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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE DAVID IPP AO QC

PUBLIC HEARING

OPERATION CHARITY

Reference: Operation E10/0035

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON THURSDAY 24 MARCH 2011

AT 10.10AM

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This transcript has been prepared in accordance with conventions used in the Supreme Court.

MR ALEXIS: Yes, could we have Ms Lazarus recalled, Commissioner.

THE COMMISSIONER: Yes. Sorry to have kept you waiting. Ms Lazarus, you're still under the oath that you took yesterday and the section 38 order continues to apply to you?---Okay. Thank you.

**<SANDRA SYNTHIA LAZARUS, on former oath [10.13am]**

10

MR ALEXIS: Thank you, Commissioner. I wish to start by going to Exhibit 34. And while that exhibit is being obtained Ms Lazarus can I just take you back to early 2008 and recall yesterday I asked you some questions about when it was that your sister Michelle completed her off the plan purchase of the apartment at Rhodes. Remember that?---Yes.

20

And can I suggest to you perhaps a little more accurately than I did yesterday that that transaction was completed on or around February, 2008? ---I will just have to go by what you're saying. Sorry, I don't have documentation - - -

Well what I want to suggest to you is if you look at Exhibit 34, which on its face looks like some sort of payslip from your company in relation to your sister, Michelle relating to the period November and December, 2007 on the first page. Do you see that?---Yes, that's correct.

On the second page December to January, 2008, that's December, 2007 to January, 2008. Do you see that?---Yes.

30

And finally on the third page which I think is Exhibit 34C in this inquiry, we have the period from 16 January, '08 to 15 February, 2008?---Yes, that's correct.

And my suggestion to you is that the off the plan purchase that Michelle completed was completed after that period in late February, 2008?---Sorry, I can't recall.

40

Well can you recall this, preparing these documents that are Exhibit 34A to C?---Yes, that's correct. She was employed by my company.

All right. Well do you accept that they were prepared to your knowledge for the purpose of Michelle using these payslips in support of her application to the bank to obtain a loan for the purpose of completing the property transaction?---She was an employee of the company. What she does with her payslips is not really (not transcribable).

Well I'm asking you a question about your knowledge Ms Lazarus. And my suggestion to you is that when you prepared the payslips you knew and

knew perfectly well that your sister was going to use these documents in support of her application for a loan to the bank?---That's incorrect. That statement is very incorrect.

10 So is your evidence to this Commission that at no time did you have any understanding when you prepared these documents that your sister would be using them in support of her application to the bank?---The purpose of these documents are to show that she's an employee. This is what she's getting paid. If a loan officer requires these, then she would be submitting them. But this is for the work that she's completed with Medical and Clinical Informatics Consultants.

Well Ms Lazarus, if your purpose in preparing these documents was to show that your sister was employed by your company, to whom was it intended that these documents be shown to?---Everyone gets a payslip. Wouldn't she be getting a payslip if she's an employee?

20 Who did you intend these documents to be shown to when you prepared them?---Michelle.

And anyone else?---She's, it's only for her. Payslips are personal.

So are you saying on your oath to the Commission that when you prepared these documents you had no idea that Michelle would pass them on to the bank in support of a loan application?---If the bank requires them she would pass them on. But that's (not transcribable).

30 Ms Lazarus, could you answer my question please. Is your evidence to the Commission that when you prepared these documents you had no idea, no idea that your sister would be using them in support of a loan application to a bank?---Well your statement is incorrect, I'm sorry.

THE COMMISSIONER: Just answer the question, please?---Well if she, the bank requires them she would pass them on. But if the bank doesn't require them - - -

MR ALEXIS: I've asked you a question about your knowledge - - -?---My knowledge - - -

40 I'm putting to you that when you prepared - - -?---In terms of the home loan?

Please listen to my question?---Yes.  
When you prepared these documents - - -?---Ah hmm.

- - - you knew that your sister was going to use them in support of her application to the bank?---We might have had a brief discussion about that.

But that's about it in terms of, what she submits it's up to her. It's her home loan and her home.

Of course it is Ms Lazarus.

THE COMMISSIONER: We're asking about your knowledge?---I do have an understanding

10 The answer is simply yes or no? It's very easy to answer the question. You still haven't answered it?---But I don't think that question that's being put in front of me is not really very clear. I'm sorry.

MR ALEXIS: Ms Lazarus the question is perfectly clear?---It's not clear. I'm sorry.

I'm putting to you that when you prepared these documents - - -?---Ah  
hmm.

20 - - - you knew that your sister would use the documents in support of her application for a loan to the bank. You knew that didn't you?---Like I said if it's required, yes she would.

THE COMMISSIONER: You knew that if the bank asked for it she would?---She would, that's correct. Yes, thank you.

30 MR ALEXIS: Now Ms Lazarus, I want to suggest to you that in so far as these documents represent that your company paid your sister \$24,000 to the period ending 15 December, 2007 and \$32,000 for the period ending January, 15 January, 2008 and \$40,000 for the period ending 15 February, 2008 is completely false?---That's not, that's incorrect.

And you saw where I got those numbers from and where I got the dates from in that question?---Yes, that's correct.

40 You see the year to date gross payment details represent in Exhibit 34C that up to 15 February, 2008 your company had paid your sister \$40,000 and my suggestion to you is that that representation is utterly false?---That would be incorrect because I've had a talk to the accountant and I had made a calculation error. He has corrected that and tax amendments have been made accordingly.

See what I'm suggesting to you - - -?---So that statement is incorrect.

- - - is that your company never withheld and remitted to the tax office \$16,226.25 of tax?---It did.

And I want to suggest to you that you never paid your sister a net payment of \$23,773.75?---Your statement is incorrect.

Let me show you the income tax return for the Lazarus Family Trust for the year ended 30 June, 2008. And so we're clear as you've told us I think a number of times now your company Medical and Clinical Informatics Consultants was the corporate trustee of the family trust, is that so?---Yes, that's correct.

10 And if you look at the second page of that trust return if we pass over the business income and look at the expenses of the trust for that financial year you see a total \$17,607?---Yes, that's correct.

And if you turn a couple of pages in you'll see a breakdown on the page headed Tax Return Worksheet, do you see that?---(NO AUDIBLE REPLY)

Do you have the page headed the Lazarus Family Trust Tax Return Worksheets?---Yes.

20 And when we look at the material underneath the heading All Other Expenses we see \$34 for telephone, about 5,000 for travel and some other expenditure and nothing attributable to expenses of employees for that year do we?---That's correct. It doesn't show and that was overlooked by me in terms of showing that I had an employee and amendments have been made recording these things.

What I want to suggest to you is that when this tax return was prepared and when you came to sign the tax return it accurately reflected the income and expenses of the trust for that year. What do you say to that?---Sorry, what do you mean?

30 When you came to sign the tax return for the trust for the year ended 30 June, 2008 the document which I've put before you which you came to sign before it was lodged with the tax office accurately reflected the expenses of the trust for the 2008 financial year?---Apart from the employee that I had, yes.

Well, there's nothing in the trust tax return about any employees is there? ---That's correct and it has been amended since.

40 THE COMMISSIONER: How could you forget that?---We forgot to claim the employee and the employee forgot to claim, it was just overlooked, sorry. It just happened that way. It's been amended since.

MR ALEXIS: How could you overlook that, Ms Lazarus, because what it meant was that the trust was distributing income to you in respect of which wasn't available because of that expense. Do you follow what I mean by that?---No, I don't, sorry.

Well, just come back the second page of the tax return. You see the income of 78,951?---Yes.

And you see the expenses that we've already identified of 17,607?---Yes.

And do you see the net income of the trust was \$61,344?---That's correct.

10 And if you come through to the very last page of the tax return, I'll withdraw I'm sorry, the second last page you'll see that there's a beneficiary schedule which tells us who the beneficiary of the trust was and how much was paid, do you see that?---Second last page?

Yes?---Trust Return.

It says Trust Return 2008 Statement of Distribution, do you see that?---Yes, that's correct.

And there was only one beneficiary namely you?---That's correct.

20 And according to this document you received a distribution of \$61,344? ---That's correct and - - -

And as we demonstrated yesterday from your personal tax return for the 1008 financial year that disclosed a receipt of that distribution from the trust didn't it?---That's correct and that was used to pay the employee.

30 So what I'm suggesting to you is that if, as you would have it, the trust actually did incur employment expenses of \$40,000 to Michelle then the trust would not have been in a position to have distributed that income to you of \$61,344?---That's correct and amendments have been made accordingly.

So are you telling the Commissioner, that is the Commissioner before whom you're giving evidence - - -?---Oh, okay.

- - - that an amended trust return has been lodged for the 2008 tax year? ---That's correct.

40 Have you lodged any personal amended tax return?---All the, to the best of my knowledge all the paperwork has been corrected, yes.

Well, could you answer my question?---Yes, that would be yes.

You've lodged an amended personal tax return - - -?---Yes.

- - - for the year ended 30 June, 2008, have you?---That's correct, all amendments have - - -

THE COMMISSIONER: When did you do that?---Four days roughly.

Four days ago?---Not, not four, maybe, it was last week, sorry, so, I can't count as to - - -

So when you realised the implications of the tax return that you did file you decided it would be better for you to change it?---Well, not in these terms, because something was left out so we took the necessary steps to amend that.

10

MR ALEXIS: But, Ms Lazarus, you know don't you, that when I asked your sister questions about this very subject matter she said initially that she was not an employee of your company and she was not paid that money. You know that, don't you?---I believe she came and corrected that because she was really upset about that.

Yeah. And that was the occasion when she said to the Commissioner that he was intimidating her. Do you remember that?---That's correct.

20

And subsequent to that she said when she was recalled that what she'd said earlier was false and that in fact she was an employee and she did receive that money?---That's correct.

And you knew didn't you that when you would be going back into the witness box today I might be asking you a question or two about that subject matter?---Wouldn't it be commonsense for you to ask me those questions?

30

If course it would be and that's why you looked at this and decided it would be a good idea to try and get your tax affairs in order and amend the tax returns for the trust and amend your personal income tax returns so that it fitted in with the evidence that you and your sister had given on that subject?---That would be incorrect, your statement, the reason that tax is amended is because things were overlooked and it is beneficiary to, benefitting I guess to amend your tax and so we've done that.

I tender the trust return for the Lazarus Family Trust with the order prohibiting publication of the tax file number, Commissioner, for the year ended 30 June, 2008.

40

THE COMMISSIONER: The tax return of the Lazarus Family Trust for 30 June, 2008 is Exhibit 116.

MR ALEXIS: Commissioner, what I think I should do, could I withdraw because I need to deal with some outstanding documents from yesterday that have just been very helpfully brought to my attention.

THE COMMISSIONER: Yes.

MR ALEXIS: Can I tender please, firstly, the business activity statement for Complete Health and Medicine Pty Limited for the quarter ending 31 March, 2009.

THE COMMISSIONER: Yes, Exhibit 114 is a bundle of documents including the BAS statements for Complete Health and Medicine from 1 December, 2009 to 31 March, 2009.

10 **#EXHIBIT 114 - BUSINESS ACTIVITY STATEMENT FOR COMPLETE HEALTH AND MEDICINE FOR PERIOD 1/01/2009-31/09/2009**

MR ALEXIS: Then I think, Commissioner, there's the bank statement for -  
- -

THE COMMISSIONER: That's right, well, I'll just, are you tendering that? The ones that were discussed yesterday?

20

MR ALEXIS: Yes.

THE COMMISSIONER: Exhibit 115 is the bank statement for Complete Health and Medicine Pty Limited from 8 January, 2009.

**#EXHIBIT 115 - BANK STATEMENT FOR COMPLETE HEALTH AND MEDICINE FROM 8/01/2009-6/04/2009**

30

MR ALEXIS: And then finally the trust return that is the subject - - -

THE COMMISSIONER: And Exhibit 116 is the tax return for the Lazarus Family Trust as at 30 June, 2008.

**#EXHIBIT 116 - TAX RETURN FOR LAZARUS FAMILY TRUST FOR YEAR ENDING 2008**

40

MR ALEXIS: Thank you, Commissioner.

Now, Ms Lazarus, I want you to be shown Exhibit 1, please, the bundle of documents and I'm going to take you to the registration of the clinical trial at the Royal Hospital for Women from page 5, if you could turn that up please. And as we noted early in this inquiry you submitted this matter for registration on 6 January, 2008 as the date submitted detail indicates, is that so?---Yes, that's correct.



And the public title and the registration title of course relating to cervical cancer related to the study that you were proposing at the Royal Hospital for Women?---Yes, that's correct.

And if we look over a couple of pages to page 7 of Exhibit 1 what I've just put to you is made plain isn't it by the reference to the Royal Hospital for Women about halfway down the page?---Yes, that's correct.

10 And finally if we go to page 8 it's also made plain by the reference to Professor Hacker, do you see that?---Yes.

Now, if you just come back to page 7 and you see that the registration form poses the question "Has the study received approval from at least one ethics committee?" And you've answered that in the affirmative, you see that? ---Yes, that's correct.

Now, can you look at the document on page 9 please. And if you could look at the column third from the left containing the word "null" N-U-L-L, do you have that?---Yes.

And if you run down that column you'll come to a change in the detail with the word "new", do you see that?---No.

Third column from the left?---Okay.

If you run your eye down the column you'll come to the word "new"?---It says "submitted" next to it.

30 And then next to it the word "submitted", do you see that?---Yes.

We have your name and we have the date in the right-hand corner 2008-01-06, a reference to 6 January as the earlier reference on the document tells us?---That's correct.

And do we see that if you jump down two lines the computer log tells us that a query occurred in relation to that application and that you resubmitted the application on 8 January, 2008 at 23.53, do you see that?---Yes, that's correct.

40 And then do you see, if we just jump down another two lines, a further query is raised and you resubmitted details again on 18 January, 2008 at 16.03, you see that?---Yes, that's correct.

And could I then bring you down to the box at the bottom and do you see that the column second from the left has the words, "ethics review" written in there?---(NO AUDIBLE REPLY)

It's hard to read but if you look at the entry second down it says, "CX" and then you have the words squashed "ethics review"?---Yes, yes.

Do you have that, Commissioner?

THE COMMISSIONER: Yes.

MR ALEXIS: And then next to that it says, "No."?---Yes.

10 And then if you move to the right-hand side of the document it says, "Yes."?---Yes.

And then you see the word "update"?---Yes.

And then there's the date 21 January, 2008 at 21.39 or 9.30pm?---Yes, that's correct.

20 And what I wish to suggest to you is that that reflects a further updating entry that you made to the register, and if you just go back to page 7 that update caused the registration details in answer to that question about ethics to be changed from a no to a yes?---Yes, that's correct.

And that you did that on 21 January, 2008 at 9.39pm?---Yes, that's correct under the instructions of Neville Hacker.

Now, did I ask you why it was that you made that change?---Like I said - - -

30 Could you answer my question. Did I just ask you whether or not - - -? ---Why I made that change?

The change occurred for any particular reason. All I asked you was whether you made the change and you accepted that you did?---Yes.

Thank you. Now, you knew at the time that you made that change that no ethics application had been made to the Royal Hospital for Women didn't you?---That's correct.

40 And you knew that no ethical approval had been given in response to any application from the Royal Hospital for Women didn't you?---That's why I asked my superior, that's correct.

So is what you want to say to the Commissioner that in relation to this entry in January 2008 Professor Hacker said, Yeah, go ahead and change the no to a yes on the subject of ethics approval?---That's correct. He seen the website hence I had his authorisation to put his details on the website.

When I asked you this on the last occasion at transcript 24, 25 I drew attention to that entry and you told me that that entry was wrong and that it

should have said no. Do you remember giving that evidence?---Yes, that's correct, in terms of - - -

And you never said on that occasion did you that what you did was the result of anything that Professor Hacker had said to you, did you?---You never asked me that question, that's why I'm elaborating on it now.

10 Now, what I want to suggest to you on the subject of ethics approval is this, that the reason why you made that change and quite independently of anything that Professor Hacker said to you, was that you wanted to represent to Mr Neiron that the proposed clinical trial was proceeding at the Royal Hospital for Women and that it had received ethical approval so that you could procure from him a sponsorship arrangement in relation to the conduct of that trial?---That's correct, he looks at all ethics applications and when they go, when they are put in as well.

20 But one of the reasons why I want to suggest to you that you made that amendment to the on-line registry which of course was available to anyone who was interested in looking at it, was to show that ethics approval had been given to the study when in fact it had not?---That's incorrect.

And what I want to suggest to you in relation to the subject of ethics is that you did not get Professor Hacker's signature on the letter of 10 April, 2008 at page 26 and you did not - - -?---Sorry, just one second.

30 - - - and you did not get his signature on the form of ethics application accompanying that letter and that you forged his signature on both of those documents. What do you say to that?---That's completely incorrect. The signatures are all authentic - - -

Well, you've told us in your evidence - - -?--- - - - because I wasn't to prove that I've contacted a forensic analyst called Michelle Novotny and she told me - - -

THE COMMISSIONER: (not transcribable) do you mind, this is not responsive - - -?---Okay.

- - - and I will not allow it?---Okay.

40 MR ALEXIS: And I want to suggest to you, madam, that you did not get Professor Marsden's signature on the ethics application at page 59 of Exhibit 1 and that you forged his signature and his handwriting in that document as well?---That's completely incorrect on your part.

And what I want to suggest to you is that at no time did Professor Hacker say to you that you can proceed with any clinical trial without procuring ethical approval?---That's completely incorrect.

Now, you wrote a letter to the University of Sydney, didn't you?---I'm sorry, I don't know what letter you're referring to.

Well, let me finish my question and you might find out, Ms Lazarus. You wrote a letter to the University of Sydney to discontinue from the degree course of medicine PhD in 2007, didn't you?---I'll have a better idea if you show me the letter, please. I'll show the letter with a copy for you, Commissioner. And that's your communication, isn't it, that we see on the first page of 30 March, 2007 to the University of Sydney confirming your withdrawal from the degree course I just mentioned?---Yes, definitely, yes.

And so we should understand that shortly after you sending that email you understood that you were no longer enrolled as a student in a PhD course at that university?---Yes, that's correct.

And if you turn the page you'll see that on 12 April the University wrote to you confirming your discontinuance of candidature for the Doctor of Philosophy degree course in the discipline of medicine, do you see that? ---Yes, that's correct.

And there's no question you received that letter and understood the purport of what it was telling you?---Yes, and it also told me that when I do have, when I do wish to re-admit in that particular degree I can contact the post-graduate unit and re-enrol.

THE COMMISSIONER: No, it doesn't say that?---Oh, it does. It says if you wish to, should you wish to apply for readmission to the candidature at some further time - - -

Yes?--- - - - (not transcribable) yeah.

Well carry on, carry on reading?---You want me to read?

It doesn't say what you said it says. It just says if you want to apply for readmission you need to contact the post graduate unit to obtain the necessary application material?---That's correct. And that was done and I believe the originals are with the ICAC.

MR ALEXIS: Now Commissioner, can I tender the two letters on the subject of discontinuance.

THE COMMISSIONER: Yes. The email from Ms Lazarus to the University of Sydney, 30 March, 2007 is Exhibit 117A. And the reply of the University of Sydney on 12 April, 2007 is Exhibit 117B.

**#EXHIBIT 117A - EMAIL FROM MS LAZARUS TO UNIVERSITY OF SYDNEY DATED 30 MARCH 2007**

**#EXHIBIT 117B - LETTER FROM THE UNIVERSITY OF SYDNEY TO MS LAZARUS DATED 12 APRIL 2007**

10 MR ALEXIS: Now Ms Lazarus, can I show you a bundle of documents relating to, relating to the communications with the university following those containing Exhibit 117A and B, and firstly can I note for your convenience and for the Commissioner's convenience, the handwriting on the top right hand corner of this bundle, and I'll be referring to that. Do you follow?---The numbering?

Yes. Do you see the numbering?---Yes.

20 Now firstly do we see a letter that you wrote to the university on 15 May, 2008 requesting reinstatement in the degree of Doctor of Philosophy in semester two, 2008?---Yes, that's correct.

And you attached with it the relevant forms as we see enumerated in the letter?---Yes, that's correct.

So it's clear isn't it, may I suggest to you that between the period of April, 2007 up to 15 May, 2008 you were not to your knowledge enrolled as a student at the University of Sydney in a PhD course?---Oh, yes.

30 Do you accept that?---Oh, yes, I do. Yes.

And so if during that period that I've very clearly put to you anyone you had any dealings with had the impression or thought from you that you were a PhD student at the University of Sydney, any such impression would be false?---I never gave that impression and that would be a false impression.

40 All right. Thank you. Now we should also understand I think the significance of 15 May in context. By that date I think you'd already, as you would have the Commission accept, procured from Professor Hacker his signature on the ethics application letter and the ethics application form?---I'll have to - - -

Because that was on 10 April?---10 April, that would be correct.

And you'd already seen Mr Ratnam in the accounts office and organised those two letters which you told us had been sent to Mr Neiron?---Well, I'd have to have a look - - -

Because they were on 13 April?---Sorry, what page is that? I've found it.

It's page 93, 94?---Yes.

So by the time of you writing to the university, it's correct isn't it that you'd seen Mr Ratnam and got his signature on the letters at 93 and 94?---Yes, that's correct.

And of course you'd already provided to Professor Hacker Mr Neiron's letter at page 95? Do you see the date?---Oh yes, that's correct.

10

So again if anyone up to 15 May, 2008 had the impression that you were a PhD student at the University of Sydney - - -?---Excuse me, sorry, you said I provided that letter to him, I provided a copy. I believe the original was sent to him by Mr Neiron.

All right. Well thanks for that clarification. But can I come back to my question?---Yes.

20

If anyone had the impression up to 15 May, 2008 that you had enrolled as a PhD student at the University of Sydney, that impression would be utterly false?---I never gave that impression to anyone and that would be a false impression.

Now, if you could just look through the bundle I've provided to you, I'll pass over page 2, you'll see from page 3 your application to be reinstated, is that so?---Sorry, which bundle?

Page 3 of the short bundle I gave you?---Yes.

30

And that's your writing in terms of your name and details?---That's correct.

And over on page 4 you see that you've written in the box following the words, "I request reinstatement in the following award course PhD medicine", do you see that?---Yes, that's correct. Sorry, where?

On page 4?---"I request reinstatement" - - -

40

I'm referring to the handwriting on the form at the top of page 4, the page numbering in the top right-hand corner?---Yes. What field are you referring to, sorry?

Well, if you look at the third box down from the top of the page you'll see in handwriting PhD medicine?---That's correct.

That's your writing isn't it?---That's, that's correct.

And then you see about halfway down the page it says, "Reasons for Requesting Reinstatement"?---Yes, that's correct.

And is that your writing or someone else's?---No, that's my writing.

All right. And so you told the university that you were close to completing your thesis, do you see that?---That's correct.

And what was the thesis that you then said you were close to completing?  
---That will be the experiments that were conducted back in 2003 will make up the first part and the second part will make up the experiments and the trial conducted at Strathfield Private just based on (not transcribable) hence the reason why Hugh Carmalt and David Gillett if you go back, further through the document are my primary supervisors and Ross Smith is only the coordinator. At this stage no prostate - - -

THE COMMISSIONER: Just answer the question. It's not hard?---Well, there's a misunderstanding - - -

MR ALEXIS: What was the thesis that you were close to completing on 9 May, 2008 where, according to the date on this page, you signed a form?  
---Trials conducted in 2003 and trials conducted in 2007 at Strathfield Private where all experiments at this stage were all completed including a literature review and a draft article was also completed which was sighted by my coordinator Ross Smith and there's email evidence of that as well.

Now, in the two answers you've just given to that question you didn't refer to the conduct of any clinical trial at the Royal Hospital for Women did you?---I was only, like I said in my answer I was only including the breast research trial that was completed at Strathfield Private for the purpose of the thesis.

Well, in May of 2008 did you have any intention at all of including as part of any PhD thesis the work that you wanted to do at the Royal Hospital for Women?---You can as a preliminary.

But wasn't that the very reason why you approached Professor Hacker to ask him if he would be interested in supervising a clinical trial because you wanted to undertake that trial as part of your PhD course work?---That's correct but at that stage experiments for the 200 patients weren't completed so I wouldn't be able to include that as a thesis but I would be putting it as a preliminary to support the second part of the thesis.

So in the fullness of time you wanted to augment the thesis to include the results and the reporting of the results of work at Royal Hospital for Women and also the work at Royal North Shore?---If time allowed.

All right. Now, if you just turn over the page to page 6 and I appreciate that this is an internal university document which you wouldn't necessarily have seen but do you see that in relation to the determination of the application

that appears to have been rejected on 8 July and you see the comment there are no supervisors identified and no viable project, do you see that?---Yes, I do see that now, yes.

And subsequent to that you received, did you not, the communication at page 9 from the postgraduate advisor Mr Baxter on 13 August, 2008?---Yes, that's correct.

THE COMMISSIONER: Page 7.

10

MR ALEXIS: Did I not say page 7, I thought I did.

THE COMMISSIONER: I think you said page 9.

MR ALEXIS: Well, I'll withdraw the reference to page 9. I'm on page 7, Ms Lazarus, are you on page 7?---I'm at page 7.

Thank you. And it's clear isn't from the email that your reinstatement request did not proceed because a primary supervisor had not been assigned and until a supervisor was assigned, the reinstatement can't take place?---  
20 Yes, that's correct.

So in or by 13 August, 2008, if anyone had the impression that you were a PhD student at the University of Sydney, that impression would have been false?---At no point that impression was given and that impression would be wrong, yes.

All right?---And if you go to page 8, the necessary amendments have been made.  
30

Well I just want to come to that because it's important. The email from I think it's Professor Baxter isn't it?---I've never met him, but, yes.

All right. Anyway, meaning no disrespect to him by calling him Mr Baxter, but the email from him of 13 August, led you to Professor Ross Smith at the, at the Royal North Shore Hospital didn't it?---No, that would be incorrect. I've - - -

Well have a look at the document on page 8 and do you see that on 18  
40 August, 2008 Professor Smith, because I think he said in evidence before this inquiry, signed on your request the change to supervisory team form. Do you see that?---That's correct. I've known Professor Smith, Smith before the 18<sup>th</sup> of the 8<sup>th</sup>, when he did sign this for about almost a month or two, even longer. Emails will actually support that.

Well you may have known him, Ms Lazarus, but the fact of the matter is he didn't sign on as the document at page 8 indicates plainly as a new supervisor in respect of your PhD studies until 18 August, 2008?---That's



correct. That was with full knowledge of, he's the coordinator, so any paperwork that comes through goes through him regardless of the fact if he is the supervisor or not because he is the post graduate coordinator for medicine.

10 But you accept don't you that Professor Smith had no role to play in any application for reinstatement to a PhD degree course at the University of Sydney before signing on as a new supervisor on 18 August, 2008?---That's incorrect. He would be signing every, every student that goes through RPA (not transcribable) regardless of the fact that he's a supervisor or not as the post graduate coordinator.

No, we're talking about you Ms Lazarus. He had no role to play in relation to your application to be reinstated before he signed on as the new supervisor, that is your new supervisor - - -?---My supervisor, yes. - - - on 18 August, 2008?---That's incorrect. He would sign as the coordinator.

20 As you seriously saying to the Commission that Professor Smith would sign documents as your supervisor before - - -?---Not as supervisor.

- - - signing on as your new supervisor as the document at page 8 plainly indicates?---No, that's incorrect. What I'm suggesting is that when an application is made he has to look at the application for any student, whether it's me or anyone, in this case we'll go to me, he would still have a look at my file, since he is the post graduate coordinator. So (not transcribable) will go through him.

30 All right. Now after you procured Professor Smith's - - -?---Hence the reason why he signed on the 30<sup>th</sup> of the 5<sup>th</sup>, '08 on page 6.

So you're drawing my attention are you to what's on page 6?---Page 6, that's correct, because he's the coordinator.

Which is immediately, well let me just finish the question, please?---Sorry.

Which is immediately above the comment that I drew attention to earlier?---That's correct.

40 And do you say that's Professor Smith's signature do you - - -?---Yes.

- - - next to the date 30 May, 2008?---That's correct.

All right. So apart from, if it be correct Professor Smith signing at that point on this application, there's nothing else to indicate that he had any role to play in your application for reinstatement as a student did he, is there?---No.

No. All right. Now after the form at page 8 had been obtained by you from Professor Smith, you passed it on back to the university in support of your application?---Yes, that's correct.

And your application was never approved was it?---It was never actioned because we were still waiting for Ross Smith's communication.

10 But if we were to roll forward in time, for example to June, 2009, and I'm just picking a convenient time period - - -?---Why is that? It's very particular.

If anyone had the impression up to June 2009 that you were an enrolled PhD student at the University of Sydney that impression would be false, wouldn't it?---I at no stage passed myself as a PhD student and - - -

THE COMMISSIONER: No, just answer the question please?--- - - - and that would be a false impression and the PhD student that was indicated on my badge was approved by Ross Smith which he already gave evidence for.

20 MR ALEXIS: Well, we know about the badge and we know about Professor Smith signing a form, perhaps with the benefit of hindsight he accepts he shouldn't have but we know that you got a badge - - -?---(not transcribable) Neville Hacker - - -

- - - but the fact of the matter is, Ms Lazarus, that by June 2009 you'd never been reinstated as a PhD student at the University of Sydney?---That's correct.

30 And as you sit there today you have never been reinstated as a PhD student at the University of Sydney, have you?---No, that's correct.

And you don't have a PhD, do you?---No, I don't.

Now, before leaving a subject concerning Professor Hacker - - -

THE COMMISSIONER: Are you tendering these?

MR ALEXIS: I am, I'm sorry, yes, I am, thank you, Commissioner.

40 THE COMMISSIONER: The, this is a bundle of documents commencing with Ms Lazarus' letter to the Post Graduate Student Administration Unit at the University of Sydney dated 15 May, 2008 which is Exhibit 118.

**#EXHIBIT 118 - BUNDLE OF DOCUMENTS COMMENCING WITH  
LETTER FROM MS LAZARUS TO UNIVERSITY OF SYDNEY  
DATED 15 MAY 2008**

MR ALEXIS: Thank you, Commissioner.

Now - - -?---Sorry, is this a convenient time or - - -

Now, Ms Lazarus - - -

MS SOARS: Excuse me, Commissioner, I think my client's indicating that she - - -

10

THE COMMISSIONER: It's not an hour yet.

MS SOARS: Are you, are you all right to continue for another 15 minutes? We started a little late this morning?---Can I, can I stand if I have to?

THE COMMISSIONER: Yes, you can stand?---Okay, thank you.

20

MR ALEXIS: Now, Ms Lazarus, can I just try and tie down a fact which seems to be a little loose in this inquiry and that is the date upon which you made a presentation to Professor Hacker and other doctors and nursing staff at the Royal Hospital for Women which has been described by various witnesses as a lunchtime presentation?---Yes.

And I think in your own evidence you accept that you made a - - -?---Yes.

- - - lunchtime presentation to the people that I've just identified?---Yes.

Now, can I show you what I understand to be your 2007 diary - - -?---Yes.

30

- - - and I've opened the diary to an entry that is written in on 1 November, 2007 and could you just read please the entry on the date that I've just identified?---1 November, Thursday 1.00, 1.00pm, yes, Royal, RWH Sydney presentation.

40

Right. And does that accurately record the date upon which you made the lunchtime presentation that has been referred to by yourself and other witnesses in this inquiry?---That's my handwriting, I'll have to go on, based on my handwriting that's there, I'm not sure what presentation it is but since it is that presentation that was the only presentation that was formally given, I would have to say yes.

Yes. Thank you. That can be returned.

MS SOARS: Could I have access to that document, that diary please, Commissioner.

THE COMMISSIONER: Sure.

MR ALEXIS: Now, I want to ask you some questions, Ms Lazarus, about the content of the tender bundle you provided to the Commission last week and perhaps my learned friend can assist us by providing Ms Lazarus with a copy of her tender bundle?---Shall I put this away?

We'll come back to Exhibit 1 so you can leave it there or you can put it on the floor, whatever's convenient for you, madam. Now, as we understand it, Ms Lazarus, this folder contains documents that you would wish the Commissioner to receive and take into account in his consideration of this matter, is that so?---Yes.

And one of the documents, and we have the benefit of some helpful pagination in the middle of the bottom of each page so if you go to the document behind tab 2 and you'll see that that's referenced page 14 of 156, do you see that?---14/156.

And you see that that - - -?---So what number would that be, would be the number?

20 THE COMMISSIONER: It's page 14?---14.

MR ALEXIS: Of 156. Do you see that?---Yes.

At the foot of the page?---Yes, yes. Sorry, it's got 24 on there as well.

Now, this seems to be an email initiated from Mr Vern Pleiksna to a Mr Ridley at Ramsay Health, do you see that?---That's correct.

30 And can I just pass over the content. Do we see another email at page 17, I'm just passing over the material at the top of the page which tells us when your solicitor received this from Mr Pleiksna but we have an email of 9 May, 2009 sent by you to Mr Pleiksna regarding the subject of breast cancer article, do you see that?---That's correct.

And should we understand that you sent to Mr Pleiksna and his son David the attached breast cancer article and various submissions to various journals?---That's correct.

40 So we should understand, should we, that in relation to each of the articles that follow in this section 2 of your tender bundle they were all journal articles that you had prepared by the date of the email 9 May, 2009, is that so?---Sorry, what do you mean by prepared?

Well, you've prepared the articles for submission to various journals or you had submitted these to various journals but the important point of my question is that this had all occurred by 9 May and that's why you were passing it on to Mr Pleiksna and his son, is that so?---The articles were prepared in collaboration with all the supervisors as listed above.

No doubt they were from your evidence but can you just attend to the timing question I've put to you twice now?---By 9 May, '09, that's correct.

So if we turn to the first article commencing at page 18 of your tender bundle we see that headed Detection and Screening of Breast Cancer - - -?  
---Yes, that's correct.

- - - using bioelectrical impedance analysis method?---That's correct.

10

And your evidence is that you prepared that did you in collaboration with the others that we see at the top of the page?---That's correct. And a biostatistician as well.

All right. That's Ms Peat is it?---Professor Peat, yes.

Thank you. Now, you've described yourself in this article as Sandra  
Synthia Lazarus MD PhD, do you see that?---That's a copy and paste with  
the MD, everyone, I was writing up everyone but the PhD I had Professor  
20 Ross Smith's permission to put that there.

Did you?---What does the MD stand for, Ms Lazarus?---It's an error.

Well, it might be but what does it stand for?---Medical Doctor.

Medical Doctor?---That's correct.

So, and PhD relates to, as you would've well understood in May of 2009, a  
30 qualification conferred by a university on someone who's actually passed  
and achieved the award of that degree?---That's correct, yes.

And you never had been conferred any such honour had you?---No. It  
shouldn't say that but the first part is just a copy and paste and the second  
part was, he said he can put that through.

THE COMMISSIONER: Whatever it was whether it was a copy or paste or  
whatever it was it's something that you were, what you were sending to Mr  
Pleiksna?---That's correct and - - -

40 You knew that it was wrong?---Not at that stage, no, I didn't realise.

You didn't realise it was wrong?---No, I didn't realise that I'd copied and  
pasted it through. And he's well aware and he's given evidence that at no  
point - - -

You don't have to make a speech?---Well, I feel like I always have to make  
a speech.

Yes, I know you do but I can assure you that all you have to do is answer the question?---Okay.

MR ALEXIS: So, Ms Lazarus, if anyone looking at this document - - -? ---(not transcribable).

10 - - - had the impression that you were a medical doctor holding a PhD that impression would be utterly false wouldn't it?---In terms of the writing and the error I've made in the copy and paste that would be incorrect but the people that I sent it to have given evidence at no point did I ever disclose myself as a doctor to them.

Well, that's not what I asked you?---Both in the statement as well.

Anyone looking at this document, whether it's Mr Pleiksna or his son or anyone - - -?---That's correct.

20 - - - and you see across the top of the page, "Submitted to the New England Journal of Medicine?"---That's correct.

So you were representing yourself to the New England Journal of Medicine as a medical doctor holding a PhD, weren't you?---It was a copy and pasting error and this is a draft. It has to come back.

Well, you submitted the, when you submitted this journal to the New England Journal of Medicine did you ever say to them oh, look, I need to draw attention to the fact that I've made an error with a cut and paste - - -? ---Yes, that was - - -

30 - - - and in fact I'm not a PhD holder and I'm not a medical doctor? ---Actually that error was picked up by me when it was pointed out and certain steps were taken to actually rectify that.

That's absolute nonsense, isn't it?---No, it's not nonsense because also every person that's listed up there, an email is sent to them as well so every professor that's listed up there, an email's sent to them with a copy of this and it was pointed out that I've made an error which was corrected.

40 Just have a look at the document concerning the Breast Journal at page 29 of your tender bundle, Ms Lazarus. Have you got page 29? No, page 29 of your tender bundle. You should have that open already in front of you. Here we have another - - -?---You mean 30?

- - - article that was submitted to the Breast Journal commencing at page 30, do you see that?---That's correct.

And again you've passed yourself off as being a medical doctor and as holding a PhD when such a representation was utterly false?---It's the same

article hence the same error is corrected, carried through, it's exactly the same article.

THE COMMISSIONER: Don't you proofread your articles before you submit them to universities for publication?---I do but because of time constraints or anything like that I have overlooked that because it was a copy and paste but it was pointed out.

10 Copy and paste from what?---Well, I was writing their names down so I was just writing that too.

Copy and paste, I don't understand how Sandra Synthia Lazarus MD PhD is copy and paste, what are you copying?---Well, I copied their name six times, the first person's name six times and just made the relevant changes.

Well, so, where we've got for example, well, I notice that - - -?---You see, everyone has exactly the same - - -

20 No, they don't?--- - - - qualifications. Yes, they do.

They have MD FRACS, FRCS don't they?---Yes, that's correct, it's exactly the same.

So that's what you copied - - -?---I copied and - - -  
- - - and pasted it?--- - - - and pasted and - - -

30 All right. Just a moment, please, but why did you do that?---Because it's quicker.

Why did you, why, but you had no, you had no qualifications?---No, it was quicker to copy one person's name down six times and just change their name because their qualifications are exactly the same so when I got rid of the FRC blah, blah, blah I've left that through and it was pointed out by, I think it was Professor Ross Smith - - -

40 Just a moment. You've given an answer and I don't understand it because you had to put in your own name and your name is different from the other names that precede it?---That's correct, all I did was change names. I changed their names, I changed my name.

And you used MD FRACS, FRCS?---That's correct. I deleted that from my name.

And put in PhD?---Yeah, that's correct.

Why did you put in PhD?---I asked Professor Ross Smith and he said by the time it gets published you should be holding one because he said, he said it

will take a year. I said, Is this appropriate and he, then he came back and he said look, you left an MD there, I said that's fine, I'll go make the necessary changes because it is a draft and before it's reviewed it comes back.

But at what stage did you ask Professor Smith if you could fraudulently represent that you had a PhD when you did not have one?---It wasn't, it was to my understanding and when this was submitted - - -

10 When, when did you ask him?---Around this time when it would have been submitted. I said to him, look, I've left that there. He said it's okay, leave the PhD but you have to get rid of the MD. I said, yes, no, I can see the error because this was emailed to him.

But why did you put the PhD in in the first place before speaking to him?  
---Because by the time this would get published I would have had it, that's the reason why.

Absolute nonsense?---That's not true.

20 You know that that's nonsense?---(not transcribable)

You weren't even admitted as a student?---I would have been admitted as a student. It takes six months for the thesis to be finished. There's a copy of my thesis which the ICAC has. It is near to completion.

But a PhD you don't get automatically, it's quite difficult to get a PhD isn't it?---When you've completed all the experimentals and the thesis is up to scratch and it's been approved by your supervisor and approved by the peers it would be.

30 So you - - -?---It's an error I've made, I admit that's an error I've made. It's not fraudulently I'm showing myself as someone.

So you, you admit to us that you put in the, the letters PhD deliberately?---  
Not deliberately.

Well before you spoke to Professor Smith you put them in?---I did.

40 Deliberately?---Not to falsely represent myself, but in my understanding I would have held one by the time this would get published.

The PhD was no cut and paste job was it?---No, at that point I'm not saying, that's not (not transcribable).

Well you did say earlier that the - - -?---No, I said I cut and paste the whole  
- - -



- - - you simply (not transcribable) and PhD was a cut and paste job?---Not the PhD. No the PhD. I said I copied that one name six times and made the subsequent changes.

MR ALEXIS: Ms Lazarus - - -?---Yes.

10 - - - there is not one scrap of paper which supports your assertion that Professor Smith was content with you representing yourself as a medical doctor and as holding a PhD when you would have both known that you did not hold a PhD and were not a medical doctor is there?---I can actually take you to an email.

Righto. Well let's go to it then. It's in your tender bundle is it?---That's correct.

All right?---Sorry, there's an attachment - - -

20 THE COMMISSIONER: Ms Soars, you're getting beseeching looks from your client. Are you able to tell her where this email is?---No, I found the email, there's an attachment missing, that's all.

MR ALEXIS: Righto. And is the email you're referring me to at page 62? ---That's correct.

Mmm?---And an attachment is missing and attached to that is an article, again outlining, almost the same heading apart from the MD, at which point he made no reference to, and he said it was, like he didn't ask me to change it.

30 So at page 62 we see looking at the bottom of the page and working up - - - ?---That's correct.

- - - an email from you to Professor Smith of 23 September, 2008?---Yes, that's correct.

And that's about five months or so before you sent these articles to Mr Pleiksna and his son at page 17?---That's correct.

40 All right. And you see the reference to research article as the subject of that email and you're drawing attention to the fact that the attachment to that email is not reproduced?---Yes, that's correct.

But why is that? Why haven't you reproduced the article?---I think it was just - - -

Because that would tell us wouldn't it whether or not the article you submitted to Professor Smith, described as a research article referred to you in terms that the articles that you sent to Mr Pleiksna and his son contained

the references to MD and PhD?---There is a copy and one can be provided to the ICAC. There was a copy on my hard drive. My hard drive was returned to me by the ICAC on, during this investigation, so I was able to get that and hence the ICAC would have a copy as well. And it can be reproduced very easily.

All right. Well if you look at the email from Professor Smith you see that he appears to have responded diligently to your request because he's responding on the same day?---Yes.

10

And he makes some comment about the article, clearly the subject matter is breast cancer, because you see the reference to mammogram?---That's correct.

Well there's not a word in there about any concern or any permission or any instruction, indeed anything relating to you representing yourself in this article, whether in draft or final as a medical doctor or as someone holding a PhD?---I believe the article said PhD. The reason he has made no reference because he just thought it was appropriate for it to be there.

20

Well I thought you told the Commissioner earlier that Professor Smith had set in terms that it was okay and that there was an email to support that? ---That would be in conversation. Yes, that was a conversation. What I was looking for was the article.

Ms Lazarus, I asked you very specifically, in fact I put to you that there is not one scrap of paper to support what you're saying and you said there is. I'll take you to it and I invite you to (not transcribable)?---Yes, what I'm looking for is the article.

30

And you've taken us to page 62 and I'm pointing out to you that there's nothing, not even a syllable in there which supports your assertion that Professor Smith was accepting of you representing yourself as someone holding qualifications that you didn't?---And he hasn't written anything for me to make the changes accordingly either.

And Ms Lazarus, it's utterly false to suggest that a professor of a university would happily allow you to represent yourself as holding qualifications from the university that you did not hold at the time?---That's incorrect. He perfectly allowed me to be represented as a PhD student on several documentation that he has actually signed and approved.

40

Do you have any concept of the truth, Ms Lazarus?---Yes, I do thank you.

Do you have any concept of professional integrity?---I do, thank you.

And what that means to a very senior professor of the university?---You would think they would because they came here and denied their signatures under oath.

Now can I go to another matter, but before I do can I show you Exhibit 51. And this was tendered at an earlier point during the inquiry?---I believe that's the article.

10 And this is the article which was ultimately submitted for publication. Is that so?---That's correct. This is the article.

So this is the result of what we should understand the proposed articles referred to in your tender bundle ultimately came to be?---That's correct.

And we see that come the final form of the article the reference to you being an MD has been removed, but nonetheless you're still represented as a PhD holder. Do you see that?---That's correct.

20 And that representation on that article is utterly false wasn't it?---Like I said, with approval from my supervisors.

THE COMMISSIONER: But it was still false?---It was incorrect. It was incorrect.

Utterly false?---It was incorrect. An error.

MR ALEXIS: Now do you see there's also a reference to FRACS?---Yes, that's correct.

30 And FRCS. Do you see that?---Yes, that's correct.

Now is that a reference to you or is that a reference to someone else?---I think you can clearly see there's a, my name is divided by the comma and it's a reference to Ross Smith.

All right. Thank you. That exhibit can be returned.

40 MS SOARS: If my learned friend is moving on to another topic Commissioner, is it a convenient time to take a short break?

THE COMMISSIONER: Yes. We'll adjourn.

## **SHORT ADJOURNMENT**

**[11.17am]**

THE COMMISSIONER: Mr Alexis.

MR ALEXIS: Thank you, Commissioner. Ms Lazarus, on the last occasion shortly after the inquiry commenced you recall I asked you some questions about the arrangements that you'd come to with Professor Hacker and you told me that you informed him that the costs of conducting the clinical trial at the Royal Hospital for Women would come externally from the hospital? ---That's correct.

And I think you told us that Mr Neiron had agreed with you to pay you \$1,500 per screen test?---That's correct.

10

You gave that evidence at page 79 of the transcript line 30. And I think you also told us at or about that point in the transcript, and we don't need to go to it, that Mr Neiron had agreed to pay a monthly consulting fee in relation to what Michelle was doing, the amount of which was determined by some inquiry on the internet, remember that?---That's correct.

20

Now, you also recall telling me that the reason why Mr Neiron through the company Sydvat was to provide funds externally was so as to avoid any appearance of conflict with any money coming directly from one of the Medex companies?---That's correct. That's what he told me.

But the essential point with which I think you agree is that the arrangement with the hospital that you discussed with Professor Hacker was that there was always going to be external funding of the work that you wished to do at the hospital?---That's correct.

30

Now, if, as I think you've told us on the previous occasion and this morning, that the studies that were to be conducted at the Royal Hospital for Women and in due course at the Royal North Shore Hospital were going to be used by you to augment, I think is the word I used, your PhD studies then would it not have been important for you to be able to demonstrate as part of that thesis that you yourself had undertaken the work involved in the screen tests and the obtaining of the results from the patients?---Like I said, from those two hospitals it was going to be supplementary information or supplementary documentation to support as part of an appendix perhaps. The thesis would be containing - - -

40

Yes. But that information whether it's supplementary or meeting your thesis as was then proposed involved the reporting of the results of work that you yourself were intending to carry out?---A portion of it if it was depending on how many patients I would have screened at that time, at the time for the thesis to - - -

Well, we should understand what you mean is either you or your sister? ---What do you mean me or my sister? (not transcribable) unclear.

You carried out the work or your sister Jessica carried out the work?

---That's testing, that's not, that's not writing the thesis, that's screening patients.

I understand that but the results to be reported in the thesis were the result of the work that you intended to do in seeing patients using the device, carrying out the test and deriving the results?---That's correct. Many, many researchers work on one project hence the experiments overlap (not transcribable).

10 And I suppose we can test your understanding this way. If it be correct that Mr Neiron did agree to pay via Sydvat fifteen hundred dollars per screening test the charge that we see in each of the invoices issued by your companies related to that charge that Mr Neiron agreed to pay you?---Sorry, can you repeat that again? Can you break that up?

The charge that we see made in the invoices resulted in a calculation of the number of screening tests that you conducted multiplied by the fifteen hundred dollars per test that you said Mr Neiron had agreed to pay you?  
---That's correct.

20

So the work, for want of a better expression, in the invoices insofar as the examination tests or the screening tests are concerned related to the work that you yourself were carrying out, that's so isn't it?---That's correct.

All right. Can I understand from you why it was that you rendered the invoices to the Royal Hospital for Women and the Royal North Shore Hospital through corporate entities or through the use of a corporate name and not in your own name?---Can I have my name as a company? I don't understand that question, sorry.

30

Well, I think we all understand that you can use a corporate entity if you want to. My question is a little deeper than that. Why in rendering for your time in conducting screen tests at each of the hospitals did you render invoices in a company name rather than in your own name?---I believe that's common practice with researchers that are not on a payroll. Medical staff that's not on a payroll, they get put on as vendors and I believe George Hansford has given evidence accordingly and - - -

40 THE COMMISSIONER: We're not asking what other people, what evidence people have given?---Yes.

You're being asked why did you do it?---Because it's common practice.

So what's common practice you just do?---No. It's common practice and it's approved by our supervisors.

What's the purpose of it?---Sorry, I don't understand.

MR ALEXIS: Well Ms Lazarus - - -

THE WITNESS: So I can get paid for the services I'm providing.

THE COMMISSIONER: You can get paid if you charge yourself individually. Why did you interpose a company between yourself and the hospital?---I'm still not clear on your, I do apologise, I'm still not clear - - -

10 MR ALEXIS: Well Ms Lazarus, let me put it to you very plainly?---Yes, please.

After you conducted 10 or 50 or however many examination or screen tests - - -?---Yes.

- - - you could have rendered an invoice for those services in your own name. You could have done that couldn't you?---Would I still be paid? I don't have an ABN number on my name. I'm sorry, I'm very unclear as to where you are deriving this question from or where what you're suggesting - - -

20

Well, it's obvious Ms Lazarus?---It's not obvious. I do apologise.

After you, let me put the question again. And I'd ask you to attend to it, please?---I'm trying. Sorry.

When you finished the screen tests that you would wish the Commission to accept you did - - -?---Yes.

30

- - - you chose to render the invoice using a company name - - -?---Yes.

- - - rather than rendering the invoice in your own name?---Because I was being paid through the company.

Well my question is why did you set up the company and render invoices through the company name and not render invoices to the hospital in your own name?---Like I said it was common practice. That's what researchers and visiting clinicians do. It was just me following protocol.

40

Following protocol was it?---That's correct. Protocol that was approved and signed by supervisors.

So Ms Lazarus, if the true position be that money was to come in externally into the hospital - - -?---Yes.

- - - to pay your expenses - - -?---Ah hmm.

So that the hospital was not out of pocket?---That's correct.

And you've told us I think many times now that that's the arrangement that you came to with Professor Hacker and with Professor Smith?---That's correct.

So in effect the hospital was being used as a type of conduit through which money was flowing, but ultimately would not incur the cost?---I believe again that's common practice and I'm (not transcribable)

Well it might, it might be Ms Lazarus?---Yes.

10

But that's what you understood was to happen?---For me to be paid, that's correct.

So if the money was coming in externally and was being paid out to you, why was it that invoices to get that money were rendered through a corporate name and not your own?---I believe they all use a corporate name.

But was there any - - -?---I don't understand, like (not transcribable)

20

You do Ms - - -?---No, I don't. That's the thing, I'm really lost at the moment. What are you saying? That the invoice should have my name on the invoice as well as the company name or, I don't understand what you're trying to - - -

If the invoice, if the invoice truly reflected services that you yourself had performed - - -?---They do reflect true services I have - - -

30

Well you've told us that. But if that be correct, why didn't you render an invoice which made plain that Sandra Lazarus had done 10 or 50 or however many tests rather than the name of a corporate entity?---Should I have put Sandra on there as well as the company name? Again, I'm very confused. Like my name doesn't have an ABN number.

THE COMMISSIONER: You don't need an ABN number?---Then how am I supposed to get paid?

Well you can get, well, it's all right.

40

MR ALEXIS: Ms Lazarus, there's a simple and rational explanation for why it was that you used the companies through which to render your invoices isn't there?---So I can be paid for the services provided, following normal protocol.

So that you could be paid without the fact of your involvement being disclosed to the hospitals?---That's incorrect.

Because you knew that if the bills were rendered to the hospitals with Sandra Lazarus written on them, then that was likely to draw attention to the

fact that you were being paid for services when you were not employed by either hospital. What do you say - - -?---That's very incorrect. Like I mentioned and accounts department has given evidence, there's actually evidence in the requisition book as well that was obtained from the Royal Women's Hospital.

But what I want to suggest to you is that - - -?--- - - - the clinicians and researchers do exactly the same thing.

10 - - - you used, you used the corporate entity as a disguise so as to create a false impression that these goods and services were being supplied by an independent supplier who had nothing to do with you?---That's incorrect because the contract that was shown to Neville Hacker and shown to Ross Smith outlined the company name and my name, the contract that was arrived between Johel Neiron and myself and that was exactly the same with Wish Consulting as well.

This is the contract that you've described in evidence and one that we've never seen?---That's correct.

20 And that's the contract that both Professor Hacker described as one that he'd never seen and that Professor Smith described in evidence as one that he'd never seen?---If they haven't seen why have they signed the vendor forms?

Well, you know, don't you, that they both contest the authenticity of their signatures on those form, don't you?---That's correct and like I said, if handwriting analysis is carried out, which I've actually made attempts to go find out, that needs to be carried out and tried to engage the services of a forensic analyst called Michelle Novotny who informed me that ICAC has actually approached her and therefore I can't use her services.

30 In your dealings with the hospitals, and I'm including both hospitals, have you ever represented yourself as being unrelated to the supplier company referred to in the invoices when trying to have the invoices to that supplier company paid?---That's incorrect.

40 In other words, did you telephone for example Alison Kurtz, then I think known as Alison McKenzie, and tell her that you were a research student and that the supplier was hassling you about getting paid and you wanted to make sure that the supplier was paid otherwise they wouldn't continue supplying goods?---I believe she's also given evidence that she gets plenty - - -

THE COMMISSIONER: Did you say that or not?---No, I didn't say that. She gets - - -



Well, just answer the question, please?---Well, she's given evidence that she gets 80 phone calls a day - - -

(not transcribable) just answer - - -?--- - - - and she remembers my phone call?

Just answer the question?---No, that would be incorrect but I did ring from the hospital, but I must say I did ring from the hospital.

10 MR ALEXIS: All right. Well, I'm come back to that. Now, on the last occasion do you recall telling us that Mr Neiron had agreed to fund the clinical trial at the Royal Hospital for Women?---The Royal Hospital, that's correct.

And you told us on the last occasion that he had agreed to pledge some 220 or \$250,000?---That's correct.

20 And you told us when I took you through the two letters from Mr Ratnam of 13 May, the letter from Mr Neiron to Professor Hacker of 15 May, are you with me so far?---Yes, roughly, yes.

When I took you also to the clinical trial contract which is dated 16 May and - - -?---Sorry, sorry to interrupt, can I get a pen and paper perhaps?

Well, I'm sure you don't really need it, Ms Lazarus.

MS SOARS: Perhaps my learned friend could break the question down, Commissioner, I submit it's not fair to, to roll the documents on.

30 MR ALEXIS: All right. In light of - - -?---I am, I am dyslexic, I can't see numbers, they turn around.

In light of the application from your counsel I will withdraw the question and put it again?---Thank you.

Now, do you recall on the last occasion that I took you to the email that you sent to Mr Neiron on 17 June?---Okay.

40 And you'll find that, madam, at page 100 of Exhibit 1 and you'll see, have you got the email?---Yes.

And you see that in the email you refer to the attached clinical trial agreement?---That's correct.

And you then say in the next sentence, "This was the last outstanding document for the trial. Can you please confirm that the required trial funds will be transferred." Do you see that?---Yes, that's correct.

And there was debate I think on the last occasion about whether that was representing the position that funds were to flow after the receipt of this email and you told us on numerous occasions that prior to you dispatching that email Mr Neiron had deposited to your knowledge money already, do you remember that?---That's correct.

And in fact you told us that he had to your knowledge deposited two tranches of \$75,000, you remember that?---Yes, that's correct.

10 And when I sought to get clear when that had occurred you told me that that had occurred prior to Mr Ratnam's letters of 13 May which are contained at pages 93 and 94 of Exhibit 1?---Yes, that's correct.

Do you remember that?---Yes.

Now, what I want to suggest to you is that no money to your knowledge had been deposited with the hospital by Mr Neiron or by Sydvat prior to Mr Ratnam's letters at page 93 and 94?---That's incorrect.

20 And I want to suggest to you that your evidence which asserted on the last occasion at page 119 of the transcript about two tranches of 75,000 having already been paid was completely false?---That's incorrect.

Remember giving evidence to the Commissioner during a compulsory examination back in December last year?---Yes, I do.

And if we could have up on the screen please the compulsory examination transcript of that occasion at page 166.

30 MS SOARS: Commissioner, could I make an application for access to that transcript, I haven't been provided with a copy yet.

THE COMMISSIONER: It's refused.

MR ALEXIS: Now, Ms Lazarus, can we just come down to line, yes. Now, do you see line 20 on the left-hand side?---(NO AUDIBLE REPLY)

It's page 166 of the transcript and I'm directing your attention to line 20, do you see that, Ms Lazarus?---No, because it keeps moving.

40

All right. Well, that's, hold it there. Now, do you see the question, and this is Ms Daly asking you some questions, she's referring to the letter from Ravi Ratnam, do you see that?---Yes, it will take me a little while to read.

Well, you just take whatever time you need, Ms Lazarus?---Thank you.

But you'll see the question is, we'll move on to the next page, page 10 and that was a bundle that was before you on that occasion and she identifies

very clearly the letter from Mr Ratnam, do you see that?---(NO AUDIBLE REPLY)

And then she says, "The accounts person?" And you say, "The accounts person at the hospital." Do you see that?---Yes.

And she then says, "And it's addressed to whom it may concern." Do you see that?---Yes, that's correct.

10 And when you look at the letters at page 93 and 94 it's obvious what she's referring to?---Yes, that's correct.

Thank you. And then just passing over the next question and answer but from line 31 Ms Daly says, "It talks about a sum of 73,950." Do you see that?---Yes, that's correct.

And just look at Mr Ratnam's letter at page 93 and you see that's precisely the sum referred to in his letter, do you see that?---That's correct, yes.

20 And you see that you've responded to that question by saying, "That's correct, yes, that was the first payment Medex had to make."?---Yes, that's correct.

"Sorry, Medex, Sydvat or Medex." And then you went on to say, "Whichever one you want to go with because the CEO is exactly the same Johel Neiron. And you have the original letter as well outlining the funds will be made available". Do you see that?---Yes, that's correct.

30 So it's obvious isn't it from your answer that you gave on that occasion that in reference to Mr Ratnam's letter at page 93 of Exhibit 1 that represented a time when the first payment had to be made and that the funds will be made available thereafter?---No, I was mistaken on that occasion.

How could you be mistaken, Ms Lazarus?---Because funds had already been placed in accordingly to my knowledge, like I mentioned earlier there were milestones - - -

40 Well, you never said anything - - -?---I was never asked, I was always asked to give yes or no answers and I elaborate on my own account.

Well, no one told you there to answer with a yes or a no and even if they did you didn't follow that instruction did you - - -?---No.

- - - because you told us and told us quite candidly, I would suggest, that Mr Ratnam's letter was the first payment and that funds will be made available?---That's incorrect.

Well, it's clear isn't it on that occasion you were telling the Commissioner under your oath that funds would be made available after you received Mr Ratnam's letter at page 93?---No, I was mistaken, it should've been reworded.

That's what you were intending to convey to the Commission on 15 December last year wasn't it?---No, I wasn't conveying that, that's incorrect.

10 Well, how could you not accept from me that that's what you were conveying at lines 30 to 35 on page 166 on that occasion when that's what the words say?---Well, what I should've said was it's one of the payments, that's what it actually should say. It wouldn't be the first because the trial had started and like I mentioned earlier there are milestones he likes to, for all the researchers to achieve and accordingly he places the funds in.

See Ms Lazarus, you know don't you that the first invoice representing screening tests or examination tests - - -?---Yes.

20 - - - leaving aside whether it's 50 or 10?---Yes.

That the first one was in March, 2008 don't you?---I don't have the documents with me, sorry. You'll have to direct me.

Well what I want to suggest to you madam, is that you know very well that the earliest invoice that you sent to the Royal Hospital for Women, which is at page 122 of Exhibit 1, represented - - -?---I'm not there yet, sorry.

30 Are you at page 122?---One sec.

Are you at page 122?---No, not yet, no. Yes.

Now that invoice represented the conduct of either 50 tests or 10 test, I won't pause to debate the number?---That's okay.

But that those tests had been carried out by 14 March, 2008?---That's correct.

40 That is two months before Mr Ratnam's letter?---That's correct.

And when you gave evidence about the timing of the payments at the compulsory examination at 166, you were correctly telling the Commissioner that Mr Ratnam's letter related to the first payment and that the funds would be made thereafter didn't you?---No, that's incorrect.

But what you've realised in between giving your evidence back in December and giving your evidence to this Commission is that you needed

to deal with the problem of the invoice at page 122 pre-dating Mr Ratnam's letter by two months?---I've always had access to - - -

10 But you've been conscious of that problem haven't you?---No, I haven't been conscious of that problem. The problem never existed. There is no problem. I've always had access to Mr Ratnam's letter and my invoice and I very well clearly said it's one of the payments. He was making \$75,000 payments and this is a very particular number which he's outlined which he gave to me, when reference to he, I'm, I mean Johel Neiron. And it's one of the payments, it's just one of the payments and the payments should follow. And I've given evidence accordingly in a private audit meeting as well which you have minutes of the meeting, which aren't very clear to me.

See you well understood that it would be incredible to accept that you would conduct either 10 or 50 examination tests back in March of 2008, in circumstances - - -?---Sorry, can you please start again? Sorry. Can you please start again with that question?

20 You well understood that it would be incredible to believe that you had conducted examination tests back in March, 2008, two months before the Ratnam letter unless you explained why you did that and your explanation was to have Mr Neiron pay money to the hospital well before to justify your conduct of those tests as represented in the invoice. That's what you decided to do isn't it?---Sorry, I'm not following your question and I cannot answer that.

All right?---Can you please repeat that?

30 No?---Okay.

The, yes, could we show Ms Lazarus please Exhibit 47. Now Exhibit 47, Ms Lazarus, is an email that Mr Neiron told us he sent to you on 13 May, 2008, seeking information?---Yes.

And do you accept that that's the email that he sent you on that occasion?  
---That's, I don't accept that. I have never seen this email before and the email on the face of it seems authentic, but I - - -

40 Well I want to suggest to you madam, that firstly you did receive the email and secondly you replied to it?---Do you have documentation to support that?

Well if I didn't have documentation what would your answer be?---I haven't seen this email, I'm sorry.

Mmm?---I can't recall seeing this email.

And do you see the date of the email is precisely the date that Mr Ratnam has signed the two letters at 93 and 94?---If that's what you're suggesting, yep.

Well have a look at 93 and 94 of Exhibit 1. It's the same date isn't it?

---Yes, I believe it is.

And what I want to suggest to you is that he sent this email to you and you responded that very day?---I may have.

10

All right. Well let me show your reply on this, Ms Lazarus?---Thank you.

Now I want you to start on the second page because you'll see that it contains Exhibit 47. Do you see the email from Mr Neiron to you of 13 May, 2008?---Yes, yes. Yes.

And do you see if you come over to the first page that you have responded to that email and you'll see the details at the top of the page on the same day, 13 May, 2008?---Yes, thank you.

20

All right. So do you accept from me now that you did respond to the email?---Yes.

And just coming back - - -?---Based on this email.

- - - to the second page of the reply, just do you see in Mr Neiron's email in respect of each of the questions or points that he's raised 1 to 10, you've typed an answer. Do you see that?---Yes, thank you.

30

And then if you look up the page above the line that runs horizontally, you'll see that you've done a cut and paste of his questions or points 1 to 10 and you've added that to the end of the email, the text of which we see back on the first page. That's how we should understand the email?---(NO AUDIBLE REPLY)

Is what I put to you correct or not, Ms Lazarus?---Well I'm just going through the email.

Well just have a look at it.

40

THE COMMISSIONER: You don't need to go through the email. You can just see, look at what, what appears on the same page.

MR ALEXIS: Can you see the questions 1 to 10 - - -?---Oh, 1 to 10, yes.

- - - in the email from Mr Neiron?---Yes.

And your answers have been cut and pasted into your reply email?---Oh, yes, yes, I have done that.

That's what I'm asking you?---Yes, but I still cannot recall that email.

All right. Well let's go through it. Just come back to the front page if you - -?---Yes.

- - - if you would?---Ah hmm.

10

Now let's just go through it. You've said to Mr Neiron, the following attachment are the banking details for the cervical cancer at Royal Hospital for Women. The second is the letter for the trial amount, cervical cancer trail at RHW. Do you see that?---Yes, that's correct.

Now just go back to the second page, you'll see that point number 7 relates to the cost of the cervix cancer. Do you see that?---That's correct.

20

And you've written in response to that attached to this email. Do you see? ---That is correct.

Just come back to the first page. Now it's clear isn't it that the two attachments that you're referring to in the opening sentence of this email are at pages 93 and 94 of Exhibit 1?---Yes, that's correct.

The two Ratnam letters?---Yes, that's correct.

30

And the second letter you there refer to is the one at page 93 referring to the sum of \$73,950. Correct?---That's correct.

In the next paragraph you say the third letter is a general letter I need for the hospital. I know the amount is not correct, but I need a document similar to this. Do you see that? Do you see the sentence I've just read to you?---No, I'm just trying to find it.

Well it's in the second sentence. Do you see the sentence commencing, the third letter?---Yes.

40

Right. Have page 95 of Exhibit 1 open before you, please?---Yes, that's correct.

And what I'm suggesting to you is that you drafted the letter which Mr Neiron signed and returned to you and the draft of that letter is what you're referring to as the third attachment. Do you see how you describe it? The third letter is the general letter I need for the hospital?---That's correct.

And then you go on to say I know the amount is not correct, but I need a document similar to this. This is just a letter for show and will not be used

as part of the clinical trial. The correct amount is submitted with the ethics application and is outlined in the second attachment. Do you see that?  
---That's correct.

So what you're saying to Mr Neiron is, look here's my letter for show, don't worry about the amount in the letter because the correct amount is that contained in Mr Ratnam's letter at page 93. That's so isn't it?---I don't believe so. Sorry, I have to read the sentence again. I cannot answer that without reading the sentence.

10

Well, let's read it again together?---Okay.

This is just a letter for show and I will not, and it will not, and will not be used as part of the clinical trial. The correct amount is submitted with the ethics application and is outlined in the second attachment. Do you see that?---Yes.

Now, you've already told me that the second attachment is the second letter referred to in the first sentence of your email?---Yes.

20

Which you accepted from me was the letter at 93 - - ?---Ah hmm.

- - - which shows the sum of 73,950?---That's correct.

So in your reply in response to Mr Neiron's question about the cost of the cervix cancer trial you were telling him and I would suggest to you in crystal clear terms - - ?---Ah hmm.

30

- - - based on Mr Ratnam's letter that the correct cost was \$73,950?---No, that's not correct.

I see. Well, that's what the email says, doesn't it, Ms Lazarus?---The email outlines what - - -

Because that's what the email says, doesn't it?---It does say that.

Thank you?---Roughly but it - - -

40

Where does the word roughly appear in the sentence that I've just read you, Ms Lazarus?---Because the, the amount that's written in Ravi Ratnam's letter is actually outlined by Johel Neiron to me on a previous occasion.

Now, the next sentence says, "Can I please come by your office. I've sent the breast article to KK," what's the KK reference to ?---I have no idea.

"And a final copy will be with you," and then you go on in the next sentence, "The remaining documents I will gather for you," and that's a



reference is it not to the other requests that are made in the points 1 to 10 in Mr Neiron's email?---Yes, I believe so.

Thank you?---Not all of them.

Now, the next paragraph says, "Also you have a copy of the ethics application for the cervical cancer trial I have to, I gave to you in the taxi. I don't have an e-copy," and then you refer to the ATCR and you provide him with the website of the registration details of the clinical trial. That's so,  
10 isn't it?---That's correct and at that stage the ethics application being one milestone he had already informed me that he's put \$75,000 in and on the second occasion when the registry was updated he also told me he has put (not transcribable) amount the money.

Do you accept from me, Ms Lazarus, that what you've said on that subject just then and what you said on the last occasion in relation to earlier payments is inconsistent with what you've said in this email?---Sorry, what I have said in previous - - -

20 This email makes not a syllable of reference to Mr Neiron having made any prior payments, it doesn't contain a syllable of reference to anything other than the trial amount of 73,950 referred to in Mr Ratnam's letter?---That's correct 'cause that was the next payment that needed to be made or that he said that that's the amount he will be putting in hence he needed to show it in a letter.

The website you refer to you if one was to go onto it in May 2008 - - -?  
---Yes.

30 - - - would have taken you to the clinical trial registration details that we went to earlier at page 5 to 7 of Exhibit 1, wouldn't they?---That's correct.

And if one was to go onto that website back in May 2008 one would have seen, because of the way you answered the question about ethics approval, that it was approved?---Again, with not full knowledge from Neville Hacker.

Well, whether it was or not the point of indicating to anyone interested in going onto the website was that the proposed clinical trial at the Royal  
40 Hospital for Women had received ethical approval?---Roughly, yes, because we were developing the ethics application so I said what should I answer it, every time I did update that I did get Neville Hacker to look at it because it did contain his contact details, it will be completely incorrect and wrong for someone to put his details on there without his permission.

And you know Mr Neiron was interested to know whether or not ethics approval had been received for that trial?---He would be interested but since

I haven't even given him, since I've just given him the ethics application he'd be very well aware that ethics approval is not given overnight.

Well, just have a look at point 3 of his email, he asked you in terms didn't he the ARTG website for cervix cancer in the above email, do you see that?

---Yes, that's correct.

And that's why you gave him the website, so he can have a look?---That's correct.

10

Because you wanted to, you wanted him to know that the trial had received ethics approval?---That would be incorrect 'cause he has the ethics application with him.

Yeah, but the ethics application was dated 10 April?---That's correct, yes.

So a month and a bit later you're emailing him to say go and look at the website, you'll see that it's been approved?---No, that's incorrect. Ethics applications take three months and he's done enough trials to realise it takes three months.

20

You see, you wanted to represent to Mr Neiron that you had not only organised a clinical trial at the Royal Hospital for Women but that that trial had received ethics approval and therefore he should part with his money? ---That's incorrect.

THE COMMISSIONER: Why didn't you warn him that if he looks at the website he should know that although you said that, although the website says that you have ethics approval you have not?---He has the, when he, when we get ethics approval he actually takes a copy of the letter of approval. Based on that he makes the final payment or whatever the next payment is.

30

That's not an answer to my question?---There was no need for me to outline that. He had the ethics application. That's what I'm trying to explain to you.

He had what?---He had the, a copy of the ethics application.

40

But that was a month before?---Yes, but you can't get ethics approval in a month.

But you, why, why did you think he wanted to look at the website?---That was just one of his requirements. He said the ethics, I'm sorry, the trial needs to be placed on the registry so he can use it as a marketing tool I believe or to procure more funds or for his company's pat on the back, I'm not quite sure but he always required that as a milestone.

So, Ms Lazarus, when we look at your email - - -?---Yes.

- - - and the reference to the correct amount being referred to in the second attachment and then we add to that the content of Mr Ratnam's letter at page 93 - - -?---Yes.

- - - that says the clinical trial will commence once the trial funds have been transferred - - -?---Ah hmm.

10 - - - and the amount is there stated will be required - - -?---Yes.

- - - that was clearly telling Mr Neiron, wasn't it, that once the trial funds of 73,950 are received the trial will commence?---No. Oh, well, in that case I've written the incorrect. Where it will be, it should, should have been that we will moving to the next level and moving forward.

But anyone who can read English - - -?---That's what - - -

20 - - - would read your email and read Mr Ratnam's letter together and - - -?  
---We were mistaken.

- - - will have a very clear understanding that once \$73,950 is deposited with the hospital the, the clinical trial that's proposed can then get underway?  
---Well, the clinical trial begins - - -

But that's right, isn't it? If anyone who can read English - - -?---It does suggest - - -

30 - - - reading those documents would form that impression, wouldn't they?  
---It's a mistaking, a mistake made on my behalf (not transcribable)

Well, it's not a mistake with respect because this is your email sending Mr Ratnam's letter that you drafted?---Yes.

So how could you be mistaken about it?---It was an amount that was outlined by Johel and in, it's just placed very incorrectly in, in the email. It is, I think it would have been the third payment that he would have made.

40 So you understand that in order to have the Commission believe what you say about the examination tests having started as early as March 2008 - - -?  
---That's correct.

- - - that it's important to explain the difficulty that that invoice creates by having the proposition that money's been paid backdated to a time before that invoice, don't you?---No, that's - - -

And that's why you've given evidence and asserted in that evidence that Mr Neiron paid two tranches of \$75,000 well before Mr Ratnam's letter of

13 May?---That's correct and that evidence is not based on the Commission's today, it was actually given in an audit meeting as well, to the best of my knowledge two payments had been made prior to the date of Mr Ratnam's letter.

Yeah?---So it has nothing to do with the Commission or this inquiry.

10 So do you maintain and adhere to your earlier evidence that the, pardon me, that you saw the first patient at the Royal Hospital for Women back in February and March 2008 and that's at transcript 69.1, do you adhere to that evidence?---That's correct.

And do you adhere to the evidence that you gave at transcript 69.45 and we can go over it if you want to, Ms Lazarus, but I have looked at this and I think I'm quoting the page references accurately - - -?---Okay.

- - - but do you adhere to your evidence that you'd seen at least ten patients or even more by the February, March 2008 period?---That's correct.

20 And do you adhere to your evidence given at page 71 of the transcript, line 35 and following that up to the beginning of May, and that's obviously before Mr Ratnam's letter - - -?---Yes.

- - - you'd seen 40 to 50 patients, 50 something in that ballpark was - - -?  
---Yes, that's correct.

You adhere to that evidence do you?---Yes.

30 And so that by the time of Mr Ratnam's letter you'd seen not only that number of patients but you were well underway in terms of seeing the 200 patients which was then your target?---That's correct.

And, of course, when one was to look at the invoices that you generated through your company of which there are five, I'll withdraw that, I'm sorry, of which there are four that predate 14 May, 2008 that would indicate based on your evidence of fifteen hundred dollars a test that you had conducted at least 40 examinations by that time?---That's correct.

40 And you adhere to that evidence do you?---Yes.

See, I want to suggest to you that your evidence to the Commission in that respect, that is, that you'd done 40 to 50 patients by 14 May, 2008 is completely and utterly false?---Based on what, sorry?

That's my suggestion to you, what do you say about it?---Well, I think your suggestion is incorrect.

Just come back to this email if you would be so kind?---Yes.

And do you see that in Mr Neiron's questions he's asked you to break down the cost of the breast cancer, do you see that? Point number 5?---Yes, that's correct.

And then in point number 6 he's asked you to break down the cost of the prostate cancer?---Yes, that's correct.

10 And that's a reference, is it not, to the work that you'd undertaken in respect of which Mr Neiron had paid money to the Strathfield Breast Clinic and St Vincent's?---That's correct.

In relation to the breast cancer and the prostate studies respectively?  
---That's correct.

I'll come back to that. You then in point 7 see the reference to the cost of the cervix cancer and as we've earlier identified you dealt with that by attaching Mr Ratnam's letters as your email indicates?---Yes, that's correct.

20 And then do you see the next point in number 8, the estimation time for the draft article of the cervix cancer, do you see that?---Yes.

And what he was asking you there was to tell him when it was that you expected an article publishing the results of the cervix cancer trial would be available?---Yes, that's correct.

Can you see your answer?---Yes, that's correct.

30 "I have not started the trial." You see your answer, "I have not started the trial, I only completed two patients."?---I think the trial that he's actually talking about is the pilot trial for the patients that have positively diagnosed prostate cancer, sorry, cervical cancer. And at that stage for the pilot ten only two patients, they were a little bit difficult to come by, I think that's what it's referring to.

Well, even if that be true, even if that be true your response to his question, if that's how you understood it, told him that you had not started the trial, you'd only completed two patients?---That would be in reference to the pilot trial.

40

Well, even if that be so you're telling him that in relation to the pilot trial you hadn't started it?---Yes, that's right but I go follow on to write by two patients screened so in actual fact that statement completely contradicts itself because it says have not started a trial, only completed two patients so how can I complete two patients if I haven't started the trial.

Ms Lazarus, what it is utterly contradictory to is the evidence that you've given on your oath to this Commission that by 14 May, 2008 you had

conducted at least 50 screen tests?---That, sorry? What I have given under oath?

What you've said in this email to Mr Neiron is completely contradictory to the evidence that you've given to this Commission that by the time of this email you had completed some 40 or 50 examinations of patients using the Medex device at the Royal Hospital for Women?---That's not correct because - - -

10 Well, tell me why that's not contradictory, Ms Lazarus? I mean, these are your words in your email and you've said - - -?---I'm not denying my words and they're very clear but you have to realise - - -

They are very clear aren't they?---You have to realise it does say, "have not started the clinical trial" - - -

It doesn't say that?---No, - - -

20 It says, "I have not started the trial" - - -?---Not started the trial, that's correct. It doesn't say which trial.

Ms Lazarus, please. The trial can only refer one thing and that's what you were doing at the Royal Hospital for Women in relation to cervix cancer. Now be that a pilot trial involving ten or a larger scale trial involving many more patients the fact of the matter is that you responded to his inquiry by saying, "I have not started the trial, only completed two patients."?---That's correct.

30 Now, whether you're responding to a question about a pilot or a larger trial you're telling him as at 13 May you've done two and no more, that's what you're saying isn't it?---No, that's incorrect.

Why is that incorrect, Ms Lazarus?---You need to know in reference to what trial as being a pilot or being a full trial for abnormal pap smears, patients are readily available and that many patients were screened. In terms of the - - -

40 Ms Lazarus, can you please attend to my question?---I am attending to your question.

Please answer it?---Can you repeat the question.

Your response to Mr Neiron made it perfectly plain that at the time of your response 13 May you had not started the trial. The trial can only be a reference to either, on your evidence, a pilot trial of ten or a larger scale trial, it couldn't refer to anything else could it?---No, it doesn't refer to anything else.

Thank you. So therefore, - - -?---You have, you have to - - -

- - - what you are telling him on 13 May was the position wasn't it that you hadn't started any trial?---That's incorrect.

Well, why is it incorrect?---Because it doesn't outline which trial I'm talking about.

10 You've just accepted from me that on any view your reference to "the trial" can only be a reference to the pilot or the larger scale trial at the Royal Hospital for Women involving cervix cancer patients?---If it outlines, if it's the 200 patients then yes, I would say yes, that only two patients are seen but it doesn't outline which trial it is. I'm sorry, that's in reference to the pilot trial which at that stage only two patients were seen because they're very difficult to come by.

20 THE COMMISSIONER: You're saying you started the main trial before you finished the pilot trial?---That's correct because pilot trials, that particular pilot trial patients only come around very, are rare but for the 200 abnormal pap I had to go ahead.

You're saying that you should read this, I have not started the pilot trial? ---That's right.

Why didn't you tell him about - - -?---That's incorrect. That's what I'm saying the statement is completely, I've contradicted myself in writing I have not started, because I actually go on to say two patients are screened - - -

30 That's irrelevant?---Well, it is relevant.

It's not. The estimation time for the draft article of the cervix cancer? ---That's correct.

40 Now, that draft article was based on the pilot trial and the other, and the main trial wasn't it?---The pilot trial for internal, it wasn't the article that, it's taken about almost a year and a half to actually come up with the breast cancer article based on those outcomes. There is no way a cervical cancer draft article can be written in six months or whatever the requirement so what he's talking about in terms of draft article is based on a smaller pilot study which I've said to him I've only screened two patients of so he'll have to wait.

MR ALEXIS: Now, Ms Lazarus, I'm sorry, Commissioner, can I tender the email please.

THE COMMISSIONER: Yes. The email from Ms Sandra Lazarus to Johel Neiron on 13 May, 2008 with attachments is Exhibit 119.

**#EXHIBIT 119 - EMAIL FROM MS LAZARUS TO MR NERON  
AND ATTACHMENTS DATED 13 MAY 2008**

MR ALEXIS: Now, Ms Lazarus, if what you've said in this email be correct and if no trial whether pilot or otherwise had started as at 13 May, 2008 you would accept making that assumption as to the meaning of the  
10 email that it's completely contradictory to the evidence that you've given to this Commission about the screening tests or examination tests that you'd conducted up to this point in time?---In terms of the positive, ten positive patients it's correct, only two patients were seen. In terms of that it is not because my supervisors who were Neville Hacker, Marsden would not have authorised payments regardless of the fact they dispute the signature or not had they not seen the results from those trials or had seen the results from those patients.

Now, the email refers to a request to provide some, a breakdown of the cost  
20 for the breast cancer and the prostate cancer trials, remember I asked you about that?---Yes, that's correct. Yes. And I asked for an example.

No, but I'll ask you to answer my next question if you'd be good enough. You provided in response to that request two documents didn't you? And let me show them to you. Now, the letter from the Strathfield Breast Clinic at 16 May, 2008 to Sydvat and the second letter from St Vincent's Hospital of 21 May, 2008 again addressed to Sydvat is what you provided to Mr Neiron in response to his email that asked for the breakdown, is that so?  
30 ---This is an example, this is a letter based on an example that he provided including the amounts as well because he knew I was getting paid, he said it would not, I think I've given evidence in regards to these letters - - -

Yes, Ms Lazarus, could you please answer my question? I asked you a very simple question. Are the two documents that I just provided to you given to Mr Neiron in response to points 5 and 6 of his email where he asks for a breakdown of the cost of the breast cancer and the prostate cancer?---The letters are based on his example and drafted by him.

THE COMMISSIONER: Were the letters given to him or not?---And were  
40 given, yes, they were given to him.

By you?---By me um, no, they were given to me by him. No, no, no. Wait. They were given to me by him and then he said, "Print them out on a letterhead, get it all done and send it to me."

MR ALEXIS: Now, you know, don't you, that you prepared the letters from the Strathfield Breast Centre and the St Vincent's Hospital that are before you, don't you?---That's incorrect.



Well, they're on your hard drive that was seized from your laptop computer by the Commission when the search warrant was executed?---That's correct. And you also notice on my hard drive there's um, Johel Neiron's hard drive on there as well.

10 Well, whether that be so or not, the fact remains that the form of these letters were on your computer and found to be so when your computer was seized?---That's correct. They were developed in accordance with, on a laptop with Johel's present and based on example he's given.

And so when I showed you these letters and you were quick to point out that they were examples and you explained yourself by saying they had been provided by Mr Neiron- -?---That's correct.

- - -did you think it was important to get in and explain first why these letters were found on your laptop computer, did you?---No, I didn't explain that. I just explained to you that, where these letters came from because um, he was very well aware that I was getting paid but he has asked me to  
20 develop, and he actually sat next to me on the laptop um, to write a breakdown according to what he required rather just me being paid. I said, "Well, I'm getting paid." He said, "No, well, I need a breakdown like this."

So was this- -?---And that's the reason why it's on the hard drive and his documentation's on my hard drive as well because he used it as a storage.

30 So he through Sydvat had provided money to both Strathfield Hospital and St Vincent's Hospital, hadn't he?---That's correct. And those were for pilot trials of about 20 to 30 patients.

THE COMMISSIONER: Just answer the question?---Yes, that's correct.

MR ALEXIS: Thank you. And when he emailed you on 13 May asking for a breakdown, he wanted to know, as you understood it, how that money that had been deposited with the hospitals had been spent?---Um, a breakdown um, well, he already knew how it was spent. It was- - -

40 Well, whether he did or not, that's what he was asking for?---That's what he was asking for.

And that's what you were responding to by providing him with these letters?---No. Um, that's why I asked for an example because I was very unclear of what he wanted because he knew where the money was being spent in terms of payment.

So is your evidence that despite the request in the email for a breakdown - - -?---Ah hmm.

- - -Mr Neiron already knew what the breakdown was and provided you with these letters setting out the details about how the money was disbursed?---That's correct. And hence the answer- - -

Well, that's just a ridiculous idea, isn't it, Ms Lazarus?---Well, not really, 'cause look at the answer that I've given him. I've asked him for an example 'cause it was very unclear.

10 THE COMMISSIONER: So did, when did he sit down next to you and do this?---Um, I think the following day or so.

MR ALEXIS: Now, if Mr Neiron is the author of the detail that we see on each of these two letters- - -?---Yes.

- - -can I try to understand from you what the point was in procuring letters addressed to his company setting out that detail if he clearly already knew? ---Um, I'm not sure. You'll have to ask him that. I cannot answer on that, on his behalf. The information it contained was copied and paste.

20 MS ALEXIS: Well, you, you were, you were here when he gave evidence, weren't you?---Sorry?

You were here when he gave evidence?---Yes, yes.

And he was directed to the email of 13 May and he said to the Commission that in response to the detail about breakdown you provided him with these two letters?---They're based on, well, I think he's not really- - -

30 And you also heard him say, didn't you, that after he got these letters he rang each of the hospitals?---He, I don't know why he's saying that. I'm sorry, I just don't know, considering he's been to both hospitals and met with everyone.

40 Well, you heard him say that he rang each of the hospitals and was able to ascertain in relation to the Strathfield Breast Centre that no one by the name of Peter Williams worked there, whether as a finance or practice manager or otherwise. You heard him say that, didn't you?---These letters are prepared by him. It's a copy and paste exactly as he prepared and I just followed instructions. Unfortunately, taken to face value, that person was authentic and had the best interests of the trial.

And you also heard him say, didn't you, that when he got the St Vincent's Hospital letter he rang the hospital and was told that Vanessa George didn't work at the hospital as a practice our accounts manager or in any other capacity and that the letter was not one that the hospital had prepared? ---Well, you'll have to ask him that considering, I don't know why he said that, considering he's the one that prepared the letters.

And when the search warrant was executed on your home- - -?---That's correct.

- - -it's the case, isn't it, that there were piles of letterhead from the St Vincent's Hospital?---That's correct. They're used for um- - -

10 And just let me show you each of the bundles of letterhead that were obtained when the warrant was executed. And you'll see that there is two different forms of letterhead from St Vincent's Hospital that were found in your possession?---Two different forms? They're exactly the same.

They're not. Just have a look at the letterhead. They're both from St Vincent's but they are a different letterhead, aren't they?---Sorry, I don't understand that.

20 Just look at the detail of the letterhead and agree with my suggestion to you that they are both from St Vincent's but appear different?---Oh, okay. Um, that's 150 year anniversary or something written on this one and this one doesn't have it.

Yeah. So one letterhead- - -?---Ah hmm.

- - -celebrates the 150 years of existence and the other one doesn't?---Yes, that's correct.

And would you agree with me that in those two bags that I've shown you - - -?---Yes.

30 - - -there are multiple pieces of the hospital's letterhead?---That's correct. They're used for patient consent forms.

So when the search warrant was executed, why did the officers find multiple copies of letterhead in your possession from St Vincent's Hospital?---For the same reason they found in the white folders spare um, Strathfield Private um, letterheads. They were all used for um, patient consent forms.

And they also found this Manilla folder which was inside this plastic bag, together with multiple envelopes from the North Sydney, Northern Sydney Central Coast Area Health Service. Let me show you that?---That's correct.

40 And just have a look at the Manilla folder in the bag?---Ah hmm.

And can you see that down the spine of the Manilla folder- - -?---Yes.

- - -inside which is contained multiple letterheads from the Royal North Shore Hospital?---That's correct.

Is there something on the file? I just don't have it in front of me. What does it say on the side of the file?---Um, RNS letterheads.

And is that your writing on that Manilla folder?---That is not my writing. I can tell you whose writing it is.

All right. Whose writing is that?---Um, Ross Smith's secretary's.

I see. So there's a Manilla folder that was found in your possession entitled RNS Letterhead?---That's correct.

10 Have I quoted accurately what it says?---That's correct.

And that was something you got from Professor Ross Smith's secretary, was it?---That's correct.

And when was- -?---And for the purpose of um, um, patient consent forms.

And did you obtain that from Professor Smith's office?---That's correct.

20 Why was it at your home when the search warrant was executed, Ms Lazarus?---Um, they were, the same reason the files were at my home um, the same reason the originals were at my home. I was using it as a storage place.

But why were you using your home as a storage place for records that were clearly records of the hospitals?---Well, because records from the hospitals have mysteriously disappeared and the only records I do have now are the records that were kept at our home.

30 But these are blank letterheads, Ms Lazarus. Why were you keeping blank letterheads of hospitals in your home at the time the search warrants were executed?---I would have printed the protocols out, I would have printed um, um, patient consent forms out for that reason. They're just spare copies. It's not like there's a bundle of them, there's about two or three. Um, um, as you can see from any evidence or any documents that you do have, these ones weren't, these weren't even used. Um, the one from RNS letterheads, they were never even used um, for anything. The ones that were used were the ones that were um, available to me in the Kolling Building.

40 Now, Commissioner, can I tender in the form that they were obtained, that's why they're still in the plastic bags, each of the letterheads and perhaps for convenience the St Vincent's Hospital can be marked as a separate exhibit to that of the Royal North Shore Hospital?

THE COMMISSIONER: Yes. The Manilla file that contains Royal North Shore letterheads is Exhibit 120.

**#EXHIBIT 120 - MANILA FOLDER OF ROYAL NORTH SHORE LETTERHEAD**

THE COMMISSIONER: And two plastic containers with each containing a different St Vincent's Hospital letterhead are Exhibit 121A and B, and A will be the letterhead with the 150 years on it.

10 **#EXHIBIT 121A - BUNDLE OF ST VINCENT'S HOSPITAL LETTERHEAD WITH 150 YEARS ANNIVERSARY LOGO**

**#EXHIBIT 121B - BUNDLE OF ST VINCENT'S HOSPITAL LETTERHEAD**

THE COMMISSIONER: There are, it still remains for the letter to St Vincent's Hospital and Strathfield Breast Centre- - -

20

MR ALEXIS: Yes, thank you.

THE COMMISSIONER: - - -of the 16 and 21 May.

MR ALEXIS: Can I tender those? And I think before Ms Lazarus had the originals of those letters.

THE COMMISSIONER: Yes. The letter from, the letter from Strathfield Breast Centre to Sydvat dated 16 May, 2008 is Exhibit 122.

30

**#EXHIBIT 122 - LETTER FROM THE STRATHFIELD BREAST CENTRE TO SYDVAT PTY LTD DATED 16 MAY 2008**

THE COMMISSIONER: And Exhibit 123 is the letter from St Vincent's Hospital to Sydvat of 21 May.

40 **#EXHIBIT 123 - LETTER FROM THE ST VINCENT'S HOSPITAL TO SYDVAT PTY LTD DATED 21 MAY 2008**

MR ALEXIS: Now, Ms Lazarus - - -

MS SOARS: Excuse me, Commissioner.

THE COMMISSIONER: Yes, Ms Soars?

MS SOARS: Could I indicate that my client has indicated to me that she would request a short adjournment?---It's a convenient time 'cause we're not really answering any question.

THE COMMISSIONER: Yes. Very well.

MS SOARS: Thank you, Commissioner.

10

**SHORT ADJOURNMENT**

**[12.39pm]**

THE COMMISSIONER: Mr Alexis, I'm not clear what Ms Lazarus' evidence is about these two letters which are Exhibits 122 and 123.

MR ALEXIS: Yes. Well me step back through it if I may - - -

THE COMMISSIONER: Yes, please.

20

MR ALEXIS: - - - to clarify that. Ms Lazarus, perhaps I ought to provide you with copies of the letters which are Exhibits 122 and 123. And I think you've accepted from me that these were letters that you provided to Mr Neiron as to the breakdown of costs following his request in the email of 13 May. Is that so?---Like I mentioned earlier, I was unclear as to why he was asking me.

THE COMMISSIONER: No. Just answer the question. It becomes very confusing when you don't answer the question. Just answer the question, please?---Okay. Well it can't be answered because I did not develop these letters.

30

MR ALEXIS: I didn't ask you about the development of them. I asked you whether you provided them to him. Yes or no? You should be able to answer that question?---I provided the letterheads and that's about it.

THE COMMISSIONER: What do you mean you provided the letterheads without anything, without anything typed underneath them?---No. I provided, that's what I'm trying to explain to you, I, the content of this letter is not mine. But (not transcribable) to print it - - -

40

Ms Lazarus, can you please answer the question?---Well the question isn't - - -

Did you give these letters to Mr Neiron? Yes or no?---Out of the printer into his hands, yes.

MR ALEXIS: All right.

THE COMMISSIONER: And when, right that's, I don't understand that because they are signed?---That's correct. That's not my writing.

So did you give them to him in a signed form?---I - - -

Yes or no?---I'm unclear on that.

10 You're unclear on that? Why are you unclear on that?---Because I gave these to him as they came out of the printer. I'm sorry, I'm just, it's just very unclear as to whether they had the signature on there or not. They're pretty devastating letters aren't they?---In terms of what?

Well they seem to demonstrate some dishonest conduct on the part of someone?---Well not on my part.

Well that's why they're, but they're potentially devastating. Do you not, do you accept that?---Maybe to what Johel was trying to do, but I don't know.

20 Maybe?---I'm not too - - -

But potentially to you too?---Well not really because I've just told you I'm not the one who developed these letters in terms of content.

30 What do you mean developed in terms of content? What does that mean? ---It means that I had no understanding as to why he was asking for breakdown for payments when he already knew where the payment was going and hence the reason why in that email I asked him, can you please send me an example in the next few days or so, I'm not quite sure, I can't recall, these letters came about, an example of what he wanted.

You said this came about, what does that mean?---That means the content he sent to me as an example of what he wants these letters to show.

What he sent you an email?---He sent me, I can't remember if it was an email or a printed copy of what he wanted.

On his own letterhead?---Not on his own letterhead.

40 On whose letterhead?---I'm not quite sure. There was no letterhead. Why would there be a letterhead?

I'm asking you?---Ah hmm.

He just sent you a, a document without a letterhead which contained these, the details which one sees on the letters from St Vincent's Hospital and Strathfield Breast Centre, which are now Exhibits 122 and 123?---That's

correct. He provided me with the information. I cannot remember which form - - -

All right. And what were you going, and was this after you had received his email in which he asked you for the information?---That's correct.

Having asked you for the information he then sends you a document setting out the information that he asked for?---That's correct, because I had no idea what he was asking for.

10

Just answer the question, please?---That's correct.

And then what did you do with that information?---I believe it was, this is again very, I'm trying to do my best in terms of remembering what had happened, what followed. That's why in my email - - -

Just answer, what did you do with them?---Well I sat down, I remember sitting down with him and he made a few changes. He was a bit slow - - -

20

But he sent them to you you said?---Yes, but it was still very unclear to me hence the reason why I asked for a meeting.

And so you then asked for, what was unclear to you?---Well why he wanted a breakdown like this when he knew that I was, I was the one getting paid. And his reason was that it needs to look a certain way. That this information, he cannot say that he's paying me.

He asked you for details - - -?---Yes.

30

Let's just go back to see exactly what he asked you for?---In the email, yes.

Let's just start again with five. You got his - - -?---No, I don't have his email.

If Ms Lazarus could just be given the exhibits please. Exhibit 119. So you see his email to you of 13 May?---That's correct.

40

In number 5 he asked you for an example of the breakdown of the cost of the breast cancer?---No, he didn't ask me for an example, I asked him for an example.

I beg your pardon, the letter says, "Dear Sandra, the following documents I need as fast as possible. Number 5 breakdown of the cost of the breast cancer." He's provided an example.

MR ALEXIS: That's Ms Lazarus' response.

THE COMMISSIONER: I see.



MR ALEXIS: And so the email from Mr Neiron ends with the word “cancer” in point 5.

THE COMMISSIONER: Where is the email - - -

MR ALEXIS: It’s Exhibit 40, yes, and you’ll see - - -

THE COMMISSIONER: 47.

10

MR ALEXIS: Exhibit 47. And Exhibit 47 makes plain what I’ve just said.

THE COMMISSIONER: Yes. But Exhibit 47, can you give Ms Lazarus a copy of Exhibit 47 please or Exhibit 47. He asks you in this email for the breakdown of the cost of the breast cancer doesn’t it?---That’s correct.

And you give it to him?---No, I didn’t.

20

You never gave him the breakdown?---No, I wrote an email saying please provide example, I had no clue what he was talking about.

And did he give you that example?---That’s the example he gave and that’s how it was produced in this letter.

Sorry, when you say “that” what are you referring to?---I mean he gave an example. See number 5 he asks for a costs breakdown, I was very unclear as to what breakdown he was asking for.

30

I’m just trying to find out what the breakdown is to which you are referring?--- Okay. I’ll go through it.

No, no, I just want the document?---Okay. This is - - -

The document, I just want to see the document that she’s referring to. Are you talking about the letter from Strathfield Breast Centre?---That's correct.

So you’re saying that he gave this to you?---No.

40

Well, I’m sorry. We’ll have to start again because I don’t understand what you’re saying?---That’s what I was trying to explain. I received - - -

Let’s just start again from the beginning?---Yes.

You get an email from Mr Neiron - - -?---Yes, which I didn’t, I can’t - - -

Just a minute please. It will really be helpful if you don’t interrupt?---I do apologise.

And he asked you for the breakdown of the cost of the breast cancer. What do you then do?---I write an email back saying please provide example. I was very unclear.

And that email is that Exhibit 119?---That's correct.

And then what does he do?---Then he provided me, we had a meeting 'cause I remember we had a meeting.

10 Where?---In the café in Bondi Junction. I had my laptop, I had my hard drive and it's evident that he's using my hard drive because they are his documents.

No, sorry, I asked you what you did or what he did. What act did then happen when you asked him for an example?---Well, I'm trying to recall where that example was given. To the best of my knowledge again I can't remember. He gave me an example and that example is produced in those letters.

20 Now, but where, he gave you the example and as I understood what you said earlier it was on a piece of paper which didn't have a blank, which didn't have a letterhead?---Yes.

But it was in exactly the same terms as what one sees in Exhibits 122 and 123?---That, that's correct, that's what I'm trying - - -

All right?---Yes.

30 Now, he gave those to you. Where did he give them to you?---I could have printed that out after it was - - -

No, I'm sorry, where did he give, you said to me that he gave them to you - - -?---In the, in the café.

- - - now please answer where he gave that to you?---Well, it could have been in the café where we had the meeting. That's what I'm trying to say. I can't recall. I couldn't even recall receiving this email.

40 All right. He then gives you - - -?---Yes, the information.

- - - the example?---That's correct.

What do you then do?---Then I remember we actually had a meeting, I think it was at Strathfield.

Who had a meeting?---Johel and I had a meeting. It was either Strathfield or St Vincent, I can't remember.

In the hospital?---In the hospital.

And who was present at this meeting?---Him and I 'cause he was going through - - -

Just the two of you?---Yes. So it would have been Strathfield 'cause he was going through the files I remember.

10 And what happened there?---He asked for these, he, he said that, oh, I, I need them to be printed out on a letterhead. I said, What's the reason why because you already know - - -

But you've already got it, you've got it at the café - - -?---Yes.

- - - in Bondi Junction?---But it's plain, it's not on a letterhead.

Yes?---I've asked him questions about it.

20 But what is he now asking you for?---To produce this on a letterhead.

But he, he'd simply wanted the details of the cost and he's then, and apparently he's given you himself the details of the cost - - -?---That's correct.

- - - that he's asking you for?---He wants them in a (not transcribable) form.

30 So did you not ask him, didn't you not say to him that's extraordinary?---I said to him isn't that wrong? He said it's not going to be used for anything, it's just going to be used for his internal thing.

I'm asking you something else?---Well, I don't understand, sorry.

He asked you for details - - -?---Yes.

- - - of the cost of the breast cancer tests?---That's correct.

He then gives you, he then gives you the breakdown?---That's correct, because I asked him, I said I did, I was very unclear as to why he - - -

40 He actually, he himself gives you the detail of the breakdown?---Yes, that's correct.

So did you not, did you say to him that's extraordinary, you're asking me for the breakdown but you know it?---I did, that's why - - -

And what did he say?---At that point he said to me that he needs some authentic on a letterhead what he's given to be produced because he needs to show it to some internal body. I said but that's incorrect because he

already has, has receipts for my payments from both hospitals. That's why it was very unclear to me because he'd already seen the accounts department as to where the money was going from Strathfield and St Vincent.

All right. So you say to him that's incorrect?---That's correct.

And then what happens?---And then he said oh, it's okay, don't worry, he needs it done and I obliged.

10

And did you (not transcribable) well, how did you oblige?---By providing the letterheads.

How did you get the letterhead?---I used them for the patient consent forms and for reports as in evidence.

Well, what did you put on the letterheads?---Nothing.

20

The letterhead, did you print out in your, did you type out the words that he'd given you on the document that he'd given you?---Yes, that's my error there, I did - - -

And then what did you do?---And it was printed on the letterhead and given to him as it was.

And where was it printed?---I can't remember.

30

Where could it, if it, if it only - - -?---It could have been at the hospital or it could have been maybe - - -

At your home?---Yes, at my home or that's, that's the only two places, or it could be at his office in Spring Street as well.

And then when you gave it to him it wasn't signed?---I cannot remember if it was signed.

40

Well, how could it have been signed if you printed it out unless you went to get the signatures? Did you go and get the signatures?---No, I didn't, no, because that's not my handwriting and those people to the best of my knowledge are people I think he came up with. I'm not sure.

So let me just, when you printed out these documents - - -?---That's correct.

- - - they were not signed?---I, no, well - - -

Well, they couldn't have been signed?---Didn't sign them because I printed them, yes, that's correct, on a letterhead.

Did he ask you to get them signed?---No.

I thought that's what you said?---No, no, no because I just printed these, I did not get them signed, I didn't say that I went and got them signed at any stage.

So did you just hand them to Mr Neiron unsigned?---I obliged him in - - -

10 Did you or did you not hand - - -?---Yes (not transcribable)

- - - them to him unsigned?---I cannot recall but I didn't, I remember clearly that I did not go to get signatures.

You cannot recall?---So they would have been unsigned.

And did you ever speak to anybody at Strathfield Private Hospital about getting this information?---No, because we were - - -

20 Your answer is no. Did you speak to anybody at St Vincent's Hospital to get the information?---There is no information to get.

There is a letter from the St Vincent's Hospital which is Exhibit 123, which contains information. Did you ask anybody at St Vincent's Hospital about that, did you ask them for that information?---You mean this information (not transcribable) by Johel.

30 So your evidence is that you had nothing to do with getting any of this information from either St Vincent's Hospital or Strathfield?---That's correct.

And you had nothing to do with getting these documents signed?---That's correct.

And when is the first time that you saw these documents signed?---I think he gave them to me, a copy or, I remember having them, but I'm not quite clear of how - - -

40 How did you get them?---I'm not quite sure. Either he gave me them, because - - -

He gave you a copy?---Well he's the one - - -

He gave you a copy?---He might have. I'm not sure if it was a photocopy or if it was a proper print out copy. I'm very unclear. I'm sorry.

You didn't have the original?---He always requested there be two originals.

Did you have the original?---I might have had one of the originals.

He always requested that there be two originals?---Well, that's where I learned to make two, three originals of everything.

So he taught you this did he?---Yes. Hence the reason why I have two originals of quite a few things.

So he asked you, so did you print out, are you now saying that you printed out two originals of these documents?---Like I'm saying I - - -

10

Are you or are you not saying that you printed out two originals of these documents?---I cannot recall. I cannot recall. I'm sorry. I'll have to be impartial on that.

Did you have an original in your possession, a signed original in your possession (not transcribable)?---That I cannot recall either.

Well if you did how it get into your possession?---There's only way, it would have been through Johel.

20

But why did he give it to you?---I have no idea.

What possible reason could there be for giving - - -?---Well, I can't even recall him giving it to me.

I'm asking you if there is a possible reason for him giving it to you?---Not that I can think of for the moment, sorry.

Yes.

30

MR ALEXIS: The original letters from the Strathfield Breast Centre, Exhibit 122 and the original letter from St Vincent's Hospital, Exhibit 123, were both in your possession at the time the search warrant was executed on your home weren't they?---Well I, like I said I can't recall, sorry. They might have been.

Now just on the subject of letters, in June of 2008, did you have in your laptop computer the letterhead for Sydvat, Mr Neiron's company?---I had Johel Neiron's documents on my hard drive because he was utilising my hard drive.

40

So the answer to my question is yes?---Yes, that's correct.

Thank you. And if I was to show you this original piece of letterhead that would represent would it not what was available for you to print out from your laptop computer in June of 2008?---That would be correct.

Thank you. Can I also show you, just keep that if you would. Can I also show you this document, with a copy. Now can I draw attention immediately to the squiggle and the arrow and the underlining around the date. Do you see that?---Yes, that's correct.

And can I confess that I'm responsible for that together with the highlighting over the name of the hospital?---Okay.

10 And just accept my apologies that I haven't been able to in the time to find a better copy, but just ignoring those aspects do you see this to be a copy of a letter apparently under the hand of Mr Neiron to RPA dated 10 June, 2008?  
---Yes, that's correct.

And as I think you've told us, and if you open Exhibit 1 at page 95?---Yes.

20 You had this form of letter in your laptop computer because it's the letter or the form of letter that you referred to in your email, Exhibit 119 of 13 May, as the letter for show. Do you remember that?---I don't have this letter on my computer, sorry.

Ms Lazarus, when I asked you about this in relation to the email response of 13 May and I took you to the sentence which describes the attached letter, which is a letter for show- - -?---Yes.

- - -you said to me that that was the form of letter that is at page 95 of Exhibit 1, the one to Professor Hacker?---Yes, that he gave to me as a hard copy. And that was either a photocopy, I'm pretty sure it wasn't the original 'cause the original was sent to Neville Hacker.

30 Well, be that true or not, it's obvious when one looks at the copy letter to RPA- - -?---Yes.

- - -that the form of the letter, apart from obviously who it's addressed to, is precisely the same as the letter to Professor Hacker at page 95?---Yes, that's correct.

Even down to the amount of the initial grant of A\$75,000?---Yes, that's correct.

40 Now, what I want to suggest to you is that you prepared this letter and passed it off to RPA Hospital as an original letter from Mr Neiron without obtaining his signature on it?---That's incorrect.

So what I want to suggest to you is that you had the letterhead available, which is the form of the document which represents what was in your laptop computer, and then you printed out the words that we see on the copy and then you used the letter that you'd obtained from Mr Neiron to Royal Hospital for Women and photocopied onto this document what appears

below the words, "Sincerely yours." Do you see that?---I'm sorry, that's incorrect.

Well, have a look at the signature of Mr Neiron at page 95 in Exhibit 1?  
---Yes.

And look at the signature on the copy document to RPA?---Ah hmm.

10 They appear to be precisely the same, don't they?---I'm sorry, I'm not a handwriting expert.

Well, you don't need to be any expert to answer that question, do you, it's obvious that they are precisely the same?---Well, the same reason you don't have be a handwriting expert to say those are the doctors' handwriting and that's their signatures? I'm sorry.

20 Have a look at, have a look at the line that runs across the page immediately above the words in typed, "Sincerely yours." Do you see that line that runs across the page?---Um, it's a, yes.

And what you've done, may I suggest to you, in preparing this letter to RPA, is to use the, one of the originals, because there were no doubt two, you used one of the originals of Mr Neiron's letter to Royal Hospital for Women at page 95 to photocopy that detail, including the detail of the various Sydvat entities internationally, and pass off this letter to RPA as a genuine letter from Mr Neiron?---I'm sorry, that is so far-fetched, that's so incorrect.

30 Mmm?---I cannot tell you how incorrect that is.

Mmm. Because at this point, that is to say early June 2008, you were trying to get through the door of RPA to conduct some clinical trials in relation to cardiology at that hospital, weren't you?---That's correct. And the employment for that was actually advertised um, by the hospital on their um, on their Website as a position vacant if you- - -

Your answer is yes?---Sorry?

40 The answer is yes?---To conduct cardiology trial, yes, that's correct.

MR ALEXIS: And you took this letter, a copy of which is before, which opens with the reference to a research grant for the Medex test cardiology clinical trial at the Royal Prince Alfred. You took that letter to RPA to try and present them with an opportunity for this sort of trial to be conducted in relation to cardiology patients?---The letter was again provided to me by Johel Neiron.

THE COMMISSIONER: Did you do it or not?---Yes.



MR ALEXIS: Thank you. I tender both the form of letterhead which represents what was in the computer as at June 2008 together with the letter to RPA of 10 June, 2008.

THE WITNESS: Johel Neiron's travel arrangements are in my hard drive as well.

10 THE COMMISSIONER: The form of Sydvat letterhead is Exhibit 124 and the letter from Mr Neiron to RPA of 10 June, 2008 will be Exhibit 125.

**#EXHIBIT 124 - FORM OF SYDVAT LETTERHEAD**

**#EXHIBIT 125 - LETTER FROM MR NEIRON TO RPA DATED 10 JUNE 2008**

20 THE COMMISSIONER: I think it's the appropriate time to adjourn, Mr Alexis.

MR ALEXIS: I'm sorry, Commissioner?

THE COMMISSIONER: Adjourn.

MR ALEXIS: Yes. Can I perhaps just for the convenience of my learned friends ask for an indication as to how long you'd wish to adjourn for lunch?

30 THE COMMISSIONER: Shall we start at 2.00pm?

MR ALEXIS: Thank you, Commissioner.

**LUNCHEON ADJOURNMENT**

**[1.04pm]**