



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#25-1223

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Shari L. McCartney, City Attorney

DATE: December 16, 2025

TITLE: Resolution Authorizing Retention of Abraham, Fruchter & Twersky, LLP, as
Special Counsel to the City of Fort Lauderdale General Employees'
Retirement Plan to Pursue Litigation against Baxter International, Inc., et al.
- **(Commission Districts 1, 2, 3, and 4)**

Recommendation

It is recommended that the City Commission adopt a resolution authorizing retention of Abraham, Fruchter & Twersky, LLP, ("AF&T" or "Firm"), as special counsel to the City of Fort Lauderdale General Employees' Retirement Plan ("Plan" or "Client") to pursue litigation against Baxter International, Inc., ("Baxter"), and certain of its officers and/or directors as appropriate.

Background

Pursuant to a Retention Agreement between the City of Fort Lauderdale General Employees' Retirement System and Abraham, Fruchter & Twersky, LLP, the Plan has engaged AF&T for the purpose of prosecuting claims under the federal securities laws against Baxter International, Inc., and certain of its officers and/or directors as appropriate. The Client has authorized the Firm on behalf of itself and a putative class to prosecute federal securities claims relating to Baxter securities purchased or acquired by Client during the putative class period (the "Litigation").

It is estimated that the Plan's losses amounted to \$1,099,077.97 during the relevant class period. At its meeting of November 13, 2025, the Board of Trustees of the Plan approved the pursuit of lead plaintiff status in a class action securities action against Baxter.

Pursuant to Subsection 20-113(n), Code of Ordinances of the City of Fort Lauderdale, Florida, the City Attorney, the City Attorney's designated assistant or special counsel serves as attorney for the Board of Trustees in all suits and actions to which the Board may be a party. To implement the Plan's engagement of AF&T, the City Commission should adopt a resolution pursuant to Section 4.10 of the Charter of the City of Fort Lauderdale, which provides, in part, "The city commission may, by resolution, authorize one (1) or more special counsel to be retained for the purpose of performing such legal duties as may be prescribed by said resolution. Each such resolution shall further

prescribe the compensation to be paid the special counsel.”

Compensation to be paid to AF&T will be as follows, as stated in the Retention Agreement:

- A. The Firm shall advance all costs and other expenses in the Litigation including, but not limited to, any expenses incurred by Client related to depositions or any other legal proceedings it is advised by counsel to attend. Costs and expenses shall be reimbursed contingent upon a recovery being obtained from the defendant(s) in the Litigation and shall be payable from such recovery.
- B. The Firm will defend and indemnify Client for any claims asserted against Client or its representatives for its institution, prosecution and/or resolution of this action including, but not limited to, claims or sanctions involving attorneys’ fees and costs.
- C. The Firm’s compensation for the work performed and the efforts made in the Litigation shall also be contingent upon a recovery being obtained in the Litigation, whether by settlement, judgment, or alternative dispute resolution including, but not limited to, mediation or arbitration. In the event that such a recovery is obtained, compensation shall be in the amount awarded by the Court but, in no event, will the Firm seek compensation in excess of 33⅓ % of the total recovery plus reasonable disbursements for costs and expenses in the Litigation. Costs and expenses shall include but not be limited to, as needed, travel, telephone, copying, fax transmission, depositions, investigators, messengers, mediation expenses, computer research fees, court fees, expert fees, other consultation fees and paralegal expenses.
- D. Client authorizes AF&T to associate with additional, local, liaison, trial, co-counsel, lead counsel and/or co-lead counsel as it deems appropriate for the prosecution of the Litigation and authorizes such counsel to work on and try the Litigation and to be designated by the Court as additional, local, liaison, trial, co-counsel, lead counsel and/or co-lead counsel on its behalf and on behalf of the contemplated putative class of similarly situated investors which it seeks to represent. Client expressly authorizes AF&T to allocate and divide among itself and all such counsel with whom it may associate any contingent attorneys’ fees that may eventually be awarded by the Court with respect to the Litigation to the Firm and/or to the Firm’s associated counsel, individually or collectively. Such allocation and division shall be subject to AF&T’s discretion and made in accordance with the work performed by counsel and any agreements reached between AF&T and such associated counsel. It is understood and agreed by the parties hereto that the aggregate amount of contingent attorneys’ fees that may be awarded to the Firm and any associated counsel engaged in the prosecution of the

Litigation on Client's behalf will in no event exceed in aggregate 33⅓ % of the total recovery plus reasonable disbursements in the Litigation regardless of the participation of associated counsel.

- E. In the event that the Litigation is resolved by settlement under terms involving any "in-kind" payment, such as stock, this contingent fee agreement shall apply to such "in-kind" payment.

Resource Impact

There is no fiscal impact to the City.

Attachments

Exhibit 1 – Memorandum from Abraham, Fruchter & Twersky, LLP

Exhibit 2 – Resolution

Exhibit 3 – Retention Agreement

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Charter Officer: Shari L. McCartney, City Attorney