The following Condition Sets, as authorized at each listed UF Drug Class Page, identify the conditions under which UF-VARR quotes are to be submitted by the Company.

The Company must submit a separate, complete UF-VARR quote for each Condition Set that applies to the Company's pharmaceutical agents in a given drug class. The Company must record the Condition Set # that applies to a given UF-VARR quote in the appropriate blank on Table 1, Uniform Formulary Refund Quote.

The refund quoted will apply to the resulting UF-VARR if the quoted pharmaceutical agent is selected for inclusion on the UF in no worse than the formulary (2nd) cost share tier. The refund quoted is not contingent on the quoted pharmaceutical agent being selected for inclusion on the BCF or ECF.

Grandfathering: a prior authorization process, would require all new patients to complete an adequate trial of the step-preferred agent(s) before a non-step-preferred agent is provided to a new user through a Retail pharmacy. Unless otherwise noted, patients must have tried an agent in the class in the previous 180 days in order to be excluded from the prior authorization process.

No-grandfathering: a prior authorization process, would require all patients, regardless of past medication history to complete an adequate trial of the step-preferred agent(s) before a non-step-preferred agent is provided to a user through a Retail pharmacy.

Grandfathering unstipulated: TMA reserves the right to choose the grandfathering or no-grandfathering of some or all agents based the total price/clinical evaluations after quotes have been submitted and in the best interests of the Government.

Revised 12 SEP 2013
### PEC Class: PULMONARY-1 AGENTS PEC Sub Class: COMBINATIONS

Class Note(s): Patients 12 years old and younger may be exempt from the Prior Authorization process. TMA reserves the right to evaluate an agent’s various formulations as individual brand agents or view the formulations as one brand agent.

Step Therapy Addendum: No grandfathering

<table>
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<th>Condition Set #</th>
<th>Category</th>
<th>Number of brand agents</th>
<th>Most recent Annual Non-Federal Average Manufacturer's Price* (Non-FAMP) per FCP Package Size. CHANGES ANNUALLY ($)</th>
<th>Current Annual Federal Ceiling Price* (FCP) per FCP Package Size. CHANGES ANNUALLY ($)</th>
<th>Standard Refund per FCP Package Size. CHANGES ANNUALLY ((INFAMP – FCP)/NFAMP) *100= X% (%)</th>
<th>Additional Refund per FCP Package Size Percentage is Static NFAMP *(Y%) (%)</th>
<th>Total Offered Retail Refund per FCP Package Size</th>
<th>Changes ANNUALLY (((NFAMP – FCP)/NFAMP) *100= X%) + (NFAMP *(Y%)) = Total% (%)</th>
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Revised 12 SEP 2013