26 Nov 2021

Dear [NZDSOS],

Thank you for your email.

The decision to cease publication of these advertisements is not a breach of our agreement with you, but rather has been made in accordance with NZME's advertising terms and conditions, available <u>here</u>.

Clause 3.1(b) of the terms and conditions provides that NZME may, in its discretion at any time and without notice to the customer cancel, reject or refuse to publish or continue publishing any advertisement. The decision not to continue to publish these advertisements has been made due to a likelihood that this advertising breaches the Medicines Act 1981 and the Advertising Standards Authority Codes. We believe a number of the complaints we have received in relation to these issues are likely to have substance. On that basis it is reasonable for NZME to decline to continue to publish these advertisements.

We note in addition that our terms provide that you warrant to NZME that no advertisement will give rise to any claims or liabilities against NZME or be likely to infringe any statute, regulation, code or rule of law, and that you indemnify NZME against any proceedings, demands, losses, costs (including legal costs on a solicitor-client basis), damages (including indirect, consequential loss and special damages) and other liabilities incurred by NZME in connection with the advertisement. NZME is no longer confident that this advertisement complies with these warranties, and has in part made its decision to refuse further distribution in order to mitigate any losses it may incur through the further publication of these advertisements.

In response to your requests below, please find details of our Newstalk ZB complaints procedure <u>here</u>. You will see that we direct complaints about advertising to the ASA, however we do also receive complaints directly. There is no formal appeals procedure or review procedure available to NZME clients who have their advertising campaigns cancelled pursuant to our advertising terms.

For legal reasons NZME is not prepared to provide you with information about the complaints we have received about this advertising at this time.

To resolve this matter we will provide you with a full refund of the amount you have paid to NZME for this campaign.

Please let us know where this payment should be directed.

Regards,

[NZME]