

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 96778 / January 31, 2023**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-20781**

---

**In the Matter of**

**Baxter International Inc.,**

**Respondent.**

---

**SECOND EXTENSION ORDER**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-20782**

---

**In the Matter of**

**Jeffrey Schaible,**

**Respondent.**

---

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-20783**

---

**In the Matter of**

**Scott Bohaboy,**

**Respondent.**

---

The Division of Enforcement (“Division”) has requested an extension of time until February 28, 2023 to submit a Proposed Plan of Distribution under Rule 1101(a) of the Commission’s Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1101(a).

On February 22, 2022, the Commission issued an Order Instituting Cease-and-Desist Proceedings, Pursuant to Section 8A of the Securities Act of 1933 and Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order (the “Order”)<sup>1</sup> against Baxter International Inc. (“Baxter”). In the Order, the Commission found that beginning in at least 2009 and continuing through July 2019, Baxter improperly leveraged its foreign exchange rate convention by engaging in intra-company transactions for the purpose of generating foreign exchange accounting gains or avoiding foreign exchange accounting losses (the “FX Transactions”). These FX Transactions had the effect of materially misstating Baxter’s net income as reported in public filings. On October 24, 2019, Baxter issued a press release announcing that it had begun conducting an internal investigation of previously reported non-operating income related to the FX Transactions. In March 2020, Baxter restated its financial statements, which reduced its previously reported net income for 2017 through June 30, 2019, and retained earnings as of January 1, 2017, by \$582 million, collectively. The Commission ordered Baxter to pay a civil money penalty of \$18 million to the Commission and created a Fair Fund pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002 (the “Baxter Fair Fund”).

Also on February 22, 2022, in two related matters, the Commission issued Corrected Orders Instituting Cease-and-Desist Proceedings, Pursuant to Section 8A of the Securities Act of 1933 and Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order against Jeffrey Schaible (the “Schaible Order”)<sup>2</sup> and Scott Bohaboy (the

---

<sup>1</sup> Securities Act Rel. No. 11032 (Feb. 22, 2022).

<sup>2</sup> Securities Act Rel. No. 11033 (Feb. 22, 2022).

“Bohaboy Order”).<sup>3</sup> During relevant times, Schaible was an employee in the Treasury department of Baxter, and Bohaboy was its Treasurer. In the Schaible and Bohaboy Orders, the Commission found that the respondents, among other things, caused Baxter’s violations of the federal securities laws. The Commission ordered Schaible to pay disgorgement, prejudgment interest, and a civil penalty totaling \$189,359.00 and Bohaboy to pay a civil money penalty of \$125,000. The Commission created a Fair Fund in each of the Schaible and Bohaboy Orders pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002 and further ordered those Fair Funds combined with the Baxter Fair Fund.

The Baxter Fair Fund includes the \$18,314,359.00 paid by Baxter, Schaible, and Bohaboy. The Baxter Fair Fund has been deposited in a Commission-designated account at the U.S. Department of the Treasury, and any interest accrued will be added to, and become a part of, the Baxter Fair Fund.

On April 19, 2022, the Division, pursuant to delegated authority, issued an Extension Order, extending the Division’s time until January 31, 2023, to submit a proposed plan of distribution.<sup>4</sup>

The Division now states that additional time is needed to prepare the proposed plan of distribution.

---

<sup>3</sup> Securities Act Rel. No. 11034 (Feb. 22, 2022).

<sup>4</sup> Exchange Act Rel. No. 94753 (Apr. 19, 2022).

Accordingly, for good cause shown, IT IS HEREBY ORDERED that the Division's request for an extension of time until February 28, 2023 to submit a Proposed Plan of Distribution is granted.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.<sup>5</sup>

Vanessa A. Countryman  
Secretary

---

<sup>5</sup> 17 C.F.R. § 200.30-4(a)(21)(i).