

**BAXTER FAIR FUND, FUND ADMINISTRATOR**  
**EPIQ Class Action & Claims Solutions, Inc.**  
**P.O. Box 6700**  
**Portland, OR 97228-6700**

IN THE MATTER OF  
BAXTER INTERNATIONAL, INC.  
Respondent,

ADMINISTRATIVE PROCEEDING  
File No. 3-20781 (Feb 22, 2022)

IN THE MATTER OF  
JEFFREY SCHAIBLE  
Respondent,

ADMINISTRATIVE PROCEEDING  
File No. 3-20782 (Feb 22, 2022)

IN THE MATTER OF  
SCOTT BOHABOY  
Respondent,

ADMINISTRATIVE PROCEEDING  
File No. 3-20783 (Feb 22, 2022)

## PLAN NOTICE OF BAXTER FAIR FUND

**TO: Individuals and entities who purchased or otherwise acquired shares of Baxter International common stock during the period of May 6, 2015 through October 23, 2019, inclusive and suffered a loss according to the Distribution Plan approved by the Securities and Exchange Commission “Plan”):**

**You may be eligible for a Distribution Payment from the Baxter Fair Fund.**

The Baxter Fair Fund has been established in the three Securities and Exchange Commission administration proceedings set forth at the top of this Notice. You can read more about the proceedings and view the plan at: <https://www.sec.gov/enforcement/information-for-harmed-investors/baxter>.

### **ACTION THAT YOU MUST TAKE (Further Discussed in Part III)**

ALL CLAIMS AND TAX DOCUMENTS MUST BE SUBMITTED SO THAT THEY ARE POSTMARKED ON OR BEFORE JANUARY 23, 2024; OR SUBMITTED ONLINE AT [WWW.BAXTERFAIRFUNDDISTRIBUTION.COM](http://WWW.BAXTERFAIRFUNDDISTRIBUTION.COM), OR OTHERWISE SUBMITTED, AND RECEIVED BY THE FUND ADMINISTRATOR ON OR BEFORE JANUARY 23, 2024.

### **Persons who submitted a Claim in connection with the Related Class Action:**

**In general, if you submitted a claim in connection with the related class action, *IN RE BAXTER INTERNATIONAL INC. SECURITIES LITIGATION*, Case No. 1:19-cv-07786 (N.D. Ill.) (the “Class Action”) that was accepted in that action, you will not have to submit a claim to be considered for a payment from the Baxter Fair Fund, but you must return the Taxpayer Certification Form included with this Plan Notice.**

**If you submitted a claim in connection with the Class Action and you want to change the claim in any way, you must SUBMIT A NEW CLAIM FORM. (see Section III, below)**

**If you submitted a claim in connection with the Class Action and there is a Claim Deficiency Notice included with this Plan Notice, you must follow the directions set forth in Section III, below.**

## **All other Persons:**

**If you did not submit a claim in connection with the Class Action or if the claim you submitted in connection with the Class Action was rejected but a Claim Deficiency Notice was not included with this Plan Notice, you must SUBMIT A COMPLETED CLAIM FORM (See Section III below).**

PLEASE READ THIS PLAN NOTICE CAREFULLY AND IN ITS ENTIRETY. IF YOU SATISFY THE ELIGIBILITY CRITERIA DESCRIBED BELOW, YOU MAY BE ELIGIBLE FOR A DISTRIBUTION PAYMENT FROM THE BAXTER FAIR FUND. THIS PLAN NOTICE CONTAINS IMPORTANT INFORMATION REGARDING YOUR POSSIBLE ELIGIBILITY TO SHARE IN THE BAXTER FAIR FUND.

### **I. Background**

On February 22, 2022, the U.S. Securities and Exchange Commission (the “Commission”) issued the Baxter Order instituting and simultaneously settling cease-and-desist proceedings against Baxter International, Inc. (“Baxter”). In the Baxter 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”). The 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 foreign exchange gains and losses. 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 the Baxter Fair Fund pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalties paid, along with the disgorgement and interest paid, could be distributed to harmed investors.

Also on February 22, 2022, in two related matters the Commission instituted and simultaneously settled cease-and-desist proceedings against Jeffrey Schaible (the “Schaible Order”) and Scott Bohaboy (the “Bohaboy Order”). During relevant times, Jeffrey Schaible (“Schaible”) was an employee in the Treasury department of Baxter, and Scott Bohaboy (“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, and the Baxter Fair Fund has been deposited at the United States Department of the Treasury for investment. Accrued interest and any assets directed to the Baxter Fair Fund by Court or Commission order or otherwise, shall be added to, and become a part of, the Baxter Fair Fund.

### **II. Eligibility Criteria and Distribution Methodology**

If you purchased or otherwise acquired shares of Baxter International common stock during the period from May 6, 2015 through October 23, 2019 (the “Relevant Period”), are not excluded from the Baxter Fair Fund an “Excluded Party” (as defined below), and suffered a loss according to the Plan, you may be eligible for a payment from the Baxter Fair Fund. In order to be considered for eligibility, you may have to file a claims form—please read the directions in the next section carefully in order to determine whether you must now file a claims form.

Excluded Parties: The following parties are excluded from receiving any recovery from the Baxter Fair Fund: (i) Baxter, Schaible, and Bohaboy (collectively, the “Respondents”); (ii) Present or former officers or directors of Respondents or any assigns, creditors, heirs, distributees, spouses, parents, dependent children or controlled entities of any of the foregoing Persons or entities; (iii) Any employee or former employee of the Respondents or any of their affiliates who has been terminated for cause or has otherwise resigned, in connection with the conduct described in the Orders; (iv) Any Person who, as of the Claims Bar Date<sup>1</sup>, has been the subject of criminal charges related to the conduct described in the Securities and Exchange Commission’s Orders or any related Commission action;

<sup>1</sup> Terms used in this Plan Notice but not defined are used as defined in the Plan.

(v) Any firm, trust, corporation, officer, or other entity in which has or had Respondents with a controlling interest; (vi) The Fund Administrator, its employees, and those Persons assisting the Fund Administrator in its role as the Fund Administrator; (vii) Any purchaser or assignee of another Person's right to obtain a recovery from the Baxter Fair Fund for value; provided, however, that this provision shall not be construed to exclude those Persons who obtained such a right by gift, inheritance or devise; and (viii) Any person who is confirmed by the Fund Administrator to be subject to sanctions by the United States government, as determined by Executive Orders, the authority of the Department of the Treasury's Office of Foreign Asset Control (OFAC) or any other applicable laws of the United States.

The Recognized Loss Amount incurred by a claimant shall be determined as set forth in the Plan. The methodology used to determine eligibility and calculate Distribution Payments as is set forth in Exhibit A of the Plan, which is available on the Baxter Fair Fund's website at [www.BaxterFairFundDistribution.com](http://www.BaxterFairFundDistribution.com).

**Additional information or specification may be requested by the Fund Administrator to determine eligibility for a Distribution Payment. Investors who do not timely provide requested information to the Fund Administrator may be deemed ineligible for a distribution under the Plan.**

### **III. If and When to File a Claim Form and Submit Tax Documents**

**If you filed a claim in the Class Action and your claim was accepted, you do not need to file a Claim Form in connection with the Baxter Fair Fund, unless you want to modify your existing claim (see below) but you must complete, sign, and submit the Taxpayer Certification Form that has been included with this Plan Notice. The Taxpayer Certification Form is to ensure that the Baxter Fair Fund can comply with its reporting and/or withholding obligations and must be returned to the Fund Administrator at *Baxter Fair Fund*, P.O. Box 6700, Portland, OR 97228-6700. **The Taxpayer Certification Form must be submitted so that it is postmarked on or before January 23, 2024; or submitted through the Baxter Fair Fund website [www.BaxterFairFundDistribution.com](http://www.BaxterFairFundDistribution.com), or otherwise submitted, so that it is received by the Fund Administrator on or before January 23, 2024.****

**If you did not file a claim in connection with the Class Action or if a claim that you submitted in the Class Action was denied for a non-curable deficiency and a Claim Deficiency Notice was not included in the Plan Notice, you must file a claim in connection with the Baxter Fair Fund in order to be considered for a Distribution Payment. Specifically, if you purchased or otherwise acquired shares of Baxter International common stock during the period of May 6, 2015 through October 23, 2019, inclusive and believe you suffered a loss from that acquisition, and you are not excluded (see "Excluded Parties," above) you must complete and submit a Claim Form in order to be considered for a payment from the Baxter Fair Fund. You may complete a Claim Form online or obtain a copy of the Claim Form from the Baxter Fair Fund's website at [www.BaxterFairFundDistribution.com](http://www.BaxterFairFundDistribution.com), or you can request that a Claim Form be sent to you by calling toll-free 844-787-6813, emailing [Info@BaxterFairFundDistribution.com](mailto:Info@BaxterFairFundDistribution.com), or writing to Baxter Fair Fund, P.O. Box 6700, Portland, OR 97228-6700. **Any such claim must be submitted so that it is postmarked on or before January 23, 2024; or submitted online, or otherwise submitted, and received by the Fund Administrator on or before January 23, 2024.****

**If you want to modify the claim that you submitted in connection with the Class Action, you should file a new claim in connection with the Baxter Fair Fund. You may complete and submit an online Claim Form or obtain a copy of the Claim Form from the Baxter Fair Fund website at [www.BaxterFairFundDistribution.com](http://www.BaxterFairFundDistribution.com), or request that the Fund Administrator mail you a Claim Form by calling toll-free 844-787-6813, emailing [Info@BaxterFairFundDistribution.com](mailto:Info@BaxterFairFundDistribution.com), or writing to Baxter Fair Fund, P.O. Box 6700, Portland, OR 97228-6700. **Your completed claim form must be submitted so that it is postmarked on or before January 23, 2024; or submitted online, or otherwise submitted, so that it is received by the Fund Administrator or submitted online on or before January 23, 2024.****

**If you opted out from the class in connection with the Class Action and would like to be considered for payment from the Baxter Fair Fund you must file a new claim in connection with the Baxter Fair Fund. You may complete and submit an online Claim Form or obtain a copy of the Claim Form from the Baxter Fair Fund website at [www.BaxterFairFundDistribution.com](http://www.BaxterFairFundDistribution.com), or request that the Fund Administrator mail you a Claim Form by calling toll-free 844-787-6813, emailing [Info@BaxterFairFundDistribution.com](mailto:Info@BaxterFairFundDistribution.com), or writing to Baxter Fair Fund, P.O. Box 6700, Portland, OR 97228-6700. **Your completed claim form must be submitted so that it is postmarked on or before January 23, 2024; or submitted online, or otherwise submitted, so that it is received by the Fund Administrator or submitted online on or before January 23, 2024.****

**If you have been determined to be an Unauthorized Class Action Claimant with a curable deficiency, this Plan Notice includes a Claim Deficiency Notice and a Taxpayer Certification Form.** The Claim Deficiency Notice will contain the specific defects in your claim and how to resolve them. In order to be eligible for a distribution payment from the Baxter Fair Fund, you must correct the deficiency(ies) listed in the Claim Deficiency Notice that you received. If you wish to modify your Class Action Claim in any way not listed in the Claim Deficiency Notice, you must submit a Claim Form for the Baxter Fair Fund. You may complete and submit an online Claim Form, obtain a copy of the Claim Form from the Baxter Fair Fund website at [www.BaxterFairFundDistribution.com](http://www.BaxterFairFundDistribution.com), or request that the Fund Administrator mail you a Claim Form by calling toll-free 844-787-6813, emailing [Info@BaxterFairFundDistribution.com](mailto:Info@BaxterFairFundDistribution.com), or writing to Baxter Fair Fund, P.O. Box 6700, Portland, OR 97228-6700.

**Your response or completed claim form must be submitted so that it is postmarked on or before January 23, 2024; or submitted online, or otherwise submitted, so that it is received by the Fund Administrator or submitted online on or before January 23, 2024.**

Additional information regarding the Baxter Fair Fund may be found on the website at [www.BaxterFairFundDistribution.com](http://www.BaxterFairFundDistribution.com) or <https://www.sec.gov/divisions/enforce/claims/baxter.htm>. You can also obtain a copy of the Plan and additional information by calling 844-787-6813, emailing [Info@BaxterFairFundDistribution.com](mailto:Info@BaxterFairFundDistribution.com), or writing to Baxter Fair Fund, Fund Administrator, P.O. Box 6700, Portland, OR 97228-6700.

Additional Plan Notices may also be downloaded at the Baxter Fair Fund's website.

**PLEASE CHECK THE WEBSITE [WWW.BAXTERFAIRFUNDDISTRIBUTION.COM](http://WWW.BAXTERFAIRFUNDDISTRIBUTION.COM) FREQUENTLY FOR UPDATES.**

**Baxter Fair Fund  
P.O. Box 6700  
Portland, OR 97228-6700**

## **SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES**

If you held Baxter International common stock during the Relevant Period (May 6, 2015 through October 23, 2019, inclusive) for the beneficial interest of an individual or entity other than yourself, or submitted a claim on behalf of an investor, any Distribution Payments must be made by check or electronic payment to the Payee. Any other payment arrangement must be discussed with the Fund Administrator in consultation with the Commission staff. Compensation to Third-Party Filers or nominees for its services may not be paid or deducted from the Distribution Payment. If, after discussion with the Fund Administrator, and authorization by the Eligible Claimant(s), a Distribution Payment is to be made to a Third-Party Filer or nominee, then you must complete a certification that will require you to attest that any Distribution Payment will be allocated for the benefit of investors. The certification will be available on the Baxter Fair Fund website and upon request from the Fund Administrator. Additional information related to Third-Party Filers and nominees can be found in the Distribution Plan.

All communications concerning the foregoing should be addressed to the Fund Administrator at the address below:

*Baxter Fair Fund*  
P.O. Box 6700  
Portland, OR 97228-6700  
1-844-787-6813  
[info@BaxterFairFundDistribution.com](mailto:info@BaxterFairFundDistribution.com)