

This is Google's cache of http://www.hockeybuzz.com/blog.php?post_id=53294. It is a snapshot of the page as it appeared on Aug 12, 2013 18:21:01 GMT. The [current page](#) could have changed in the meantime. [Learn more](#)

Tip: To quickly find your search term on this page, press **Ctrl+F** or **⌘-F** (Mac) and use the find bar.

[Text-only version](#)



Bloggers ▾ My HockeyBuzz Cap Central Fantasy Forums Store Videos RSS

[Season Ticket](#) [Login](#) [Free Registration!](#)

Wanna blog? Start your own hockey blog with My HockeyBuzz. Register for free today!

Gene Melnyk Money VIII: More Loans

2 people like this. Be the first of your friends.

August 10, 2013, 1:09 PM ET [27 Comments] 0

Travis Yost

Ottawa Senators Blogger • [RSS](#) • [Archive](#) • [CONTACT](#)

Make sure to follow Travis on [Twitter!](#)

Allow me to circle back a minute on a financial advisor for Eugene Melnyk's Trimel Corporation. I've written about Brian Crombie [in the past](#), particularly noting the following oddities: his job description for work completed at Trimel was actually work completed for the Ottawa Senators; and said job description made reference to another loan for the Ottawa Senators at some point during 2012, something that had never been previously reported.

A refresher on the blip in his resume:

Trimel, Mississauga and Barbados Financial and Strategic Advisor – Part time

- Negotiated, structured and financed the purchase of the Ottawa Senators Hockey Club and The Corel Centre. This transaction involved the purchase from the bankruptcy court of the assets of the two entities, negotiating with two receivers, and the creditor group to the team, the prior owners, the secured lender of the building, the NHL, the City of Ottawa and the Province of Ontario. This also entailed financing on a non recourse basis half of the purchase price and a recourse loan on the balance. Then appointed a Team Director and an associate Governor to the NHL Board of Governors. In 2006 led a recapitalization financing with a Canadian and International syndicate which more than doubled the original debt. In 2012 performed analysis of financial options and worked on take out financing.

Trimel Corporation released their Consolidated Financial Statements for Q2 on July 31, 2013. The section on long-term debt was interesting:

LONG-TERM DEBT

On July 18, 2012, the Company entered into a loan and security agreement for \$7,500,000. According to the loan agreement, the loan accrues interest at 10.75% per year and is repayable in scheduled monthly principal installments of \$250,000 commencing February 1, 2013 through to July 1, 2015 in addition to monthly interest payments. The loan is subject to a prepayment feature and repayment on demand at any time should certain events of default occur. The prepayment feature represents an embedded derivative of nominal value at inception and as at June 30, 2013. The Company has granted security over all of its assets and is required to maintain a minimum cash balance of \$3,750,000.

One of two conclusions can be made: (1) the Ottawa Senators *and* Trimel took out another series of loans in 2012; or (2) the Ottawa Senators are paying the loan Trimel took out in 2012, and Eugene Melnyk's businesses are more or less functioning as one larger entity. Neither is particularly encouraging.

Most Discussed Blogs

- Mike Augello writes...
Team Canada's Choices - Goaltending For Sochi
- Richard Cloutier writes...
Which Team is the Most Interesting in the NHL, Part 2
- Ian Esplen writes...
The cupboard is filling up - Top 10 Canucks prospects
- Bill Meltzer writes...
Meltzer's Musings: Monday Quick Hits
- Mike Augello writes...
Free(Agent) Grabovski, Prospect Everson Reinstated
- Eklund writes...
Gagne Still Focused on Staying in Philly
- GARTH writes...
Future Consideration
- Travis Yost writes...
Answer This Question
- Richard Cloutier writes...
Oilers One of the Oldest Teams in the League?
- John Jaeckel writes...
Did Kane Really Deserve the Smythe?

Perhaps that's the reason why people are upset over a playoff-team with a blessing of young talent playing it cheap on a \$50MM internal budget. Perhaps that's the reason why people aren't carrying Eugene Melnyk's water as he tries to make a last-ditched effort to land another revenue stream courtesy a nearby casino. And, perhaps that's the reason why people aren't buying the nonsense peddled by the owner on the hockey team's allegedly hemorrhaging financials.

Last night's [interview](#) shed a lot of light on Ottawa / Eugene Melnyk's state of finances. Melnyk was clear and concise: the team isn't going to be spending much in the foreseeable future, and Bryan Murray was either lying or covering for the owner / team when he told Daniel Alfredsson that he could land Bobby Ryan *and* provide a blank check to Ottawa's seventeen-year captain.

The problem is that no one can keep their story straight right now, and every time new details emerge, we find a higher-up in the organization contradicting what another higher-up said previously.

--

Thanks for reading!



Join the Discussion: » [27 Comments](#) » [Post New Comment](#)

More from Travis Yost

- » [The Highs and the Lows](#)
- » [Answer This Question](#)
- » [Why Can't the Ottawa Senators Afford Anything?](#)
- » [Age and Ice Time](#)
- » [El Capitan?](#)

[Contact Us](#) | [Privacy Policy](#) | [Terms of Use](#) | [Code of Conduct](#) | [FAQ](#)

Copyright © 2005-2013 Eklund's Hockey, LLC. All rights reserved. This material may not be published, broadcast, rewritten or redistributed in any form. Please click above for legal restrictions and terms of use applicable to this site. Use of this site signifies your agreement to the Terms of Service.

YARDBARKER.com
with POKERPOETS.COM on mind