

FIREARM PURCHASE AND RESALE AGREEMENT

This agreement is entered into by and between Weber County, a political subdivision of the State of Utah ("County") and Rocky Mountain Gun & Pawn LLC, DBA Kent's Sport Store & Pawn, a Utah LLC ("Contractor"). County and Contractor shall be individually referred to herein as a "Party" or collectively as the "Parties." This Agreement is effective as of the last signature date of the Parties herein ("Effective Date").

WHEREAS, the County has firearms at the Weber County Sheriff's Office that are no longer needed as evidence and that the County is authorized to dispose of under applicable law, including Utah Code § 77-11a-402 and § 77-11a-403;

WHEREAS, Utah Code § 77-11a-403 permits an agency, as one disposal method, to sell a confiscated or unclaimed firearm to a federally licensed firearms dealer;

WHEREAS, the County desires to sell eligible firearms to Contractor (a federally licensed firearms dealer) under a formula-based purchase price, and Contractor desires to purchase and then resell the firearms to lawful purchasers in compliance with state and federal law;

WHEREAS, Contractor has a current contract with Ogden City to purchase and resell Eligible Firearms and is therefore authorized to provide said service to County pursuant to Weber County Code § 3-4-6(b)(3); and

WHEREAS, County desires to enter into a similar purchase and resale contract with Contractor;

NOW, THEREFORE, in consideration of the mutual covenants and agreements stated herein, the parties do mutually agree as follows:

1. Definitions.

"Eligible Firearm(s)" means firearms the County delivers to Contractor under this Agreement that the County represents it is authorized to sell and dispose of under applicable law.

"Gross Resale Price" means the total amount of consideration actually received by Contractor from the retail purchaser for the firearm itself, excluding (i) sales tax, and (ii) any background check/transfer fee separately stated and collected for the transaction. If shipping is separately stated and collected from the purchaser, shipping is excluded from Gross Resale Price; if shipping is not separately stated, it is included.

"Purchase Price" means the amount Contractor owes the County for each Eligible Firearm, calculated under Section 4.

2. Scope of Agreement. County agrees to sell Eligible Firearms to Contractor, and Contractor agrees to purchase and resell Eligible Firearms as set forth below and as further described in Exhibit "A" attached.

- (a) **Sale and Purchase of Eligible Firearms.** Subject to the terms of this Agreement, the County shall sell, transfer, and deliver to Contractor, and Contractor shall purchase from the County Eligible Firearms. The Parties intend that each transfer under this Agreement constitutes a sale by the County to a federally licensed firearms dealer as contemplated by Utah Code § 77-11a-403.
- (b) **No Agency.** Contractor is not acting as the County's agent, consignee, broker, or auctioneer. Contractor purchases Eligible Firearms for resale in Contractor's ordinary course of business and bears the responsibilities and risks of resale as provided in this Agreement.
- (c) **Contractor Resale Responsibilities.** After purchase, Contractor may, in Contractor's discretion, inspect, research, clean, photograph, price, list, market, and resell Eligible Firearms to lawful purchasers. Contractor shall comply with all applicable federal, state, and local requirements for retail firearm sales, including required background checks, transfer procedures, and recordkeeping.
- (d) **Pricing.** Contractor shall determine the resale price and sales channel for each Eligible Firearm in Contractor's sole business discretion; provided, however, that the County's purchase price is calculated as set forth in Section 4 (Purchase Price).
- (e) **Reporting and Remittance.** Contractor shall provide the County a monthly reconciliation and remit amounts due under Section 4 for Eligible Firearms resold during the reporting period.
- (f) **Rejection of Firearms.** Contractor may reject any firearm delivered that (i) does not match the County's inventory list, (ii) appears to have an altered/obliterated serial information, (iii) appears unsafe/unfit for sale, or (iv) cannot be lawfully sold. Rejected firearms shall be returned to the County promptly, and no purchase shall occur for rejected firearms.

3. Time of Performance. This Agreement shall commence on the Effective Date and shall continue until December 31, 2029 unless sooner terminated under other terms of this agreement.

4. Purchase Price.

- (a) **Purchase Price Formula.** For each Eligible Firearm resold by Contractor during the Term, Contractor shall pay the County a Purchase Price equal to seventy-five percent (75%) of the Gross Resale Price for that Eligible Firearm. Contractor shall retain the remaining twenty-five percent (25%) of the Gross Resale Price as Contractor's resale margin/compensation for performing under this Agreement, including ordinary listing and platform costs, packing expenses, and overhead.
- (b) **Monthly Remittance.** No later than the 10th day of each month, Contractor shall remit to the County all Purchase Prices due for Eligible Firearms resold in the prior month, together with a reconciliation report described below.

- (c) **Reconciliation Report.** The monthly reconciliation report shall, at a minimum, include for each firearm sold: (i) make/model, (ii) serial number, (iii) date delivered, (iv) date sold, (v) Gross Resale Price, (vi) excluded amounts (tax/background check/transfer fee and separately stated shipping, if any), (vii) Purchase Price (75%), and (viii) amount retained by Contractor (25%).
- (d) **Books and Records.** Contractor shall retain supporting records for at least six years and shall make non-confidential supporting documentation available to the County for verification upon reasonable notice. Contractor shall reasonably cooperate with the County in responding to public accountability, audit, or records requests related to the disposition of public property; provided, however, the County acknowledges Contractor may redact confidential customer information and proprietary business information to the extent permitted by law.
- (e) **No County Control.** The County shall not direct Contractor's buyer selection, retail transfer process, or resale pricing decisions. Contractor is solely responsible for lawful resale.

5. Transfer of Title.

- (a) **Delivery and Acceptance.** Upon Contractor's acceptance of Eligible Firearms, the County transfers to Contractor all right, title, and interest the County has in the Eligible Firearms delivered, as-is, where-is, without warranty except as expressly stated in this Agreement.
- (b) **Risk of Loss.** Risk of loss and responsibility for safekeeping transfers to Contractor upon acceptance.
- (c) **Loss After Acceptance.** If any Eligible Firearm is lost, stolen, or materially damaged after acceptance and before resale, Contractor shall promptly notify the County and law enforcement as appropriate and shall remain responsible to the County for the Purchase Price that would have been due upon resale unless the Parties agree in writing to an alternative resolution for that firearm.

6. Termination for Convenience. The County or Contractor may terminate the Agreement at any time by giving written notice to the other and specifying the effective date thereof, at least thirty (30) days before the effective date of such termination. Within 10 days after the effective date of termination, Contractor shall provide the County a final inventory report identifying: (i) all Eligible Firearms delivered, (ii) those resold (with Gross Resale Price and Purchase Price), and (iii) those remaining unsold in Contractor's possession.

For Eligible Firearms remaining unsold as of termination, Contractor shall pay the County an amount for each unsold Eligible Firearm equal to 75% of the firearm's Fair Market Value as of termination. Contractor shall pay the inventory settlement amounts within 30 days after termination.

7. Non-assignability. Contractor shall not assign any interest in this Agreement.

8. Interest of Contractor. Contractor covenants that Contractor presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner

or degree with the performance of the services hereunder. Contractor further covenants that in the performance of this Agreement no person having such interest shall be employed.

9. Insurance requirements. Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by Contractor, its agents, representatives, employees or subcontractors. The amount of insurance shall not be less than:

(a) **Combined General Liability:** Minimum of \$3,000,000 commercial general liability coverage with \$1,000,000 for each occurrence. Policy to include coverage for operations, contractual liability, personal injury liability, products/completed operations liability, broad-form property damage (if applicable) and independent contractor's liability (if applicable) written on an occurrence form.

(b) **Business Automobile Liability:** \$1,000,000 combined single limit per occurrence for bodily injury and property damage for owned, non-owned and hired autos.

(c) **Workers' Compensation and Employers' Liability:** Worker's Compensation limits as required by the Labor Code of the State of Utah and employer's liability with limits of \$1,000,000 per accident.

Contractor's insurer must be authorized to do business in Utah at the time the contract is executed (and throughout the time period the contract is maintained), unless otherwise agreed in writing by the County. Failure to maintain or renew coverage or to provide evidence of renewal will be treated by County as a material breach of contract.

The County reserves the right to require complete, certified copies of all required insurance policies at any time.

10. Indemnification. Contractor agrees to indemnify and hold harmless County and its elected officials, authorized agents, officers, employees, and volunteers from and against any and all claims, damages, demands, actions, costs, liabilities, and charges arising out of or in any way connected or associated with this contract.

11. Notice. Any notice, or notices, required or permitted to be given pursuant to this Agreement, may be personally served on the other party by the party giving such notice, or may be served by certified mail, return receipt requested, to the following addresses:

County: Weber County Sheriff's Office
1400 Depot Drive
Ogden, Utah 84404
Attn: Curtis Jeffries
(801) 778-6605

Contractor: Kent's Sports Store & Pawn
Hiram Barker
307 Washington Blvd.

Ogden UT, 84404
(801) 394-8487

12. Independent Contractor. Contractor is independent of the County and shall perform all services according to its own methods without being subject to the control of the County except as to the results obtained. The County shall not carry Worker's Compensation insurance or any health or accident insurance to cover Contractor. The County shall not pay nor be responsible for any contribution to Social Security, unemployment insurance, federal or state withholding taxes, nor provide any other contributions or benefits which might be expected in an employer-employee relationship. Contractor, as an independent contractor, shall provide and be responsible for any and all of Contractor, and its employees or agents, Worker's Compensation contributions, federal and state withholding, unemployment compensation contributions and social security tax withholding, etc. Contractor agrees to report and pay any contributions for taxes, unemployment insurance, Social Security and other benefits.

13. When Rights and Remedies Not Waived. In no event shall any payment by County hereunder constitute or be construed to be a waiver by County of any breach of conditions or any default which may then exist, or while any such breach or default shall exist, in no way impair or prejudice any right or remedy available to County with respect to such breach or default.

14. Integrated Document. This Agreement embodies the entire agreement between County and Contractor for the scope of services and the terms and conditions. No verbal agreements or conversations with any officer, agent or employee of County prior to the execution of this Agreement shall affect or modify any of the terms or obligations contained in any documents comprising this Agreement. Any such verbal agreement shall be considered as unofficial information and in no way binding upon County.

15. Compliance with Laws. Contractor shall comply with all laws, ordinances, regulations, rules, etc., of the federal, state and local governments in connection with the performance of this Agreement.

16. Severability of Provisions. If any provisions of this Agreement are held invalid, the remainder of this Agreement shall not be affected thereby if such remainder would then continue to conform to the terms and requirements of applicable law.

17. Modifications. No oral modifications or amendments to this Agreement shall be effective, but this Agreement may be modified or amended by written agreement.

18. Governing Law. This Agreement, its terms and conditions, shall be governed by Utah law.

19. Employment Status Verification. Contractor shall register and participate in the Status Verification System and comply with Utah Code Ann. Section 63G-12-302 of the Utah Immigration Accountability and Enforcement Act.

20. Public Contract Boycotting Restriction. Contractor certifies it is in compliance with the public contract boycotting restrictions set forth in Utah Code Section 63G-27-201 and agrees not to engage in any such restricted boycotting for the duration of this Agreement.

IN WITNESS WHEREOF, the parties hereto execute the foregoing instrument as of the day and year first above written.

BOARD OF COUNTY COMMISSIONERS
OF WEBER COUNTY

By _____
Gage Froerer, Chair

ATTEST:

Ricky Hatch, CPA
Weber County Clerk/Auditor

CONTRACTOR

By: *Wm Boh*

**Exhibit A
Purchase Price Example**

Kent's Sports Store purchases each Eligible Firearm from Weber County under a formula-based Purchase Price equal to 75% of the Gross Resale Price. Contractor retains 25% of the Gross Resale Price.

Example:

*Sale Price	Kent's Sports Store & Pawn	Weber County
\$500	\$125	\$375
100%	25%	75%