

**Supplemental Agreement on Awards between the
Patent Office Professional Association (POPA) and
the Office of the Chief Financial Officer**

1. This Agreement, known as the Supplemental Agreement on Awards, will replace the “Agreement on Trial Gainsharing Program” for employees assigned to the Office of the Chief Financial Officer. This Agreement also supersedes the “Agreement on Awards,” only with respect to Section 1. Quality Step Increases.

2. Annual Performance Awards and Supplemental Incentive Awards
 - A. Employees with less objective criteria or with annual performance targets who receive an Outstanding performance rating and who receive a Special Achievement Award under Section 2.A-B of the Agreement on Awards shall receive an additional 2% individual award.
 - B. Employees with less objective criteria or with annual performance targets who are not eligible to receive a Special Achievement Award under the Agreement on Awards shall receive:
 - 1% for Fully Successful performance rating (summary score of 350 or higher)
 - 3% for Commendable performance rating
 - 5% for Outstanding performance rating
 - C. In addition, the parties will annually negotiate organizational goals (including stretch goals) that can provide up to an additional 3% incentive award.

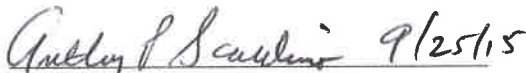
3. Quality Step Increase (QSI)
 - A. A QSI recognizes performance with an additional within-grade salary increase, and increases the employee’s rate of basic pay permanently.
 - B. To be eligible, an employee must receive an Outstanding rating level.
 - C. QSIs are awarded at management’s discretion.
 - D. A QSI is offered in lieu of a lump sum cash award. Employees may not receive both a QSI and a cash performance award in the same appraisal period.
 - E. If the supervisor has determined that the employee is eligible and will be granted a QSI, the employee may elect to receive a QSI in lieu of the annual performance award.

Termination Procedures

The Supplemental Agreement on Awards will remain in effect subject to the availability of funds. Upon providing notice of termination to the affected members of the bargaining unit, the Supplement Agreement on Awards shall terminate at the end of the fiscal quarter in which notice is given. Award amounts shall be prorated relative to a yearly basis depending on the quarter in which termination is effective. In case of termination of the Supplemental Agreement on Awards, eligibility for an award will be based on the annual performance rating for that fiscal year, and awards will be paid after the annual performance ratings are issued.

When USPTO terminates the Supplemental Agreement on Awards, it will provide notice to POPA. POPA will be given an opportunity to bargain over the impact resulting from termination of the Supplemental Agreement on Awards. This will not affect USPTO's right to terminate the Supplemental Agreement on Awards. The right to notice and to negotiate over impact will not preclude the USPTO from terminating the Supplemental Agreement on Awards at the end of any quarter.

CHIEF FINANCIAL OFFICER:



ANTHONY P. SCARDINO DATE
Chief Financial Officer
Office of the Chief Financial Officer

POPA:



ROBERT BUDENS DATE
President
Patent Office Professional Association