

**GLOBAL FRIENDSHIP EXCHANGE MEMO OF UNDERSTANDING (“MOU”)  
BETWEEN THE YAMANOUCHI –MACHI, NAGANO PREFECTURE, JAPAN  
AND THE TOWN OF VAIL, STATE OF COLORADO, UNITED STATES OF AMERICA**

Yamanouchi Town of Nagano Prefecture in Japan and Vail Town of the State of Colorado in the United States of America (hereafter referred to as “Parties”) hereby agree to the following as part of a friendship agreement promoting exchanges between the two Parties.

**ARTICLE I  
Competence**

The Parties commit themselves to carry out the modalities of cooperation, referred to in Article II of the Memo of Understanding (“MOU”) in accordance with their respective authorities and subject to the political and economic laws and regulations of their respective Governments.

**ARTICLE II  
Annual Action Programs**

In order to achieve the objectives of the MOU, the Parties agree to formulate, through prior discussion, Annual Action Programs (AAP), which shall become an integral part of the MOU once they are formalized.

The AAP shall be integrated with specific projects or activities and which must reference each of the following aspects:

- a) objectives and activities to develop;
- b) work agenda;
- c) profile, quantity and duration of the assigned personnel;
- d) responsibility of each Party;
- e) assignment of materials, personnel and financial resources;
- f) evaluation mechanism; and,
- g) any other necessary information.

The enforcement of this MOU is not conditioned by the Parties’ to establishment of PAA in all the modalities of cooperation listed in paragraphs a) to e) of Article II, nor are they obligated to collaborate in those activities where internal prohibitions exist, derived by law, institutional normative, or customs.

The legal representative of each Party shall meet annually in person or at least hold one yearly telephone conference in order to evaluate the results derived from the MOU and to propose new guidelines for the development of projects of mutual interest.

The Parties shall produce progress reports of achievements based on the MOU and shall communicate them to their corresponding government officials, as well as the bilateral departments in charge, as determined by mutual MOU.

Both Parties will make their best efforts to formulate the first AAP within one hundred and eighty (180) business days after the signing date of the MOU.

### **ARTICLE III**

#### **Additional Collaboration Proposals**

In addition to AAP referred to in Article IV of the MOU, each Party may formulate additional collaboration proposals, as they arise during the implementation of activities predetermined through the AAP.

### **ARTICLE IV**

#### **Coordination and Follow-Up Mechanism**

In order to establish a mechanism and criteria for the coordination, supervision and evaluation of the activities carried out under the MOU, as well as to assure the best conditions for its execution, a Working Group, integrated by representatives of both Parties, shall be established, and coordinating each Parties activities the following areas:

- On behalf of Yamanouchi-machi , Nagano Prefecture, through the officials;
- On behalf of the Town of Vail, Eagle County, State of Colorado of United States of America, through the Mayor and Town Manager of the Town.

The Working Group may meet periodically in a location agreed upon by the Parties or at least hold one yearly telephone conference in order to evaluate the activities derived from the application of the MOU. The Working Group shall have the following functions:

- a) adopt the necessary decisions in order to carry out the objectives of the present MOU;
- b) identify the areas of common interest in order to elaborate and formulate specific cooperation projects;
- c) orientate, organize and formulate relevant recommendations in order to fulfill the activities of the MOU;
- d) receive, review and approve, when applicable, the progress reports in the areas of cooperation within the MOU; and,
- e) any other functions that the Parties may agree upon.

### **ARTICLE V**

#### **Financing**

The Parties shall finance the activities referred to in the MOU with the assigned resources in their respective budgets according to the availability and terms of their legislation. Each Party shall pay the expenses related to its participation, except in the case that alternate financial mechanisms may be used for specific activities, if considered appropriate.

### **ARTICLE VI**

#### **Information, Material and Protected Equipment**

The Parties agree that information, materials and protected equipment deemed classified by national legislation for national security or foreign relations purposes of either Party, shall not be subject to transfer within the MOU.

When undertaking activities pursuant to this MOU, any information, material and equipment which require or could require protection and classification is identified, the Parties shall inform the adequate authorities and establish in writing, the corresponding protective measures.

The transference of information, material and equipment, which is not protected or classified, but which exportation is regulated by one of the Parties, shall be done according to the applicable national legislation and should be identified, along with its intended use or subsequent transference. If any of the Parties consider it necessary, measures shall be taken to prevent the non-authorized transference or re-transference of such property.

## **ARTICLE VII International Instruments**

The cooperation referred to in the MOU shall not affect the rights and duties which the Parties previously acquired under other international treaties and instruments.

## **ARTICLE VIII Intellectual Property**

If as a result of actions carried out in accordance with this MOU, products of commercial value and/or rights of intellectual property are generated, these shall be governed by the applicable national legislation, as well as the international conventions, which are binding for Japan and the United States of America.

## **ARTICLE IX Designated Personnel**

The personnel assigned by each Party for the execution of cooperation activities derived from the MOU, shall continue under the direction and dependence of the institution to which he/she pertains, and shall not create any labor relation with the other Party, which in no case shall be considered as a substitute employer.

Each Party shall carry out the corresponding necessary procedures under its respective authorities in order to facilitate the entry and departure of its respective participants who are officially involved in the projects derived from the MOU. Such participants shall be subject to the immigration, tax, customs, sanitary and national security laws of the receiving country and may not partake in any activity other than those pertaining to their functions, without the previous authorization of the competent authorities in this field.

The Parties shall encourage that the personnel involved in such activities have medical, liability and life insurance, so that, if damage results from such activities derived from the MOU, repair or restitution shall be covered by the corresponding insurance company.

## **ARTICLE X Participation of Other Institutions and Individuals**

The Parties may include Non-Governmental Organizations or individuals from the civil society in AAP.

## **ARTICLE XI Disputes**

Any difference or divergence derived from the interpretation or application of the MOU will give rise to the early termination of the MOU, by means of a written notification of early termination sent by one Party to the other Party.

## ARTICLE XII Final Provisions

The MOU shall enter into effect upon the date of its signature and shall remain in effect for a period of one (1) year from the date of its signature and automatically renew for successive one year periods, unless either party provides notice to the other of its intent to terminate the agreement not less than thirty (30) days before the end of the then current period. ~~It may be renewed for an additional one (1) year period, by acceptance by both Parties through prior written MOU.~~

The MOU may be modified by mutual consent of the Parties, by formalizing it through written and signed communications and specifying the date of its entry into force.

The early termination of the MOU shall not affect the completion of ongoing APP, formalized while it was in force.

Governmental Immunity. The Town and its officers, attorneys and employees are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, et seq., as amended, or otherwise available to the Town and its officers, attorneys or employees.

Subject to Annual Appropriation. Consistent with Article X, § 20 of the Colorado Constitution, any financial obligation of the Town not performed during the current fiscal year are subject to annual appropriation, and thus any obligations of the Town hereunder shall extend only to monies currently appropriated and shall not constitute a mandatory charge, requirement or liability beyond the current fiscal year.

Signed in the Town of [\_\_\_\_], on the \_\_\_\_, of \_\_\_\_\_2018, in two original and official copies in the Japanese and English languages, both texts being faithful translations.

**FOR YAMANOUCHI-MACHI  
NAGANO PREFECTURE  
COUNTRY OF JAPAN**

**FOR THE TOWN OF VAIL  
STATE OF COLORADO  
UNITED STATES OF AMERICA**

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**Yoshitaka Takefushi  
Mayor**

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**David Chapin  
Mayor**

**Attest**

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~~Patty McKenny~~ Tammy Nagel  
Town Clerk