

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) June 30, 2020



**Cross Country Healthcare, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**0-33169**  
(Commission  
File Number)

**13-4066229**  
(I.R.S. Employer  
Identification No.)

**5201 Congress Avenue, Suite 100B, Boca Raton, Florida 33487**

(Address of Principal Executive Office) (Zip Code)

**(561) 998-2232**

(Registrant's telephone number, including area code)

**Not Applicable**

(Former name or former address, if changed since last report)

**Securities registered pursuant to Section 12(b) of the Act:**

<b>Title of each class</b>	<b>Trading Symbol</b>	<b>Name of each exchange on which registered</b>
Common stock, par value \$0.0001 per share	CCRN	The NASDAQ Stock Market

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 1.01 Entry into a Material Definitive Agreement**

On June 30, 2020, Cross Country Healthcare, Inc. (the "Company") amended its ABL Credit Agreement dated October 25, 2019 among the Company, substantially all of its wholly-owned subsidiaries, PNC Bank N.A., as lender, and Wells Fargo Bank N.A., as lender and administrative agent. The amended ABL Credit Agreement increases the current aggregate committed size of the asset-based credit facility from \$120.0 million to \$130.0 million. All other terms, conditions, covenants, and pricing of the ABL Credit Agreement remain the same.

The foregoing description does not purport to be complete and is qualified in its entirety by reference to the full text of the Amended ABL Credit Agreement as filed as Exhibit 10.1 to this Form 8-K.

**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant**

The information provided in Item 1.01 of this Current Report on Form 8-K is incorporated into Item 2.03 by reference.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

On June 30, 2020 and as part of the registrant's response to the current economic environment resulting from the COVID-19 pandemic, the Company's Board of Directors approved a 10% reduction in base salary for the following executive officers: William Burns, EVP and Chief Financial Officer, Buffy White, EVP and Group President Workforce Solutions & Services, Stephen Saville, EVP Operations, and Susan Ball, EVP and General Counsel. The 10% reduction is expected to continue until December 31, 2020, and will not impact other compensation elements such as short-term incentives. Effective July 1, 2020, their new base salaries are as follows: Mr. Burns, \$472,500; Ms. White, \$387,000; Mr. Saville, \$387,000; and Ms. Ball, \$378,000.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

Exhibit	Description
<a href="#">10.1</a>	<a href="#">Amendment No. 1 to ABL Credit Agreement, dated as of June 30, 2020, by and among Cross Country Healthcare, Inc. and certain of its domestic subsidiaries as borrowers or guarantors, PNC Bank N.A., as lender, and Wells Fargo Bank N.A., as administrative agent, collateral agent, and lender</a>
104.1	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

**CROSS COUNTRY HEALTHCARE, INC.**

Dated: June 30, 2020

By: /s/ William J. Burns  
Name: William J. Burns  
Title: Executive Vice President and Chief Financial Officer

AMENDMENT NO. 1 TO ABL CREDIT AGREEMENT

AMENDMENT NO. 1 TO ABL CREDIT AGREEMENT, dated as of June 30, 2020 (this “Amendment No. 1”), is by and among Wells Fargo Bank, National Association, a national banking association, as administrative agent for each member of the Lender Group and the Bank Product Providers (in such capacity, together with its successors and assigns in such capacity, “Agent”), Wells Fargo Bank, National Association, a national banking association, in its capacity as sole lead arranger (in such capacity, together with its successors and assigns in such capacity, the “Lead Arranger”), Wells Fargo Bank, National Association, a national banking association as sole book runner (in such capacity, together with their successors and assigns in such capacity, the “Book Runner”), Wells Fargo Bank, National Association, a national banking association, as collateral agent (in such capacity, together with its successors and assigns in such capacity, “Collateral Agent”), Cross Country Healthcare, Inc., a Delaware corporation (“Parent”), Cejka Search, Inc., a Delaware corporation (“Cejka”), Cross Country Staffing, Inc., a Delaware corporation (“Cross Country Staffing”), Assignment America, LLC., a Delaware limited liability company (“Assignment America”), Travel Staff, LLC, a Delaware limited liability company (“Travel Staff”), Medical Doctor Associates, LLC, a Delaware limited liability company (“Medical Doctor”), OWS, LLC, a Delaware limited liability company (“OWS”), New Mediscan II, LLC, a California limited liability company (“New Mediscan” and together with Parent, Cejka, Cross Country Staffing, Assignment America, Travel Staff, Medical Doctor, OWS and those additional persons that hereafter become parties thereto as Borrowers in accordance with the terms thereof, each, a “Borrower” and individually and collectively, jointly and severally, the “Borrowers”), MDA Holdings, Inc., a Delaware corporation (“MDA Holdings”), Credent Verification and Licensing Services, LLC, a Delaware limited liability company (“Credent Verification” and together with MDA Holdings and those additional persons that hereafter become parties thereto as Guarantors in accordance with the terms thereof, each, a “Guarantor” and individually and collectively, jointly and severally, the “Guarantors”).

W I T N E S S E T H:

WHEREAS, Agent, Lenders, Borrowers and Guarantors have entered into senior secured asset-based revolving credit facility pursuant to which Lenders (or Agent on behalf of Lenders) have made and may make loans and advances and provide other financial accommodations to Borrowers as set forth in the ABL Credit Agreement, dated as of October 25, 2019, by and among Agent, Lenders, Borrowers and Guarantors (as the same is amended hereby and may from time to time hereafter be further amended, modified, supplemented, extended, renewed, restated or replaced, the “Credit Agreement”);

WHEREAS, Borrowers and Guarantors have requested that Agent and Lenders agree to certain amendments to the Credit Agreement and Agent and Lenders are willing to agree to such amendments subject to the terms and conditions contained herein;

WHEREAS, Agent, Lenders, Borrowers and Guarantors intend to evidence such amendments pursuant to the terms hereof;

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions.

1.1. Additional Definitions. The Credit Agreement is hereby amended to include, in addition and not in limitation, the following definitions:

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“Amendment No. 1” means Amendment No. 1 to ABL Credit Agreement, dated as of June \_\_\_\_, 2020, by and among Agent, Lenders, Borrowers and Guarantors, as the same now exists or may hereafter be amended, amended and restated, modified, supplemented, extended, renewed, restated or replaced.

“Amendment No. 1 Effective Date” means the first date upon which each of the conditions set forth in Section 5 of this Amendment No. 1 have been satisfied (or waived in writing).

1.2. Amendment to Definition—Maximum Credit. The definition of the term “Maximum Credit” in the Credit Agreement is hereby deleted in its entirety and replaced with the following:

“Maximum Credit” means \$130,000,000, increased by the amount of any Increase made in accordance with Section 2.14 of this Agreement.

1.3. Interpretation. For purposes of this Amendment No. 1, all terms used herein which are not otherwise defined herein, including but not limited to, those terms used in the recitals hereto, shall have the respective meanings assigned thereto in the Credit Agreement.

2. Amendment to Schedule C-1. Schedule C-1 of the Credit Agreement is hereby deleted in its entirety and replaced with Amended Schedule C-1 to Amendment No. 1.

3. Fees. In consideration of the amendments set forth herein, the Borrowers shall, on the Amendment No. 1 Effective Date, pay to PNC Bank, National Association the commitment increase fee set forth in the fee letter, dated of even date herewith, among the Borrowers and PNC Bank, National Association, which fee shall be fully earned and payable as of the Amendment No. 1 Effective Date.

4. Representations, Warranties and Covenants. Each Loan Party, jointly and severally, represents and warrants with and to Agent and Lenders as follows, which representations and warranties shall survive the execution and delivery hereof:

4.1. This Amendment No. 1 has been duly executed and delivered by each Loan Party that is party hereto. This Amendment No. 1 constitutes a legal, valid and binding obligation of each Loan Party, enforceable against such Loan Party that is party hereto in accordance with its terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.

4.2. The representations and warranties of each Loan Party or its Subsidiaries contained in the Credit Agreement or any of the other Loan Documents shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality or Material Adverse Effect (or words of similar import) in the text thereof) on and as of the date hereof, as though made on and as of such date (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality or Material Adverse Effect (or words of similar import in the text thereof) as of such earlier date).

4.3. No Default or Event of Default exists or has occurred and is continuing as of the date of, and after giving effect to, this Amendment No. 1.

5. Conditions Precedent. This Amendment No. 1 shall be effective upon the satisfaction of each of the following conditions precedent:

5.1. Agent shall have received each of the following:

- (a) this Amendment No. 1, duly authorized, executed and delivered by the Required Lenders and Loan Parties;
- (b) the Amended and Restated Revolving Note, duly authorized, executed and delivered by Borrowers in favor of PNC Bank, National Association; and
- (c) the fee letter by and among Borrowers and PNC Bank, National Association, duly authorized, executed and delivered by Borrowers.

5.2. PNC Bank, National Association shall have received payment of the commitment increase fee as provide for in the fee letter by and among Borrowers and PNC Bank, National Association.

5.3. As of the date of this Amendment No. 1, and after giving effect thereto, no Default or Event of Default shall exist or have occurred and be continuing.

6. Effect of Amendment No. 1. Except as expressly set forth herein and in prior amendments, no other amendments, changes or modifications to the Loan Documents are intended or implied, and in all other respects the Loan Documents are hereby specifically ratified, restated and confirmed by all parties hereto as of the effective date hereof and the Loan Parties shall not be entitled to any other or further amendment by virtue of the provisions of this Amendment No. 1 or with respect to the subject matter of this Amendment No. 1. To the extent of conflict between the terms of this Amendment No. 1 and the other Loan Documents, the terms of this Amendment No. 1 shall control. The Credit Agreement and this Amendment No. 1 shall be read and construed as one agreement. This Amendment No. 1 is a Loan Document. The Credit Agreement remains in full force and effect, and nothing contained in this Amendment No. 1 will constitute a waiver of any right, power or remedy under the Credit Agreement or any other Loan Document.

7. Governing Law. The validity, interpretation and enforcement of this Amendment No. 1 and any dispute arising out of the relationship between the parties hereto whether in contract, tort, equity or otherwise, shall be governed by the internal laws of the State of New York but excluding any principles of conflicts of law or other rule of law that would cause the application of the law of any jurisdiction other than the laws of the State of New York.

8. Jury Trial Waiver. LOAN PARTIES, AGENT AND LENDERS EACH HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER THIS AMENDMENT NO. 1 OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF THIS AMENDMENT NO. 1 OR THE TRANSACTIONS RELATED HERETO OR THERETO IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE. LOAN PARTIES, AGENT AND LENDERS EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT EACH LOAN PARTY, AGENT OR LENDER MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AMENDMENT NO. 1 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

9. Binding Effect. This Amendment No. 1 shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns.

10. Waiver, Modification, Etc. No provision or term of this Amendment No. 1 may be modified, altered, waived, discharged or terminated orally, but only by an instrument in writing executed by the party against whom such modification, alteration, waiver, discharge or termination is sought to be enforced.

11. Further Assurances. The Loan Parties shall execute and deliver such additional documents and take such additional action as may be reasonably requested by Agent to effectuate the provisions and purposes of this Amendment No. 1.

12. Entire Agreement. This Amendment No. 1 and the Credit Agreement represent the entire agreement and understanding concerning the subject matter hereof among the parties hereto, and supersedes all other prior agreements, understandings, negotiations and discussions, representations, warranties, commitments, proposals, offers and contracts concerning the subject matter hereof, whether oral or written.

13. Headings. The headings listed herein are for convenience only and do not constitute matters to be construed in interpreting this Amendment No. 1.

14. Counterparts. This Amendment No. 1, any documents executed in connection herewith and any notices delivered under this Amendment No. 1, may be executed by means of (i) an electronic signature that complies with the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, or any other relevant and applicable electronic signatures law; (ii) an original manual signature; or (iii) a faxed, scanned, or photocopied manual signature. Each electronic signature or faxed, scanned, or photocopied manual signature shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Agent reserves the right, in its sole discretion, to accept, deny, or condition acceptance of any electronic signature on this Amendment No. 1 or on any notice delivered to Agent under this Amendment No. 1. This Amendment No. 1 and any notices delivered under this Amendment No. 1 may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute only one instrument. Delivery of an executed counterpart of a signature page of this Amendment No. 1 and any notices as set forth herein will be as effective as delivery of a manually executed counterpart of this Amendment No. 1 or notice.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to be duly executed and delivered as of the day and year first above written.

BORROWERS:

**CROSS COUNTRY HEALTHCARE, INC.**

By: /s/ Kevin C. Clark  
Name: Kevin C. Clark  
Title: CEO

**CEJKA SEARCH, INC.**

By: /s/ Kevin C. Clark  
Name: Kevin C. Clark  
Title: Executive Vice President

**CROSS COUNTRY STAFFING, INC.**

By: /s/ Kevin C. Clark  
Name: Kevin C. Clark  
Title: Executive Vice President

**ASSIGNMENT AMERICA, LLC.**

By: /s/ Kevin C. Clark  
Name: Kevin C. Clark  
Title: Executive Vice President

**TRAVEL STAFF, LLC**

By: /s/ Kevin C. Clark  
Name: Kevin C. Clark  
Title: Executive Vice President

**OWS, LLC**

By: /s/ Kevin C. Clark  
Name: Kevin C. Clark  
Title: Executive Vice President

[Signature Page to Amendment No.1 to ABL Credit Agreement (Cross Country)]

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**NEW MEDISCAN II, LLC**

By: /s/ Kevin C. Clark  
Name: Kevin C. Clark  
Title: Vice President

**MEDICAL DOCTOR ASSOCIATES, LLC**

By: /s/ Kevin C. Clark  
Name: Kevin C. Clark  
Title: Executive Vice President

GUARANTORS:

**MDA HOLDINGS, INC.**

By: /s/ Kevin C. Clark  
Name: Kevin C. Clark  
Title: Executive Vice President

**CREDENT VERIFICATION AND LICENSING SERVICES, LLC**

By: /s/ Kevin C. Clark  
Name: Kevin C. Clark  
Title: Executive Vice President

[Signature Page to Amendment No.1 to ABL Credit Agreement (Cross Country)]

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**WELLS FARGO BANK, NATIONAL ASSOCIATION,**  
a national banking association, as Administrative Agent, Collateral Agent and as a Lender

By: /s/ Eric C. Morse  
Name: Eric C. Morse  
Its Authorized Signatory

[Signature Page to Amendment No.1 to ABL Credit Agreement (Cross Country)]

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**PNC BANK, NATIONAL ASSOCIATION**, as a Lender

By: /s/ Robert Fernandez  
Name: Robert Fernandez  
Its Authorized Signatory

[Signature Page to Amendment No.1 to ABL Credit Agreement (Cross Country)]

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Amended Schedule C-1

**Schedule C-1  
to  
ABL Credit Agreement**

**Commitments**

Lender	Commitments
Wells Fargo Bank, N.A.	\$70,000,000
PNC Bank, National Association	\$60,000,000

[Amended Schedule C-1]