

By: Its Managing Member, Coyotes Holdings LLC, a Delaware limited liability company

By: 
Name: Jerry Moyes
Title: Manager

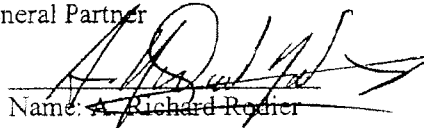
BUYER:

PSE SPORTS & ENTERTAINMENT LP, a Delaware limited partnership

By: PSE SPORTS & ENTERTAINMENT GP, INC.

Its: General Partner

By:


Name: ~~A. Richard Rodier~~

Title: Vice President

GUARANTY

The undersigned, James Balsillie ("Guarantor"), hereby guarantees to Seller as follows:

(a) upon entry of the Sale Approval Order as provided in Section 6.2(b), Guarantor will cause the Buyer to transfer the Purchase Price balance (including the then-estimated Section 3.1(d) amount, subject to adjustment at Closing) into the Escrow Account holding the Escrow Deposit;

(b) if the Closing does not occur because of the Buyer's default despite all Conditions Precedent in Article VII of this Agreement having been met, Guarantor will guaranty payment of Buyer's damages recovery pursuant to Section 8.2(b).

(c) if an affiliate of Buyer provides DIP Financing pursuant to Section 6.8 of this Agreement, and amounts in excess of the initial \$17,000,000 funding are required as provided in Section 6.8, Guarantor will cause such amounts to be funded.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty on the ___ day of May, 2009.

James Balsillie